

Board of Directors (Public)
Item 5.2

Subject: Month 7 Finance Report
Date of meeting: 24th November 2015
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Presented by: David Jago, Chief Finance Officer

Board Report

BAF Ref	Impact on BAF risk Rating
6	n/a

1. Executive Summary

This paper provides an update to the Board of Directors on the financial performance of the Trust for the period to Month 7 (period ending 31st October 2015). The in-month position reflects another challenging month, with the year to date deficit position increasing to £1.2m. The Trust continues to forecast a year end deficit position of £1.2m – which will require no further deterioration for the remainder of the financial year, and which will be dependent on a range of recovery actions, which include accelerated recruitment plans (to minimise agency usage) and delivery of activity plans. Work continues to ensure that the Trust is able to deliver a financially sustainable position, and to ensure that the Trust continues to operate within the terms of its licence. The Board of Directors are asked to discuss and note the content of the report.

2. Background

The Board of Directors approved the financial plan for 2015/16 as part of the operational plan presented at the March 2015 Board meeting that was subsequently submitted to Monitor.

3. Issues

The Trust has achieved an overall Financial Sustainability Risk Rating at Month 7 of 2, against a planned rating of 3 (delivery of planned level 3 would have required a deficit position of circa £700k). This is below the level which would ordinarily be considered as acceptable by Monitor, and is not sustainable without an increased risk of investigation. It is imperative therefore that the financial position improves sufficiently in order to restore a minimum risk rating of 3 in line with the plan. The Trust will deliver a risk rating of 3 at the year end, on the basis that the Trust delivers the forecast position. Any deterioration to the forecast will result in the rating falling to a 2.

The Trust has delivered a net deficit in month of £147k against a planned surplus of £165k, resulting in an adverse variance of £312k. The cumulative position shows a deficit of £1,200k against a planned deficit of £12k. This position incorporates a shortfall on CIP delivery and higher than trend levels of agency usage and premium costs.

Efficiencies achieved in the year to date are £1,935k against a plan of £2,539k. This provides a shortfall in delivery of £604k for the period. The in month position shows delivery of £288k

against a plan of £404k, resulting in a shortfall of £116k. In month slippage on efficiency programme is higher than historically experienced.

The key drivers in the movement between the original plan and the current forecast position are illustrated further within Appendix 9.

Capital expenditure was £2,322k for the first 7 months against a plan of £2,955k. Whilst the variance exceeds the 15% allowable tolerance (Variance exceeding 15% may result in Monitor requesting a reforecast of the position) an increased level of spend is forecast in November and December. It is assumed that by the end of Quarter 3 that spend will be broadly in line with plan. The Trust has recently been in dialogue with Monitor in respect of capital slippage and PDC conversion.

4. Conclusion

The net deficit position for October of £147k represents a further deterioration against the plan (surplus of £165k), with a resulting negative variance of £312k. The year to date position shows a net deficit of £1,200k, which is £1,188k above plan. As highlighted in previous months there will need to be continued focus for the remainder of the year on CIP delivery; minimising agency usage and premium costs; and avoidance of further cost pressures. The Financial Sustainability Risk Rating being delivered at the end of month 7 is at level 2, which is below plan – and does not constitute an acceptable or sustainable level of risk. The Trust will deliver a risk rating of 3 at the year end, on the basis that the Trust delivers the forecast position (£1,200k deficit). Any deterioration to the forecast will result in the rating falling to a 2.

Inpatient NHS activity was below plan in October by 32 spells (3%) the associated income position is £395k (7%) below plan. The cumulative position shows activity to be below plan by 33 spells and below on the income plan by £1,745k (5%).

A range of actions are being undertaken to restore the financial position, including;

- The Chief Financial Officer has written to all budget holders requesting recovery plans against over spending budgets. A total of 27 responses have been received, which are currently being reviewed to assess the financial impact, from which action plans will be developed and monitored on a monthly basis going forward;
- The Trust is proactively working to recruit to key posts, and the total number of vacancies at the end of October is at the lowest level for the year. Enhanced recruitment rates will reduce the level of dependency on agency and thus reduce costs going forward;
- Hourly rates for bank staff have also been increased with the intention of attracting more people to work on the bank, and again reduce agency usage;
- Further work is being undertaken to identify further CIP schemes, this work is being managed through the CIP steering group;
- The Trust has also taken further actions through a range of forums to ensure tighter budgetary control including a Trust wide cessation of non-clinical agency usage (with exceptional cases to be reviewed by the Executive Team).

5. Recommendations

The Board of Directors are asked to note the financial position of the Trust at the end of month 7 and the on-going work to identify restorative actions to deliver a financial sustainability risk rating at level 3.

1. Introduction

This paper sets out the Trust's financial performance at the end of October 2015 (month 7) and the delivery against the financial targets set within the annual plan and risk ratings set out by Monitor under the Risk Assessment Framework.

2. Key Financial Performance Indicators

The purpose of this paper is to present to the members of the Trust Board the Trust's financial position as at 31st October 2015.

Key issues to note on performance at the end of month 7;



Cash balances at £6.2m are £0.7m above planned balances of £5.5m.



Capital expenditure at £2.3m was below the cumulative plan of £2.9m by £0.6m.



Financial Sustainability Risk Rating of level 2 against a plan of 3.



A net deficit of £1.2m against a planned breakeven position.



Total income below plan by £0.9m.



Actual CIP achieved at £1.9m against planned £2.5m.



The total costs for the use of agency and additional sessions was £2.9m for the first 7 months, compared to £1.1m for the same period last year.

The Trust is reporting a net deficit of £147k achieved in October compared to a planned surplus of £165k, with an adverse in month variance of £312k.

Performance to date delivers a Financial Sustainability Risk Rating of 2.

Inpatient activity performance has been below plan in month by 32 spells, with income below plan by £395k for the month. The Surgical Division was 24 spells below plan with an under performance against the income plan of £380k (15%), the Medical Division was below plan by 9 spells and £20k below the income plan (1%).

Inpatient spells (excluding Private Patients) were 3% below plan in month.

The key points to note at the end of October include:

- Total income to date is £877k below plan (1.2%);
- Included within the total cumulative income position private patient income has underperformed by £413k (17.9%);

- Total operating expenditure has over spent by £463k in year to date, this includes higher than planned levels of agency usage, together with other premium costs associated with additional sessions undertaken;
- The cost improvement programme (CIP) plan to Month 7 is £2,539k, against which the Trust has delivered efficiencies of £1,935k. The shortfall in CIP delivery is therefore £604k;
- The Trust is forecasting a year end forecast of £1.2m, which will require no further deterioration in the financial position in the remaining 5 months of the years. A range of actions are being taken to ensure that the Trust position doesn't slip further, and to improve the forecast position. These actions include the accelerated recruitment to vacant posts, delivery of activity plans and the exertion of tighter cost control (such as cessation of non-clinical agency staff usage). All over spending budget holders have been tasked with developing a recovery plan, these are being evaluated and collated, and further updates will be provided to assess the likely impact on the year end forecast position.
- Capital expenditure for the year was £2.3m against a plan of £2.9m;
- Cash balances are £0.7m above the plan of £5.5m with the actual cash balance at the end of month 7 being £6.2m;

3. Monitor Metrics Summary

Table 1 Financial Sustainability Risk Rating

Financial Sustainability Risk Rating (FSRR)	Plan YTD	Actual YTD	Variance YTD
Debt Service Cover			
Total Revenue for Debt Service	4,275	2,934	(1,341)
Total Debt Service	(1,386)	(1,420)	(34)
Debt Service Cover Matrix	3.08	2.07	(1.02)
Debt Service Cover Rating	4	3	-1
Liquidity			
Cash for CoS Liquidity Purpose	(1,921)	(2,590)	(669)
Operating Expenses within EBITDA	(66,630)	(67,093)	(463)
Liquidity Metric (Days)	(6.1)	(8.1)	(2.1)
Liquidity Rating	3	2	-1
I&E Margin			
Surplus/(deficit) before impairments etc	(12)	(1,200)	(1,188)
Total operating and non-operating income	70,963	70,202	(761)
I&E Margin metric %	-0.02%	-1.71%	-1.69%
I&E Margin	2	1	-1
Variance in I&E Margin			
I&E Margin	-0.02%	-1.71%	-1.69%
I&E Margin variance from Plan	-0.35%	-1.69%	-1.34%
Variance in I&E Margin	3	2	-1
Financial Sustainability Risk Rating	3	2	-1

The month 7 overall risk rating on the Monitor metrics is level 2. Note, the overall rating which can be achieved by the Trust is capped so that if the Trust scores a "1" on any metric except variance in capital expenditure, the overall rating will be capped at a 2. As noted in the Table above the score for the I&E margin is a 1, and so the until this position improves the Trust rating will be capped at a risk rating of 2. Sensitivity work undertaken shows a £500k improvement would deliver a level 3 on liquidity, level 2 on I&E margin and therefore an overall risk rating at level 3.

Although not part of the overall risk rating score, a series of additional indicators to highlight the potential for any future material financial risk have been used historically by Monitor. Whilst now not formally covered in template returns those that remain relevant are shown below for completeness.

Cumulative Performance to Month 7

Unplanned decrease in (quarterly) EBITDA margin in two consecutive quarters	Yes
Trust is unable to certify that Board anticipates that the Quarterly FRR will be at least 3 over the next 12 months (from Governance Statement)	Yes
Debtors > 90 days past due account for more than 5% of total debtor balances	Yes
Debtors > 90 days past due account for more than 5% of total debtor balances Creditors > 90 days past due account for more than 5% of total creditor balances	Yes
Capital expenditure > 115% of Latest Plan for the year to date	No
Capital expenditure < 85% of Latest Plan for the year to date	Yes

Debtors > 90 days past due - total £1.2m and account for 36% of total debtors. £0.9m relates to private Health Insurers, conference calls are scheduled to take place with the intention to resolving the position. It has proved challenging to get discussions with insurers.

Creditors >90 days past due - total £0.6m and accounts for 16% of total creditor balances. Further work is still required with Royal Liverpool & Broadgreen Hospitals, but significant improvements have been made over recent months.

4.Statement of Comprehensive Income (SoCI)

For completeness the SoCI is attached at **Appendix 1**.

4.1 Income and activity

Activity & Clinical Income by Point of Delivery

Point of Delivery	Month 7						Cumulative					
	Inpatient Activity			Income (£000's)			Inpatient Activity			Income (£000's)		
	Plan YTD	Actual YTD	Var YTD	Plan YTD	Actual YTD	Var YTD	Plan YTD	Actual YTD	Var YTD	Plan YTD	Actual YTD	Var YTD
Day Case	373	375	2	810	797	-14	2,545	2,664	119	5,531	5,730	198
Elective	357	346	-11	2,276	2,004	-272	2,435	2,320	-115	15,538	13,919	-1,619
Non Elective	373	356	-17	1,812	1,695	-116	2,549	2,548	-1	12,366	12,082	-284
Excess Bed Days	153	174	21	33	38	5	1,046	782	-264	224	170	-54
OP First attenders	2,010	2,067	57	333	368	35	13,719	13,971	252	2,271	2,375	104
OP Follow ups	3,444	4,593	1,149	379	539	160	23,513	26,723	3,210	2,587	3,084	497
Outpatients Radiology	659	793	134	92	124	32	4,501	5,230	729	628	769	141
Outpatient Other (ECG, Oxygen, Pulm Rehab)	1,237	658	-579	136	104	-32	8,447	8,202	-245	927	939	13
Critical Care	1,061	987	-74	1,392	1,260	-132	7,239	7,319	80	9,500	9,482	-18
Critical Care Transition	0	0	0	0	0	0	0	0	0	0	0	0
Devices	171	184	13	1,056	1,140	84	1,170	1,215	45	7,208	7,676	468
Drugs	0	0	0	282	381	99	0	0	0	1,924	2,264	340
Cystic Fibrosis	28	22	-6	441	444	2	193	170	-23	3,013	3,028	15
PPCI	108	119	11	14	16	1	738	777	39	97	99	2
Other Adjustments	84	114	30	358	385	26	577	867	290	2,507	2,140	-367
Total	10,060	10,788	728	9,414	9,292	-121	68,672	72,788	4,116	64,321	63,756	-565

Inpatient activity performance in month was below plan by 32 spells (3%), the year to date position shows activity as 33 spells below plan.

The most significant area of under performance in terms of income is in respect of elective activity. The reported position shows an income total of £13,919k in the year to date, against a plan of £15,538k, resulting in an adverse variance of £1,619k. This position includes activity provided for the Trust by South Manchester NHS FT to assist with short term capacity issues (13 spells, £216k). This position is illustrated in the following table, with the total reported income position for the Trust highlighted as the "LHCH Baseline" (inclusive of work undertaken by South Manchester NHS FT).

Provider	Spells			Income		
	Plan	Actual	Variance	Plan	Actual	Variance
LHCH	2,435	2,307	(128)	15,538	13,703	(1,835)
South Manchester	-	13	13	-	216	216
LHCH Baseline	2,435	2,320	(115)	15,538	13,919	(1,619)
UHNM	-	79	79	-	700 *	700 *
Total	2,435	2,399	(36)	15,538	14,619	(919)

* Estimated income received by UHNM for comparative purposes only.

As noted the work undertaken by South Manchester for the Trust is recorded as activity and income, but is paid out directly to the South Manchester, and so there is an equal and opposite effect across income and expenditure.

The Trust activity and income position does not include activity and income which is subcontracted to University Hospitals North Midlands (UHNM) NHS Trust, and so this has been included in the table above. UHNM have undertaken 79 spells, and while the Trust do not have access to the income this has accrued for UHNM, an estimate has been included for comparative purposes.

In summary the table illustrates the total value of elective work delivered for patients referred to this Trust, highlighting the components of activity and income recorded by this trust, and also the work subcontracted to neighbouring Trusts

- The Surgical Division was 24 spells below plan in month (7%) and £380k below plan in income terms. The year to date position shows activity below plan by 66 spells (3%) and £1,396k (8%). Performance by procedure group was:
 - Cardiac surgery 21 spells (11%) below plan and £271k (15%) below income plan in month, the cumulative position shows activity below plan by 80 spells (6%) and £1,486k (11%). The activity and income variance is largely driven by CABG & valve, Cardiac valve and TAVI activity.
 - Thoracic surgery reported 12 spells (10%) above plan and £115k (20%) above income plan. The cumulative position shows activity above plan by 50 spells (6%) and £444k (11%).
 - Upper GI was below plan by 3 spells (26%) and below plan on income by £20k (25%). The cumulative position shows activity below plan by 18 spells (24%) and £145k (27%).
- The Medicine Division was 9 spells below plan (1%) and £20k (1%). The year to date position shows activity above plan by 20 spells and £380k below plan on income (2%). The main variances by procedure group were:
 - Angioplasty was 30 spells below plan (15%) and £104k (14%) below income plan, the cumulative position shows activity below plan of 104 spells (7%) and £391k (8%).
 - EP Studies were 8 spells above plan in month (6%) and £33k (8%) above the income plan, however the cumulative position shows activity below plan by 39 spells (4%) and £178k (7%).
- Critical care bed days were reported as 74 below plan in month and £132k (7%) below the income plan, the cumulative position shows activity above plan by 80 bed days (%) and cumulatively below the income plan by £18k. The in month position is offset by the inclusion of a long stay adjustment, relating to those patients in critical beds during the month but not discharged by the 31st October (£142k).
- Outpatient activity was 760 attendances (10%) above plan in month with income above plan by £195k (21%). The cumulative position shows activity above plan by 3,946 attendances (8%) and £756k (12%).
- High cost devices were 13 above plan in month (7%) and £84k (8%). The cumulative position shows activity above plan of 45 spells (4%) and £468k (6%).
- Further detail of the activity and income position is included at Appendix 6.

4.2 Operating Income and Contract Update

All clinical contracts have been formally signed - with the exception of the contract with Health Commission Wales (HCW). HCW have proposed further reductions to the original contract offer (which was itself at a reduced value), and the Trust continues to await further information to get a better understanding of the rationale of this proposed change. In the meantime the Trust are billing activity at full PbR tariff. NHS England has concluded the independent review which was commissioned to look into the waiting list / backlog activity, and the Trust has now agreed a variation to the contract. Further work is on-going with NHSE to provide further assurances on the activity to ensure a clear basis is established for next year's contract discussions.

In overall terms the clinical income position (including private patients) in October was £191k below plan (2%), the cumulative position being £977k below plan (1%). Key points to note by commissioner are summarised as follows;

- The tertiary contract with NHS England under performed in month by £542k (9%) with the year to date position showing under performance of £723k (2%). Under performance is largely driven by lower than planned elective surgical activity.
- The Secondary contract showed an over performance of £224k in month (17%) and £425k above contract cumulatively. This largely relates to contracts with Southport & Formby, West Cheshire, Liverpool and St Helens CCGs.
- The Wales contract was above plan in October by £61k (5%), and £274k below plan cumulatively (3%).
- The Isle of Man contract was above plan in month by £63k (25%), and £442k above plan cumulatively (26%).
- Private patient income was below plan by £69k (21%) in month and below plan by £413k cumulatively (18%).
- Non patient related income was above plan in month by £12k (2%) and £216k above plan cumulatively (5%).

4.3 Operating Expenditure

In overall terms expenditure has over spent against budget in month, and this reflects an increasing trend on agency spend, additional premium costs and shortfall in CIP delivery. The over spend in month across all operating expenditure lines is £156k, over spends for direct expenditure is £109k.

Pay costs were above plan by £156k in October. This position is materially driven by higher than planned use of agency and premium costs associated with additional waiting list sessions. A detailed analysis of in month and year to date expenditure is included at Appendix 5.

Drugs expenditure was £89k above plan in month, (£387k above YTD) reflecting movements in activity, and specifically in respect of high cost drug recharges matched by income.

Clinical supplies are £137k below plan in month, (£110k below YTD) the key features of which are summarised as follows;

- AICD's activity 2 behind plan in month resulting in £25k favourable expenditure variance, the year to date position shows a £354k adverse variance - which includes shortfall against

Non Pay CIP delivery (£89k). This is however offset against additional activity related income.

- Catheter Laboratories: £2k adverse variance, activity 5.5% above plan, the year to date position shows a £58k adverse variance. Again this is largely offset by income.
- Pacing: £1k adverse in month, the year to date position shows a £55k adverse variance. Year to date activity is 8.6% above plan.
- EP: £6k adverse in month, 2% over plan. £239k adverse year to date, relating largely to below plan activity 4.2% matched by corresponding income variance.

Non-clinical supplies expenditure was balanced against budget in month.

Overhead expenditure including miscellaneous operating expenses was over spent by £47k in month, which includes payments to South Manchester and Stoke for activity undertaken on behalf of the Trust, together with other ancillary costs necessary in the management of the patient treatments. The costs relating to South Manchester are offset by additional activity related income which is included in the position, the total year to date costs being £216k. A further £102k is reported as costs relating to patients treated at Stoke – for which a premium of 15% is charged above tariff.

At month 7 achieved CIP's total £1,935k against a plan of £2,539k with corresponding slippage in delivery of £604k.

The table below illustrates the CIP performance to date by category.

YTD Performance by Category	Plan £'000	Actual £'000	Variance £'000	Additional Schemes Identified £'000	Total Actual £'000	Revised Variance £'000
Income	225	335	110	0	335	110
Pay	1,044	613	-430	141	754	-289
Non Pay	1,271	846	-425	0	846	-425
Total	2,539	1,794	-745	141	1,935	-604

The shortfall in delivery of CIP continues to represent a material risk to the financial position – both when considering the current year and on a recurrent basis. The current forecast position assumes CIP slippage of around £1.1m - £1.2m, which is mitigated by release of the CIP contingency reserve of £1.0m. Continued focus over the coming weeks and months will be required to strengthen the position in order to support the delivery of the financial plan in this year, and also ensure financial sustainability going forward. A Programme Management Office (PMO) and formal CIP Steering Group has been introduced to ensure that;

- Existing schemes deliver against plan;
- Schemes in development have fully developed and deliverable plans;
- Further schemes are identified to address the shortfall in the current plans of circa. £1m;
- Shortfalls in performance are identified, recognised and acted upon as appropriate.

The table below illustrates the CIP performance to date by Directorate.

YTD Performance by Directorate	Plan £'000	Actual £'000	Variance £'000	Additional Schemes Identified £'000	Total Actual £'000	Revised Variance £'000
Cardiology	847	923	76	8	931	84
Surgery	628	400	-228	0	400	-228
Clinical Support Services	596	260	-336	133	393	-203
Non-clinical support Services	204	88	-116	0	88	-116
Corporate Services	264	123	-141	0	123	-141
Total	2,539	1,794	-745	141	1,935	-604

The detailed schemes underpinning delivery of the overall CIP programme can be found in Appendix 2 with an overall CIP risk assessment having been reviewed by the Integrated Performance Committee. As can be seen Divisional schemes in respect of pay continue to be minimal reflecting the challenges faced by the organisation in reducing its pay costs. This is a key risk for the Trust and further work is required throughout the remainder of the year to understand where costs can be pulled out in a sustainable way, whilst maintaining quality and safety.

5. Statement of financial Position(SoFP)

For completeness the balance sheet (SoFP) and cash flow (SoCF) statements are attached at Appendices 3 and 4.

6. Cash

Cash Balance

In month £000s			Cumulative £000s		
Plan	Actual	Variance	Plan	Actual	Variance
-2,265	-1,799	466	5,506	6,199	692

Cash balances reduced by £1,800k in month, and this is reflected in the overall cash position of £6,199k, which is £692k above the year to date plan of £5,506k. The above plan variance is materially driven by:

- Operating cash flow is some £1,880k below plan.
- Movements in Working Capital are increasing cash balances more than was planned by £2.265k, which includes:
 - Positive cash flows in respect of the level of payables (£1,202k), accruals (£1,981k), receivables (£767k) and provisions (£126k). These positive movements are offset in part by;
 - Negative cash flows in respect of the level of inventories (£62k), deferred income (£1,209k) and prepayments (£536k).
- Lower than planned cash outflow relating to capital spend and other financing cash flows (£216k).
- Other positive financing cash flows (£89k).

Investments

At the end of October the Trust had £2,194k deposited in the GBS account, with £4,000k deposited with the National Loans Fund. The table below illustrates the interest received associated with the various accounts in the year to date (£21k).

Investment held with:	Interest Rate	Value of Investment £	Interest YTD £	Annual Equivalent Interest £'000	Management Charges
GBS Account	0.25%	2,194,173	6,279	8,565	
National Loans Fund	0.41%	4,000,000	14,668	21,501	
Total		6,194,173	20,947	30,066	0

7. Working Capital

Total Receivables (including accruals) are £7,578k at the end of October, which is marginally above the planned position.

	YTD Plan £'000	YTD Actual £'000	Variance £'000
NHS Receivables	3,462	1,657	(1,805)
Non-NHS Trade Receivables	1,880	1,831	(49)
Other Receivables	540	726	186
Provision for the Impairment of Receivables	(1,220)	(677)	543
Accrued Income	3,126	4,041	915
TOTAL	7,788	7,578	(210)

The main variances are as follows:

NHS Receivables is below plan largely due to the reciprocal settlement of outstanding debts with the Royal Liverpool Hospitals.

Accrued income is £0.9m above plan at the end of October. The main drivers of the above plan performance relate to Isle of Man contractual over performance (£0.4m), and secondary activity contract with CCG's (£0.7m).

Customer Type	Analysis of Aged Debt					Total Debt £
	Current £	1 - 30 Days £	31-60 Days £	61 - 90 Days £	> 90 Days £	
NHS	1,100,715	257,939	45,081	29,659	206,871	1,640,265
Non-NHS	378,944	293,601	90,859	192,753	1,067,073	2,023,230
Unallocated	-	(55,268)	(5,131)	(76)	(29,376)	(89,851)
TOTAL	1,479,659	496,272	130,809	222,336	1,244,568	3,573,644

The Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash flows and a Contribution by Directorate table are appended to the report.

8. Forecast Position

The Trust continues to forecast a year end deficit position of £1.2m – which will require no further deterioration for the remainder of the financial year, and which will be dependent on a range of recovery actions, which include accelerated recruitment plans (to minimise agency usage) and delivery of activity plans. The revised forecast compared to the original plan is summarised below:

Description	Original Plan £000	Forecast £000	Variance £000
Total Operating Income	121,065	122,117	1,052
Total Direct Costs	(106,784)	(109,150)	(2,366)
Total Overhead Expenses	(7,051)	(6,760)	291
EBITDA	7,230	6,207	(1,023)
Non Operating items	(7,530)	(7,407)	123
Net Surplus / (Deficit)	(300)	(1,200)	(900)
Financial Sustainability Risk Rating	3	3	0

The Trust will deliver a risk rating of 3 at the year end, on the basis that the Trust delivers the forecast position (£1,200k deficit). Any deterioration to the forecast will result in the rating falling to a 2.

9. Actions to Deliver Forecast Position

As noted in the previous section the Trust is forecasting a year end income and expenditure deficit of £1.2m. A range of actions are being undertaken to ensure that there is no further deterioration, and this has even greater importance following the disappointing financial performance reported in Month 7.

The month 7 position shows an adverse variance of £312k worse than the plan, while the revised forecast position allowed for some element of down side in October, and particularly in terms of loss of surgical activity – the actual position was worse than anticipated. The following table estimates the unmitigated impact of this downside on the forecast position for the remainder of the year. The unmitigated position shows a deficit of £1,658k, which includes the below plan performance in October, together with an estimated residual impact into November. The position assumes no further deterioration against the revised forecast for the remainder of the year, other than the residual issues referred to.

The table goes on to identify actions to ensure delivery of the £1.2m forecast position.

Description	2015/16 Plan £'000	2015/16 Forecast £'000	2015/16 Month7 Trajectory £'000	Actions to deliver Forecast £'000	Note
Direct Patient related Revenue	109,814	111,294	110,695		
Private Patients Revenue	3,957	3,518	3,472		
Non Patient Related Revenue	7,294	7,305	7,337		
Total operating income	121,065	122,117	121,504	614	Note 1
Employee Expenses	(65,935)	(66,919)	(66,989)	70	Note 2
Drugs	(6,585)	(7,123)	(7,123)	0	
Clinical supplies	(31,635)	(32,612)	(32,235)	(377)	Note 3
Non-clinical supplies	(2,630)	(2,497)	(2,497)	0	
Total Direct Costs	(106,784)	(109,151)	(108,844)	(308)	
Overheads					
Establishment expense	(1,267)	(1,316)	(1,348)	31	Note 4
Premises & Fixed Plant expense	(4,120)	(4,033)	(4,057)	24	Note 5
Consultancy fees expense	(350)	(529)	(529)	0	
CNST Contributions	(727)	(746)	(746)	0	
Misc. other Operating Expenses	(588)	(135)	(232)	97	Note 6
Total overhead expenses	(7,051)	(6,760)	(6,912)	152	
EBITDA	7,230	6,206	5,748	458	
Depreciation and amortisation	(5,422)	(5,422)	(5,422)	0	
Profit (loss) on asset disposal	0	0	0	0	
Interest Receivable	36	36	36	0	
Taxation	0	0	0	0	
Interest Payable on Loans & Leases	(48)	0	0	0	
PDC dividend	(2,195)	(2,195)	(2,195)	0	
Reversal Previous Impairment	0	0	0	0	
Impairments & Restructuring	0	0	0	0	
Other non-operating items	0	0	0	0	
Income from Donated Assets	100	175	175	0	
Net Surplus / (Deficit)	(300)	(1,200)	(1,658)	458	
Normalised Net Surplus / (Deficit)	(300)	(1,200)	(1,658)	458	
FSRR	3	3	2		

Note 1: Total Operating Income

The forecast operating income position assumes that the income forecast for the year is delivered, involving;

- The recovery of below forecast income in the cumulative position to Month 7;
- Mitigation of residual activity issues running into November;
- No further deterioration in the income position against forecast for the remainder of the year.

The actions to note;

- Month 7 was an exceptional month and actions are being taken by operational managers and clinicians to ensure planned activity is delivered, and where possible previous shortfalls mitigated ;
- Month 7 incorporates additional lost activity through rescheduling of audit activity, and it is expected that this activity will be recovered over the remaining months;
- October included a half term towards the end of the month, and this had a higher than expected impact in terms of lost activity, again it is anticipated that this position will be recovered;

- The Trust traditionally receives a high proportion of income in the final quarter of the year, and the phasing of the 2015/16 is relatively constant throughout the year. So assuming activity trends from previous years continue – it is reasonable to expect a strong final quarter to the year;
- While the actions require an additional £614k to be generated, it is assumed an additional £377k will be incurred through clinical supplies.

Continued risks to note;

- Delivery of the additional activity and income will continue to be dependent on resource/capacity availability, and in particular highly skilled staff and beds – both ward based and critical care. Significant blockages in bed availability will impact on ability to deliver activity plans;
- Similarly while the trust is recruiting to key posts, the trust is likely to have some level of continued dependence on staff willingness to undertake additional sessions / agency – although this will be minimised where at all possible;
- Risk that the activity undertaken does not match the case mix planned, and that the contribution to the cost base is not insufficient as a consequence;
- Finally, where the trust is unable to deliver activity within existing capacity – it may be necessary to continue using additional capacity provided by University Hospitals North Midlands NHS Trust – which will be at a net cost to the Trust (15% surcharge on tariff with no income received).

The activity forecast will continue to be reviewed and enhanced in partnership with the Divisional Heads of Operations. An overview of the forecast position assumed is included in appendix 8.

Note 2: Employee Costs

The forecast employee cost position assumes that the below forecast position to the end of October is recovered, and that there is no further deterioration against forecast for the remainder of the year.

To this end the following actions can be noted:

- **Enhanced rates of pay for bank staff to reduce agency usage:** A focussed action plan has been agreed which includes revisions to internal bank rates to incentivise staff to undertake additional bank work negating the need for the Trust to use agency staff. This specific element of the action plan was brought into effect from 1st November. This is specifically targeted to reduce agency usage in critical care, which is the highest user, and has been agreed with the Division. This is a key part of the action plans agreed to reduce agency usage in line with trajectories submitted to Monitor;
- **Accelerated process for recruitment to key posts:** Steady progress is being made in the recruitment to key vacancies, which will in turn have a positive impact in reducing agency and premium costs. Figures taken from Finance establishment compared to budget data show that as of the end of October 2015 the Trust was 96 full time equivalents (FTE) under established. This is the best performance that the Trust has seen this financial year, with 60 more FTE being filled than at the highest vacancy rate in June. The table below shows the establishment gaps by staffing group. Nursing levels have improved significantly over the course of the year, this will improve further as the over establishment in Other Clinical is due to nurses who have been employed as registered nurses but are awaiting their PIN before they can be counted in the Registered category.

Description	Apr	May	Jun	Jul	Aug	Sep	Oct
Consultants	5.8	4.9	5.0	3.8	3.6	1.8	1.8
Junior Medical	10.0	11.4	11.4	10.4	1.6	5.6	8.6
Nursing	77.7	73.9	73.6	73.9	71.9	73.9	62.6
Scientific	20.7	22.8	29.6	23.6	21.1	20.4	18.0
Other Clinical	2.2	6.1	6.1	4.1	5.8	+ 14.9	+ 13.27
Support Staff	5.6	5.6	8.2	7.0	6.1	6.1	6.3
Non Clinical Staff	18.8	20.4	22.0	19.6	17.6	15.0	12.0
Total	140.8	145.0	155.8	142.5	127.8	107.9	96.0

- Accelerated process for recruitment to key posts (continued):** The table provides a forecast of the estimated position in terms of vacancies for the remainder of the year. The forecast incorporates average starter versus. leaver ratio across the current financial year and current activity in progress through the recruitment pipeline. The figures are based upon the provision that all initiatives are successful in their application and that the Trust does not see a high increase in staff leaving the organisation. A workforce utilisation work stream is currently in progress to support retention within the Trust along with other programmes of work in an attempt to reduce the risk associated with retaining Trust staff. Current work streams have been devised following on from recent events and various initiatives including a Trust Open Day to actively recruit a variety of staff from all disciplines. Work is also on-going to expand on alternative recruitment initiatives to enhance the Trusts ability to recruit the required staff for the delivery of patient care. LHCH employs a mixture of Doctors who rotate via the Lead Employer (St Helens & Knowsley) and those directly employed by LHCH. Rotation lists are circulated 8 weeks prior to the actual rotation at which stage; if any gaps are identified then adverts are placed accordingly to fill any gaps. The Trust is currently recruiting to gaps for the forthcoming rotation in December and has plans in place for a wider recruitment drive in the New Year as it is predicted that the number of Lead Employer doctors coming into the Trust are likely to decrease. A working Group currently meeting weekly on a Wednesday to discuss future planning for Doctor numbers.

	Q1	Q2	Oct	Nov	Dec	Jan	Feb	Mar
Consultants	5.0	1.8	1.8	0.8	0.8	-	-	-
Junior Medical	11.4	5.6	8.6	8.6	8.6	6.6	4.6	2.6
Nursing	73.6	73.9	62.6	57.6	51.1	38.6	30.1	29.1
Scientific	29.6	20.4	18.0	18.3	16.6	16.9	16.2	16.5
Other Clinical	6.1	14.9	13.3	5.0	4.0	3.0	2.0	1.0
Support Staff	8.2	6.1	6.3	5.1	3.9	2.7	1.5	0.3
Non Clinical Staff	22.0	15.0	12.0	11.0	10.0	9.0	8.0	7.0
Total	155.8	107.9	96.0	106.4	95.0	76.7	62.3	56.4

- Other measures to control employee costs:** The Trust has also taken further actions through a range of forums to ensure tighter budgetary control including a Trust wide cessation of non-clinical agency usage (with exceptional cases to be reviewed by the Executive Team), together with the use of vacancy controls – which include measures to ensure that all administrative posts at bands 1 -4 are recruited to at 35 hours rather than 37.5 (again with exceptional cases to be reviewed by the Executive Team).

Continued risks to note;

- As noted above the key risk relates to non-recruitment to key posts and the continued reliance on agency / premium costs.

Note 3: Clinical Supplies

The actions include additional costs of 3377k linked directly to the additional activity undertake.

Note 4, 5 & 6: Overhead Costs and Other Actions

A range of actions have been undertaken to reduce expenditure across the Trust, and in particular to limit expenditure for the remainder of the year. This includes those actions referred to above, and a clear message has been articulated through forums at all levels of the organisation of the necessity to minimise spend and to recover the financial position. To this end the Chief Financial Officer has written out to all budget holders reporting an over spending position at the end of month 6, to date 27 responses have been received which are being evaluated and analysed to assess the impact going forward. Responses will be followed up with budget holders and action plans developed – which will then be monitored on a monthly basis going forward. This piece of work will be concluded by the end of November.

The key drivers in the movement between the original plan and the current forecast position are illustrated further within Appendix 8.

The key drivers in the movement between the original plan and the current forecast position are illustrated further within Appendix 9.

In summary there are a range of actions in place in order to deliver the best possible year end position. As noted above there are a number of areas in particular which will be critical in the delivery of the forecast position of £1.2m. The single biggest driver of this will be recovery of the income position as noted above, which is planned to deliver a net contribution to the bottom line. Divisions Heads of operations will continue to review the forecast activity and income position. Other key actions to deliver the forecast, and which are assumed within the £1.2m position are summarised as follows:

Action	£000	Note
Additional CIP (income generation)	250	Schemes in place and value delivered in Month 7 to plan, profile for the remainder of the year included.
Impact of Agency	300	Estimated savings for Critical Care. Further savings in excess of this may be possible if all actions are delivered successfully e.g. bank rates and accelerated recruitment plans.
Total	550	

Further actions which being pursued are not currently assumed as part of the forecast position, and successful delivery will provide an upside to the current forecast position, are summarised as follows:

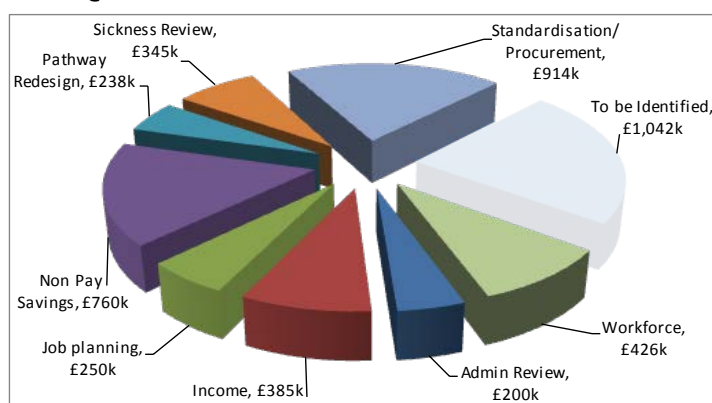
Action	£000	Note
Impact of Cessation (Non Clinical Agency)	30	Estimate based on saving 50% of current monthly spend. Actual savings will be made in instances not considered to be business critical.
Divisional Actions	100	This is an estimated improvement to position based on requirement for budget holders to restore over spending positions to balance. Further analysis will be undertaken over the next week, and further challenge provided where necessary.
Total	130	

CIP Performance

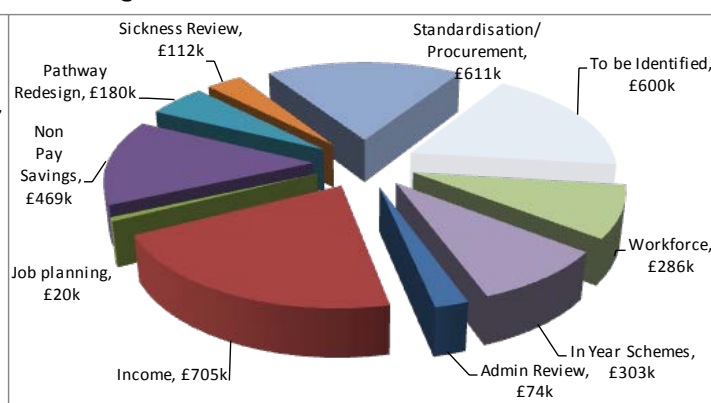
The Trust started the year with a CIP target of £4,560k, which included an unidentified value of just over £1m. Progress has been made in the delivery of CIP plans, although there is still a forecast shortfall in overall performance – which is incorporated within the current forecast position for the Trust. Progress to date is highlighted within the specific CIP section within the report, and further illustrated as follows:

Row Labels	Plan	Forecast	Variance
Admin Review	£200k	£74k	(£126k)
Income	£385k	£705k	£320k
Job planning	£250k	£20k	(£230k)
Non Pay Savings	£760k	£469k	(£291k)
Pathway Redesign	£238k	£180k	(£58k)
Sickness Review	£345k	£112k	(£233k)
Standardisation/Procurement	£914k	£611k	(£303k)
To be Identified	£1,042k	£600k	(£442k)
Workforce	£426k	£286k	(£140k)
In Year Schemes	£0k	£303k	£303k
Grand Total	£4,560k	£3,360k	(£1,200k)

CIP Plan @ £4.56m



CIP Forecast @ £3.36m



A range of additional areas are being reviewed, and this project is being over seen by the Chief Operating Officer. To date an additional £250k of schemes have been identified and delivered, and further work is being undertaken, and this includes – for example a detailed review of benchmarks recently published relating to the running costs of the hospital.

Specific actions published as part of the review undertaken by Lord Carter are also being reviewed, and an action plan has been developed for review and discussion by the CIP Steering Group to identify further opportunities for the delivery of efficiencies. A further update will be provided to the next Board meeting with respect to progress made on this specific area.

9. Capital

Total capital expenditure up until the end of Month 7 was £2,332k which is below the planned position for the period (£2,955k). This is largely attributable to slippage in the timescale for two key projects; the Main Entrance and Outpatients Reconfiguration. Based on detailed forecast work undertaken – it is expected that the planned spend profile for quarter 3 will be restored to plan during November and December. Further work is being overseen by the Capital Management Group in respect of the year end forecast position for the capital programme.

Original Capital Scheme	In Month £'000			YTD £'000		
	Plan	Actual	Variance	Plan	Actual	Variance
Schemes carried forward from 2014/15	(249)	(39)	210	(802)	(220)	582
CF Unit	0	20	20	(1,111)	(1,163)	(52)
Front Entrance	(100)	(22)	78	(250)	(80)	170
Medical Equipment	0	(61)	(61)	(374)	(354)	20
Estates Infrastructure Schemes	(55)	(7)	48	(413)	(177)	236
Contingency	(38)	(56)	(18)	(113)	(273)	(160)
POCCU Beds Scheme	(70)	0	70	(70)	0	70
IT Infrastructure	(121)	(3)	118	(268)	(55)	213
Plan Re-alignment	35	0	(35)	446	0	(446)
Total Capital Investment	(598)	(168)	430	(2,955)	(2,322)	633

10. Conclusion

The cumulative financial position to the end of Month 7 shows a net deficit position of £1,200k, against a planned deficit of £12k. The Financial Sustainability Risk Rating is at level 2 against a plan of 3.

The overall EBITDA performance is £326k behind plan for the month, and £1,340k behind plan for the year to date.

The Trust continues to forecast a year end deficit position of £1.2m – which will require no further deterioration for the remainder of the financial year, and which will be dependent on a range of recovery actions, which include accelerated recruitment plans (to minimise agency usage) and delivery of activity plans.

The Trust will deliver a risk rating of 3 at the year end, on the basis that the Trust delivers the forecast position (£1,200k deficit). Any deterioration to the forecast will result in the rating falling to a 2.

A range of actions are being undertaken to restore the financial position, including;

- The Chief Financial Officer has written to all budget holders requesting recovery plans against over spending budgets. A total of 27 responses have been received, which are currently being reviewed to assess the financial impact, from which action plans will be developed and monitored on a monthly basis going forward;
- The Trust is proactively working to recruit to key posts, and the total number of vacancies at the end of March is at the lowest level for the year. Enhanced recruitment rates will reduce the level of dependency on agency and thus reduce costs going forward;
- Hourly rates for bank staff have also been increased with the intention of attracting more people to work on the bank, and again reduce agency usage;
- Further work is being undertaken to identify further CIP schemes, this work is being managed through the CIP steering group;
- The Trust has also taken further actions through a range of forums to ensure tighter budgetary control including a Trust wide cessation of non-clinical agency usage (with exceptional cases to be reviewed by the Executive Team).

11. Recommendation

The Board of Directors are asked to note the financial position of the Trust at the end of month 7 and the on-going work to deliver restorative actions.

Current Trading - Income Statement for Period Ended 31st October 15

Appendix 1

Actual in month 31st October 2014 £'000	YTD Actual in month 31st October 2014 £'000	Description	2015/16 Plan version £'000	Month			Year to Date			Current Forecast Position £'000
				Plan £'000	Actual £'000	Variance £'000	Plan £'000	Actual £'000	Variance £'000	
9,039	60,690	Direct Patient related Revenue	109,814	9,414	9,292	(121)	64,321	63,756	(565)	111,294
266	1,936	Private Patients Revenue	3,957	330	260	(69)	2,308	1,895	(413)	3,518
593	4,439	Non Patient Related Revenue	7,294	608	628	20	4,255	4,355	100	7,305
9,898	67,065	Total operating income	121,065	10,351	10,181	(170)	70,884	70,007	(877)	122,117
(5,224)	(36,299)	Employee Expenses	(65,935)	(5,484)	(5,641)	(156)	(38,505)	(39,022)	(518)	(66,918)
(612)	(3,605)	Drugs	(6,585)	(564)	(653)	(89)	(3,862)	(4,249)	(387)	(7,122)
(2,808)	(17,744)	Clinical supplies	(31,635)	(2,690)	(2,553)	137	(18,591)	(18,482)	110	(32,612)
(239)	(1,555)	Non-clinical supplies	(2,630)	(222)	(222)	(0)	(1,544)	(1,305)	239	(2,497)
(8,883)	(59,201)	Total Direct Costs	(106,784)	(8,960)	(9,069)	(109)	(62,502)	(63,058)	(556)	(109,150)
1,015	7,863	Gross Profit	14,281	1,391	1,112	(279)	8,382	6,949	(1,433)	12,967
10.3%	11.7%	<i>Gross Profit Margin</i>	11.8%	0	0		11.8%	9.9%		10.6%
		Overheads								
(116)	(775)	Establishment expense	(1,267)	(105)	(138)	(32)	(738)	(841)	(103)	(1,316)
(315)	(2,360)	Premises & Fixed Plant expense	(4,120)	(343)	(364)	(21)	(2,403)	(2,405)	(2)	(4,033)
(43)	(263)	Consultancy fees expense	(350)	(29)	(26)	3	(204)	(306)	(102)	(529)
(39)	(271)	CNST Contributions	(727)	(61)	(61)	(1)	(424)	(425)	(1)	(746)
(29)	(385)	Misc. other Operating Expenses	(588)	(46)	(42)	4	(359)	(58)	301	(135)
				-	0					
(542)	(4,054)	Total overhead expenses	(7,051)	(584)	(631)	(47)	(4,128)	(4,035)	93	(6,760)
473	3,810	EBITDA	7,230	807	481	(326)	4,254	2,913	(1,340)	6,207
4.8%	5.7%	<i>EBITDA Margin</i>	6.0%	7.8%	0		6.0%	4.2%		5.1%
(423)	(2,947)	Depreciation and amortisation	(5,422)	(466)	(440)	27	(3,037)	(2,967)	69	(5,422)
4	22	Interest Receivable	36	3	3	(0)	21	21	(0)	36
(3)	(23)	Interest Payable on Loans & Leases	(48)	(4)	(2)	2	(28)	(17)	11	0
(168)	(1,176)	PDC dividend	(2,195)	(183)	(189)	(6)	(1,281)	(1,324)	(43)	(2,195)
0	(425)	Impairments & Restructuring	0	0	0	0	0	0	0	0
56	116	Income from Donated Assets	100	8	0	(8)	58	175	116	175
(61)	(623)	Net Surplus / (Deficit)	(300)	165	(147)	(312)	(12)	(1,200)	(1,188)	(1,200)
-0.6%	-0.9%	<i>Net Surplus Margin</i>	-0.2%	1.6%	-1.4%		0.0%	-1.7%		-1.0%
(61)	(198)	Normalised Net Surplus / (Deficit)	(300)	165	(147)	(312)	(12)	(1,200)	(1,188)	(1,200)

2015/16 Cost Improvement Schemes Identified to Date (Green Rated)

Ref	Cost Centre	Description	2015/16 CIP Identified	Forecast £000's	Forecast Variance £000's
Cardiology 1	Cardiac Diagnostics Dept	Reduction of 1 Day Band 4	5	5	0
Cardiology 10	Amanda Unit	FYE of MARS scheme	5	5	0
Cardiology 11		Additional Income generated from ICD contribution	307	307	0
Cardiology 12		Add'l payment from Wales for covering on call	18	18	0
Cardiology 17	All	Bank & Agency Review (£103k allocation for Medicine), On Call Harmonisation & Changes to Shift Patterns	155	130	-25
Cardiology 2	C&CM Mgmt	FYE of Reopro	125	125	0
Cardiology 20	Birch Ward, C&CM Management, Knowsley, Pul Function, Cardiac Diagnostics	Purchase of Annual Leave	5	5	0
Cardiology 3	Pulmonary Function	Staff Efficiencies	13	13	0
Clinical Audit / R&D	Clinial Audit	Pay Target Savings	1	1	0
Clinical Audit / R&D	Clinial Audit	Non Pay Target Savings	1	1	0
Clinical Audit / R&D	Clinial Audit	Non Pay Savings	1	1	0
Finance	Finance, IT, EPR	Admin Review	42	42	0
Finance	Finance	Purchase of Annual Leave	2	2	0
Finance	Finance, IT, EPR	Bank & Agency Review	10	10	0
Finance1	Finance	FYE of MARS scheme	16	16	0
Finance3	EPR	Reduction in WTE	2	2	0
HR / Training	HR	Purchase of Annual Leave	1	1	0
Information Services	Information, Health Records,clinical coding	Non Pay Target Savings	4	4	0
Information Services	Information, Health Records,clinical coding	Non Pay Savings	2	2	0
Information Services	Information, Health Records,clinical coding	Pay Target Savings	6	6	0
Information Services	HR, inforamtion, Clinical Coding & Patient Services	Bank & Agency Review	9	9	0
Information Services	Patient Services	Purchase of Annual Leave	0	0	0
Medical 1	Clinial Audit	Reduction in WTE	32	32	0
Nursing	Nursing, Risk, Service Improvement	Pay Target Savings	8	8	0
Nursing	Nursing, Risk, Service Improvement	Non Pay Target Savings	5	5	0
Nursing	Nursing, Risk, Service Improvement	Bank & Agency Review	5	0	-5
Nursing	Nursing, Risk, Service Improvement	Admin Review	8	0	-8
SS Clinical 1	Pathology	SLA Efficiency	220	220	0
SS Clinical 10	Outpatients	FYE of MARS scheme	2	2	0
SS Clinical 12	Physiotherapy	Staff Realignment	8	8	0
SS Clinical 17	Switchboard/Physiotherapy	Community PR Savings on taxi's - on SWITCHBOARD	4	4	0
SS Clinical 29	Radiology Dept	FYE of MARS scheme	29	29	0
SS Clinical 3	Pharmacy	Triofibrin off patent in 2015/16 - from Cardiology Drugs	8	8	1
SS Clinical 5	Outpatients	1.00 wte B3 to retire Part year 15/16 not to be replaced date - last quarter cost only PYE	5	5	0
SS Clinical 7	Outpatients	1.00 B5 reduced 1 day not to be replaced	4	4	0
SS Non Clinical 1	Catering	Negotiated £20k incentive to extend contract with Medirest	22	22	0
SS Non Clinical 14	Estates, Med Eng etc	Non Pay Target Savings	18	18	0
SS Non Clinical 2	Estates	Utilities and Maintenance	45	35	-10
SS Non Clinical 21	Porters / Domestic / Switchboard & Security	Bank & Agency Review	2	2	0
SS Non Clinical 22	Porters / Domestic / Switchboard & Security	Admin Review	6	6	0
SS Non Clinical 23	Medical Secretaries	Purchase of Annual Leave	1	0	-1
SS Non Clinical 3	Medical Engineering	Maintenace Programme	7	7	0
SS Non Clinical 4	Access Team	FYE of MARS scheme	3	3	0
SS Non Clinical 5	Domestics	FYE of MARS scheme	2	2	0
SS Non Clinical 6	Medical Secretaries	FYE of MARS scheme	2	2	0
SS Non Clinical 7	Porters	FYE of MARS scheme	6	6	0
Surgery1	Perfusion	"Mothball" GEM 4000 BGA	12	12	0
Surgery10	SAU	Hibiscrub / reducing IV Paracetamol use	0	0	0
Surgery15	Theatres	Procedure Packs	69	28	-41

Ref	Cost Centre	Description	2015/16 CIP Identified	Forecast £000's	Forecast Variance £000's
Surgery16	Theatres	Sutures	15	15	0
Surgery17	Theatres	Gloves	5	5	0
Surgery18	Theatres	Gowns	2	2	0
Surgery19	Theatres	Eco-sacks	1	1	0
Surgery2	Perfusion	Cell saver Collection set	13	13	0
Surgery20	Theatres	Tray liners	28	28	0
Surgery21	Theatres	Surgical Clippers	2	2	0
Surgery22	Theatres	Trocars	1	1	0
Surgery23	Theatres	Clogs	1	1	0
Surgery24	Theatres	Waste Management Programme	tbc	tbc	0
Surgery27	All	Pay Target Savings	180	180	0
Surgery3	Perfusion	Maquet Service Contract	8	8	0
Surgery34	Theatres	Purchase of Annual Leave	2	2	0
Surgery4	Perfusion	Transducers - Back up from Sandra Roberts	30	30	0
Surgery5	Perfusion	Perfusion - Pay - starting point on scale	13	13	0
Surgery6	ELM	Ward Non Pay	2	2	0
Surgery7	SAU	Patient Property books	1	0	-1
Surgery8	SAU	Patient Pillows	2	0	-2
Surgery9	SAU	Patient Slippers	1	0	-1
		ICD income over performance	0	230	230
		Additional Income from Cardiac Diagnostic Tests		135	135
Total Green Schemes			1,564	1,838	274

2015/16 Cost Improvement Schemes Identified to Date (Amber Rated)

Ref	Cost Centre	Description	2015/16 CIP Identified	Forecast £000's	Forecast Variance £000's
Cardiology 13	All	Prudent Budget Management - Pay	273	200	-73
Cardiology 15	All	Prudent Budget Management - Non-Pay	172	100	-72
Cardiology 16	All	Non Pay Savings	339	245	-94
Cardiology 5		Private Patients	TBC	0	0
Clinical Audit / R&D	Clinical Audit / R&D	Bank & Agency Review	9	6	-3
Clinical Audit / R&D	Clinical Audit / R&D	Admin Review	10	4	-6
Finance	Finance, IT, EPR	Pay Target Savings	18	18	0
HR / Training	HR, Training, consultant Courses etc..	Non Pay Savings	9	0	-9
Information Services	HR, inforamtion, Clinical Coding & Patient Services	Admin Review	27	22	-5
SS Clinical 14	Physiotherapy	excess income generation from community PR Expansion (prorata cost £156k, income £184k)	27	7	-20
SS Clinical 18	Pharmacy	Saving on Drug waste - split Card Management & Surg Management	10	5	-5
SS Clinical 2	Pathology	EPR protocols estimated savings	100	50	-50
SS Clinical 20	Physiotherapy	P R - additional income from patient trial 2015/16	0	7	7
SS Clinical 21	All	Pay Target Savings	29	29	0
SS Clinical 22	All	Non Pay Target Savings	18	16	-2
SS Clinical 23	All	Non Pay Savings	37	20	-17
SS Clinical 24	All	Bank & Agency Review	155	0	-155
SS Clinical 26	All	Admin Review	21	0	-21
SS Non Clinical 15	Estates, Med Eng etc	Non Pay Savings	67	36	-31
SS Non Clinical 9	Switchboard	Saving on Taxis tigher controls - after MIAA report	20	0	-20
Surgery11	Cedar	Medistinoscopy day cases	12	4	-8
Surgery12	Cedar	Staging Laparocopy Day Case	6	2	-4
Surgery13	Cedar	Bronchoscopy No Overnights	5	1	-3
Surgery14	Cedar	Pharmacy More Regular Checks	3	1	-2
Surgery25	CSSD	Decontamination	20	10	-10
Surgery26	Theatres	TAVI	150	150	0
Surgery29	All	Non Pay Target Savings	113	0	-113
Surgery30	All	Non Pay Savings	230	165	-65
Surgery31	All	Bank & Agency Review	126	85	-41
Surgery33	All	Admin Review	13	0	-13
	Medical	Job Planning	250	0	0
	All	Admin Review	200	0	0
	ALL	Bank & Agency Review	500	0	0
	ALL	Non Pay	-1139	0	0
	All	Non Pay	875	0	0
	All	Non Pay	74	0	0
	All	Non Pay	191	0	0
		Bank & Agency Review	-500	0	0
		Job Planning	-250	0	0
		Admin Review	-200	0	0
Total Amber Schemes			2,020	1,183	(837)

2015/16 Cost Improvement Schemes Identified to Date (Red Rated)

Ref	Cost Centre	Description	2015/16 CIP Identified	Forecast £000's	Forecast Variance £000's
Cardiology 14	All	Drug Target Savings	29	15	-15
Cardiology 18	Medical	Job Planning	103	0	-103
Cardiology 19	All	Admin Review	15	0	-15
Corporate Development	Board, Execs Etc	Bank & Agency Review	3	0	-3
Corporate Development	Board, Execs Etc	Admin Review	6	0	-6
Corporate Development	The Board	Purchase of Annual Leave	2	0	-2
Corporate Development	Board, Execs Etc	Pay Target Savings	14	0	-14
Corporate Development	Board, Execs Etc	Non Pay Target Savings	9	0	-9
Corporate Development	Board, Execs Etc	Non Pay Savings	17	0	-17
Exec 1	Executive Office	Interpreting Services	2	0	-2
Exec 2	The Board	External Consultancy	75	0	-75
Exec 3	Communications	IT	3	0	-3
Exec 4	Executive Office	FYE of MARS scheme	2	0	-2
Finance	Finance, IT, EPR	Non Pay Target Savings	11	0	-11
Finance	Finance, IT, EPR	Non Pay Savings	27	0	-27
Finance2	Finance	Reduction in Clk Health Consultancy Fees - New post in Info	8	0	-8
Finance4	Supplies	Reduction in WTE	3	0	-3
HR / Training	HR, Training, consultant Courses etc..	Pay Target Savings	7	0	-7
HR / Training	HR, Training, consultant Courses etc..	Non Pay Target Savings	5	0	-5
HR / Training	HR, Training, consultant Courses etc..	Bank & Agency Review	8	0	-8
HR / Training	HR, Training, consultant Courses etc..	Admin Review	21	0	-21
Nursing	Nursing, Risk, Service Improvement	Non Pay Savings	11	0	-11
SS Clinical 11	Physiotherapy	estimated reduction in payments for travel for ON-call - TRUST wide review	TBC	0	0
SS Clinical 13	Physiotherapy	reduce Double time payments on Sundays - TRUST Wide review	TBC	0	0
SS Clinical 15	Physiotherapy	Printing Costs in PR clinics	2	0	-2
SS Clinical 16	Physiotherapy	Education Income	0	1	1
SS Clinical 19	Pharmacy	Health research trial - PANDA trial income 2015/16	22	0	-22
SS Clinical 25	All	Job Planning	84	20	-64
SS Clinical 27	Radiology, Physiotherapy	Purchase of Annual Leave	2	0	-2
SS Clinical 28	Radiology Medical Staff	Outsourcing of simple reporting	TBC	0	0
SS Clinical 30	Radiology Dept	Radiology Dept restructure	100	0	-100
SS Clinical 31	SICU	Non Pay	111	0	-111
SS Clinical 4	Pharmacy	Surplus Income	11	0	-11
SS Clinical 8	Outpatients	Stock Control in department	1	0	-1
SS Clinical 9	Outpatients	New electronic Consent forms replacing paper	3	0	-3
SS Non Clinical 10	Laundry	Saving on Laundry contract	0	0	0
SS Non Clinical 11	All - Excluding Estates depts	Pay Target Savings	39	0	-39
SS Non Clinical 12	All - Excluding Estates depts	Non Pay Target Savings	24	0	-24
SS Non Clinical 13	Estates, Med Eng etc	Pay Target Savings	29	0	-29
SS Non Clinical 16	All - Excluding Estates depts	Non Pay Savings	19	0	-19
SS Non Clinical 17	Estates, Med Eng etc	Bank & Agency Review	6	0	-6
SS Non Clinical 18	Estates, Med Eng etc	Admin Review	4	0	-4
SS Non Clinical 19	Med Secs / Access Team	Bank & Agency Review	11	0	-11
SS Non Clinical 20	Med Secs / Access Team	Admin Review	27	0	-27
SS Non Clinical 8	Estates	FYE of MARS scheme	6	0	-6
Surgery28	All	Drug Target Savings	29	0	-29
Surgery32	All	Job Planning	63	0	-63
Total Red Schemes			976	36	(941)

2015/16 Cost Improvement Schemes Identified to Date (Identified in Year & Totals)

Ref	Cost Centre	Description	2015/16 CIP Identified	Forecast £000's	Forecast Variance £000's
In Year Schemes	Cardiac Diagnostics Dept	Vacancy		2	2
In Year Schemes	Physio Dept	Vacancies		35	35
In Year Schemes	Pharmacy Dept	Vacancies		30	30
In Year Schemes	Capacity Management	Vacancies		51	51
In Year Schemes	Outpatients	Vacancies		17	17
Total In Year Schemes			-	135	135
Grand Totals			4,560	3,192	(1,368)

Statement of Financial Position (Balance Sheet) as at 31st October 2015

Appendix 3

Pre Audit 31st March 2015 £000		Previous Month			Current Month				Forecast		
		30th Sep 2015 Plan YTD £000	30th Sep 2015 Actual YTD £000	Variance to Plan YTD £000	31st Oct 2015 Plan YTD £000	31st Oct 2015 Actual YTD £000	Variance to Plan YTD £000	Movement for Year YTD £000	31st Mar 2015 Plan YTD £000	31st Mar 2015 Actual YTD £000	Variance to Plan YTD £000
	Non Current Assets										
790	Non-Current Assets - Intangible Assets	790	712	(78)	790	699	(91)	(91)	790	699	(91)
75,030	Non-Current Assets - Tangible Assets	74,833	74,734	(99)	74,964	74,476	(488)	(554)	74,929	74,796	(133)
24	Non-Current Assets - Financial Assets	24	24	0	24	24	0	0	24	24	0
75,844	Total Non Current Assets	75,647	75,470	(176)	75,778	75,199	(579)	(645)	75,743	75,519	(224)
	Current Assets										
2,380	Inventories	2,998	3,559	560	3,061	3,124	62	744	3,066	2,999	(67)
	Trade and Other Receivables:-										
3,601	NHS Receivables	2,983	817	(2,166)	3,462	1,657	(1,805)	(1,944)	2,557	1,407	(1,150)
1,708	Non NHS Trade Receivables	1,847	1,796	(50)	1,880	1,831	(49)	123	2,045	1,831	(214)
1,490	Other Receivables	590	816	226	540	726	186	(764)	540	526	(14)
(1,220)	Provision for the Impairment of Receivables	(1,220)	(677)	543	(1,220)	(677)	543	543	(1,220)	(677)	543
126	Accrued Income	2,126	3,826	1,700	3,126	4,041	915	3,915	1,626	741	(885)
0	PDC Dividend overpayment	0	0	0	0	0	0	0	0	0	0
425	Prepayments	825	1,201	376	725	1,261	536	836	525	616	91
12,333	Cash & Cash Equivalents	7,771	7,998	227	5,506	6,199	692	(6,134)	6,989	6,188	(801)
6	Non Current Assets Held for Sale	6	6	0	6	6	0	0	6	6	0
20,849	Total Current Assets	17,926	19,342	1,416	17,087	18,167	1,080	(2,682)	16,134	13,637	(2,497)
96,693	Total Assets	93,573	94,813	1,239	92,865	93,366	501	(3,327)	91,877	89,156	(2,721)
	Trade and Other Payables:-										
(1,380)	Deferred Income	(1,799)	(654)	1,145	(1,749)	(540)	1,210	840	(1,499)	(790)	709
(1,199)	Provisions	(1,049)	(1,177)	(128)	(1,049)	(1,171)	(123)	28	(999)	(1,051)	(52)
(4,967)	NHS Payables - Revenue	(3,884)	(6,280)	(2,396)	(3,466)	(4,686)	(1,220)	281	(3,458)	(2,686)	772
	Non NHS Trade Payables - Revenue			0			0	0			0
(2,020)	Other Payables (Tax,payroll deductions)	(2,108)	(2,111)	(3)	(2,100)	(2,082)	19	(62)	(2,103)	(2,042)	61
(2,536)	Non NHS Trade Payables - Capital	(740)	(389)	350	(929)	(513)	416	2,023	(870)	(513)	357
(7,354)	Accruals	(7,083)	(8,164)	(1,081)	(6,325)	(8,306)	(1,981)	(952)	(6,229)	(6,256)	(27)
(135)	Borrowings	(139)	(139)	(0)	(140)	(140)	0	(5)	(142)	(142)	0
(80)	PDC Dividend	0	0	(0)	(183)	(189)	(6)	(109)	(0)	0	0
1,178	Net Current Assets/ (Liabilities)	1,125	428	(697)	1,146	540	(606)	(638)	833	157	(676)
77,022	Total Assets less Current Liabilities	76,772	75,898	(874)	76,925	75,739	(1,186)	(1,283)	76,576	75,676	(900)
(983)	Deferred Income	(983)	(983)	(0)	(983)	(983)	(0)	(0)	(983)	(983)	0
(98)	Provisions	(95)	(98)	(3)	(95)	(98)	(3)	(0)	(91)	(91)	0
(403)	Borrowings	(333)	(332)	1	(321)	(320)	1	83	(264)	(264)	(0)
75,538	Total Assets Employed	75,361	74,485	(876)	75,526	74,338	(1,188)	(1,200)	75,238	74,338	(900)
63,322	Public Dividend Capital	63,322	63,322	0	63,322	63,322	0	0	63,322	63,322	0
13,886	Revaluation Reserve	13,886	13,886	(0)	13,886	13,886	(0)	(0)	13,886	13,886	0
	Income and Expenditure Account										
(1,670)	Retained Earnings	(1,847)	(2,723)	(876)	(1,682)	(2,870)	(1,188)	(1,200)	(1,970)	(2,870)	(900)
75,538	Total Taxpayers Equity	75,361	74,485	(876)	75,526	74,338	(1,188)	(1,200)	75,238	74,338	(900)

Current Trading - Cashflow Statement as at 31st October 2015

Appendix 4

Post Audit 31st March 2014	Cashflow Statement Month	In Month			Year to Date		
		Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
14,790	Opening Balance	7,771	7,999	227	12,333	12,333	0
7,022	EBITDA	815	481	-334	4,312	3,088	-1,224
0	Other increases/(decreases) to reconcile to profit/(loss) from operations	-8	0	8	-58	-717	-659
7,022	Operating Cashflows before movements in working Capital	807	481	-326	4,254	2,371	-1,883
	Movements in Working Capital:						
16	(Increase)/Decrease in Inventories	-63	435	498	-681	-744	-62
-367	(Increase)/Decrease in Receivables (including accrued income)	-1,462	-1,000	462	-2,097	-1,330	767
107	(Increase)/Decrease in Prepayments	100	-59	-159	-300	-836	-536
394	Increase/(Decrease) in Payables	-426	-1,623	-1,197	-1,421	-219	1,202
-481	Increase/(Decrease) in Accruals	-758	142	900	-1,029	952	1,981
1,540	Increase/(Decrease) in Deferred Income	-50	-115	-65	369	-840	-1,209
-1,371	(Increase)/Decrease in Current Provisions	0	-6	-6	-150	-28	123
-162	Increase/(Decrease) in Working Capital	-2,659	-2,225	434	-5,309	-3,045	2,265
0	Increase/(Decrease) in Non Current Provisions	0	0	0	-3	0	3
6,860	Net Cash Inflow/(Outflow) from Operating Activities	-1,852	-1,745	108	-1,059	-674	385
-8,657	Capital Expenditure (including capital payables)	-409	-45	364	-4,562	-4,346	216
-8,657	Net Cash Inflow/(Outflow) from Investing Activities	-409	-45	364	-4,562	-4,346	216
-1,797	Cashflow before Financing	-2,261	-1,790	472	-5,621	-5,019	601
-1,874	PDC Dividends Paid	0	0	0	-1,178	-1,215	-37
	PDC Dividends Capital received	0	0	0	0	0	0
40	Interest received on Cash Balances	3	3	0	21	21	0
-47	Interest element of Finance Leases	-4	-2	2	-28	-17	11
	Interest on Non Commercial Loans						
-218	Repayment of Loans & Leases	-11	-11	0	-77	-78	-1
	Donations received in cash	8	0	-8	58	174	116
-2,099	Net Cash Inflow/(Outflow) from Financing	-4	-11	-7	-1,204	-1,115	89
-3,896	Net Cash Inflow/Outflow	-2,265	-1,800	465	-6,825	-6,135	690
10,894	Closing Balance	5,506	6,198	692	5,508	6,198	690

Analysis of Staffing Costs Compared to Plan (In Month and Year to Date)

Appendix 5

Staffing Costs	In Month							
	Plan £000's	Substantive £000's	+ Hours £000's	Agency £000's	Bank £000's	Overtime £000's	Total £000's	Variance £000's
Medical Staff	(1,379)	(1,289)	(100)	0	0	0	(1,389)	(10)
Nursing	(1,854)	(1,617)	0	(257)	(70)	(8)	(1,952)	(99)
Scientific	(870)	(805)	0	(8)	(2)	(8)	(823)	47
Other Clinical	(371)	(382)	0	(3)	(29)	(4)	(418)	(47)
Support Staff	(188)	(153)	0	(24)	(28)	(1)	(205)	(17)
Non Clinical Staff	(855)	(816)	0	(23)	(11)	(4)	(854)	1
Other	31	0	0	0	0	0	0	(31)
Total	(5,484)	(5,062)	(100)	(315)	(139)	(24)	(5,641)	(156)

Staffing Detail	FTE		
	Plan FTE	Actual FTE	Variance FTE
Medical Staff	148	138	(10)
Nursing	545	482	(63)
Scientific	253	235	(18)
Other Clinical	182	195	13
Support Staff	90	84	(6)
Non Clinical Staff	308	296	(12)
Other	0	0	0
Total	1,526	1,430	(96)

Staffing Costs	Year to Date							
	Plan £000's	Substantive £000's	+ Hours £000's	Agency £000's	Bank £000's	Overtime £000's	Total £000's	Variance £000's
Consultants	(9,650)	(8,983)	(798)	(1)	0	0	(9,782)	(132)
Nursing	(12,880)	(11,170)	0	(1,425)	(494)	(40)	(13,129)	(249)
Scientific	(6,090)	(5,490)	0	(239)	(27)	(78)	(5,834)	256
Other Clinical	(2,594)	(2,536)	0	(31)	(227)	(25)	(2,820)	(225)
Support Staff	(1,316)	(1,126)	(17)	(72)	(130)	(9)	(1,354)	(38)
Non Clinical Staff	(5,975)	(5,653)	0	(374)	(64)	(56)	(6,148)	(172)
Agency	0	43	0	0	0	0	43	43
Total	(38,505)	(34,915)	(815)	(2,142)	(943)	(208)	(39,023)	(518)

Activity & Income Analysis

Appendix 6

2014/15 Procedure Group	Oct						Apr-Oct					
	Activity			Income (£000's)			Activity			Income (£000's)		
	Plan	Actual	Var	Plan	Actual	Var	Plan YTD	Actual YTD	Var YTD	Plan YTD	Actual YTD	Var YTD
Aneurysm	16	14	-2	200	171	-29	112	101	-11	1,367	1,259	-108
CABG	79	70	-9	691	617	-75	539	546	7	4,719	4,766	47
CABG & Valve	24	17	-7	261	192	-68	163	121	-42	1,779	1,331	-448
CABG & Valve Re-do	2	0	-2	23	0	-23	15	9	-6	159	103	-56
Cardiac Complex	3	2	-1	27	19	-8	20	23	3	183	257	74
Cardiac Other Procedures	12	17	5	28	48	19	84	113	29	194	291	97
Cardiac Valve	47	45	-2	538	516	-22	322	286	-36	3,670	3,242	-428
TAVI	2	0	-2	65	0	-65	55	30	-25	1,503	840	-663
Total Cardiac Surgery	186	165	-21	1,833	1,562	-271	1,309	1,229	-80	13,574	12,088	-1,486
Thoracic - Complex	61	72	11	441	547	106	416	462	46	3,008	3,427	419
Thoracic - Intermediate	4	6	2	14	26	11	28	26	-2	97	93	-3
Thoracic - Major	11	11	0	32	40	9	73	80	7	216	274	58
Thoracic - Other Procedures	43	42	-1	82	71	-11	296	295	-1	558	528	-30
Total Thoracic Surgery	119	131	12	568	684	115	813	863	50	3,878	4,322	444
Oesophagegus Complex	4	3	-1	46	27	-19	29	20	-9	314	217	-97
Stomach - Very Complex	4	4	0	28	32	4	26	23	-3	190	152	-38
Upper GI - Other	3	1	-2	5	0	-5	19	13	-6	36	25	-11
Total Upper GI	11	8	-3	79	59	-20	74	56	-18	540	395	-145
Dental	4	5	1	2	2	0	30	24	-6	16	12	-4
UHSM Activity	0	-13	-13	0	-205	-205	0	-13	-13	0	-205	-205
Total Surgery Directorate	320	296	-24	2,483	2,102	-380	2,225	2,159	-66	18,008	16,612	-1,396
Angioplasty	204	174	-30	755	651	-104	1,395	1,291	-104	5,154	4,764	-391
Cardiac Disorders	45	44	-1	55	67	12	308	376	68	372	484	112
Cardiology Other	31	44	13	44	73	28	213	255	42	303	276	-27
Catheter	140	158	18	284	322	38	953	1,025	72	1,938	2,111	173
EBUS	33	29	-4	95	84	-11	227	208	-19	646	535	-111
EP Studies	131	139	8	396	429	33	894	855	-39	2,704	2,526	-178
Pacing	110	112	2	532	504	-28	750	818	68	3,634	3,759	125
PASD	7	5	-2	35	26	-10	47	40	-7	240	205	-36
Respiratory Other	50	36	-14	58	37	-21	343	280	-63	394	305	-89
TAVI	7	8	1	182	224	42	7	8	1	182	224	42
Total C&CM Directorate	758	749	-9	2,436	2,416	-20	5,136	5,156	20	15,568	15,188	-380
PbR Exclusions - CF	28	22	-6	441	444	2	193	170	-23	3,013	3,028	15
PbR Exclusions - Planned procedures not	25	32	7	12	16	3	168	204	36	84	100	16
Total Exclusions	53	54	1	454	459	5	360	374	14	3,097	3,128	31
Total Spells	1,131	1,099	-32	5,372	4,977	-395	7,722	7,689	-33	36,672	34,928	-1,745
Other Activity			0			0	0	0	0	0	0	0
Outpatients	5,454	6,660	1,206	712	907	195	37,231	40,694	3,463	4,858	5,459	602
Outpatient Radiology	659	793	134	92	124	32	4,501	5,230	729	628	769	141
Outpatient Other (ECG, Oxygen, Pulm Re	1,237	658	-579	136	104	-32	8,447	8,202	-245	927	939	13
Critical Care	1,061	987	-74	1,392	1,260	-132	7,239	7,319	80	9,500	9,482	-18
Critical Care Transition	0	0	0	0	0	0	0	0	0	0	0	0
Devices	171	184	13	1,056	1,140	84	1,170	1,215	45	7,208	7,676	468
Drugs	0	0	0	282	381	99	0	0	0	1,924	2,264	340
PPCI	108	119	11	14	16	1	738	777	39	97	99	2
Excess Bed Day - Activity Only	153	174	21			0	1,046	782	-264	0	0	0
Other Adjustments	84	114	30	358	385	26	577	867	290	2,507	2,140	-367
Total				9,414	9,292	-121				64,321	63,756	-565

Current Trading - Contribution Analysis for the period to 31st October, 2015.

Appendix 7

Contribution by Directorate	Income			Expenditure			Contribution		
	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's	Plan £000's	Actual £000's	Variance £000's
Medicine	-32,293	-32,410	-117	23,100	23,641	542	-9,193	-8,768	425
Surgery	-21,112	-19,407	1,705	15,947	15,977	30	-5,165	-3,429	1,735
Clinical Services	-16,623	-17,327	-704	14,686	15,672	986	-1,937	-1,655	282
Corporate Services	-856	-864	-8	12,613	12,578	-35	11,757	11,715	-42
Reserves, unallocated CIP's	0	0	0	284	-776	-1,060	284	-775	-1,060
Total EBITDA	-70,884	-70,007	877	66,630	67,093	463	-4,254	-2,913	1,340

Income Position Months 1 – 7, and Year End Forecast

Service Line	April - October (Months 1-7)				Forecast			
	Original Forecast		Actual Position		Months (8 - 12)		Full Year	
	Activity	£000	Activity	£000	Activity	£000	Activity	£000
<u>SURGERY</u>								
CARDIAC SURGERY - CABG	567	4,917	546	4,766	432	3,714	978	8,480
CARDIAC SURGERY - CABG & VALVE	126	1,376	121	1,331	98	1,068	219	2,399
CARDIAC SURGERY - CARDIAC OTHER PROCEDURES	100	247	113	291	67	130	180	421
CARDIAC SURGERY - COMPLEX CARDIAC	21	257	23	257	13	146	36	403
CARDIAC SURGERY - REDO	11	131	9	103	10	119	19	222
CARDIAC SURGERY - TAVI	30	844	30	840	15	420	45	1,260
CARDIAC SURGERY - VALVE	64	2,907	286	3,242	171	1,947	457	5,189
CARDIAC SURGERY - ANEURYSMS	106	1,311	101	1,259	79	972	180	2,231
ADJUSTMENT	15	247	-	205	(20)	279	(20)	74
CARDIAC SURGERY	1,246	12,307	1,229	11,884	865	8,795	2,094	20,679
<u>DENTAL</u>	20	11	24	12	7	4	31	16
THORACIC SURGERY - THORACIC COMPLEX	462	2,405	462	3,427	325	2,369	787	5,796
THORACIC SURGERY - THORACIC INTERMEDIATE	22	79	26	93	12	41	38	134
THORACIC SURGERY - THORACIC MAJOR	85	284	80	274	64	210	144	484
THORACIC SURGERY - THORACIC OTHER PROCEDURES	289	499	295	528	197	321	492	849
ADJUSTMENT		3		-		-		-
THORACIC SURGERY	858	4,265	863	4,322	598	2,941	1,461	7,263
UPPER GI - COMPLEX OESOPHAGUS	12	133	20	217	-	-	20	217
UPPER GI - COMPLEX/MAJOR STOMACH	18	118	23	152	-	-	23	152
UPPER GI - OTHER PROCEDURES	12	25	13	25	-	-	13	25
ADJUSTMENT	16	117		-	28	282	28	282
UPPER GI SURGERY	58	393	56	394	28	282	84	676
TOTAL SURGERY	2,182	16,975	2,172	16,612	1,498	12,022	3,670	28,634
<u>MEDICINE</u>								
CARDIAC DISORDERS	382	463	376	484	272	300	648	784
CARDIOLOGY - OTHER PROCEDURES	69	205	255	276	185	157	440	433
CATHETER	1,010	2,090	1,025	2,111	686	1,431	1,711	3,542
EBUS	222	557	208	535	179	436	387	971
EPS	861	2,526	855	2,526	671	1,954	1,526	4,480
PACING	817	3,798	818	3,759	567	2,678	1,385	6,437
PASD	40	203	40	205	30	153	70	358
PCI	1,313	4,830	1,291	4,764	954	3,498	2,245	8,262
TAVI	10	280	8	224	52	1,456	60	1,680
RESPIRATORY - OTHER PROCEDURES	17	317	280	305	305	337	585	642
ADJUSTMENT	(6)	21	-	-	36	150	36	150
TOTAL MEDICINE	5,224	15,371	5,156	15,189	3,937	12,549	9,093	27,738
<u>OTHER</u>								
Devices	1,230	7,742	1,215	7,676	952	5,784	2,167	13,460
Outpatients	53,404	7,048	50,179	7,167	40,330	4,685	90,509	11,852
Critical Care	7,431	9,659		9,633	12,710	6,901	12,710	16,534
Drugs		2,217		2,264	-	1,529	-	3,793
Cystic Fibrosis	-	3,018		3,028	-	2,159	-	5,187
Additional Income Opportunities		-		-		250		250
Other		2,224		2,187	-	1,659	-	3,846
TOTAL OTHER	62,065	31,908	51,394	31,955	53,992	22,966	105,386	54,921
TOTAL DIRECT CLINICAL INCOME	69,472	64,254	58,722	63,756	59,427	47,537	118,149	111,293
Private patients		1,941		1,895		1,623		3,518
TOTAL CLINICAL INCOME	69,472	66,195	58,722	65,651	59,427	49,160	118,149	114,811
Non Clinical income Position		4,323		4,355		2,950		7,305
TOTAL INCOME	69,472	70,519	58,722	70,006	59,427	52,110	118,149	122,116

2015/16 Forecast Income & Expenditure Position: Key Drivers

