

Trust Board
29th November 2017

Finance Performance Report
Month 07 – period ended 31st October 2017

Section	Content
1	Trust Income & Expenditure
2	Contribution Performance and Divisional Commentary
3	Trust Balance Sheet
4	Overall Appraisal
	Annexes

Section One: Trust Income & Expenditure

1.1 Summary Income & Expenditure

The position for the period to 31st October 2017 is outlined below:

£m	M07			YTD			Forecast Out-Turn		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
NHS Clinical Income									
NHSE/ CCG/ Other NHS Commissioned	24.1	26.2	2.1	168.1	170.9	2.8	286.1	294.7	8.7
S&T Funding	0.8	0.8	0.0	3.7	4.1	0.4	8.2	8.6	0.4
Income Contingency	(0.1)	(0.1)	(0.0)	(0.9)	(0.9)	0.0	(1.5)	(1.5)	0.0
Trust to Trust & Other NHS	0.4	0.4	0.1	2.5	2.3	(0.3)	4.4	3.9	(0.4)
Total NHS Clinical Income	25.2	27.3	2.1	173.4	176.4	3.0	297.1	305.8	8.7
Private Patient Income	3.9	3.6	(0.3)	24.9	21.0	(3.9)	43.8	36.7	(7.1)
Non Clinical Income	1.9	2.2	0.2	13.6	14.5	0.9	23.4	25.2	1.8
Total Income	31.0	33.1	2.1	211.9	211.9	(0.0)	364.3	367.7	3.4
Pay Costs									
Pay Costs	(18.6)	(18.5)	0.2	(129.6)	(127.3)	2.3	(223.3)	(219.8)	3.6
Pay CIP Target	0.7	0.0	(0.7)	(0.7)	0.0	0.7	3.0	0.0	(3.0)
Pay Contingency	(0.3)	0.0	0.3	(1.8)	(0.0)	1.7	(3.0)	(0.0)	3.0
Total Pay Costs	(18.2)	(18.5)	(0.3)	(132.1)	(127.3)	4.8	(223.3)	(219.8)	3.5
Non Pay Costs									
Drugs	(3.6)	(3.8)	(0.3)	(25.0)	(25.1)	(0.1)	(42.9)	(43.0)	(0.1)
Clinical Supplies	(4.1)	(5.5)	(1.4)	(35.0)	(35.7)	(0.8)	(57.4)	(62.3)	(4.9)
Other Costs	(3.8)	(4.2)	(0.3)	(27.3)	(29.9)	(2.6)	(46.7)	(49.5)	(2.8)
Non-Pay CIP Target	0.1	0.0	(0.1)	(0.2)	0.0	0.2	2.4	0.0	(2.4)
Non-Pay Contingency	(0.2)	0.0	0.2	(1.7)	(0.0)	1.7	(3.0)	(0.0)	3.0
Total Non Pay Costs	(11.7)	(13.6)	(1.9)	(89.2)	(90.7)	(1.5)	(147.6)	(154.8)	(7.2)
Total Expenditure	(29.9)	(32.0)	(2.2)	(221.3)	(218.0)	3.3	(370.9)	(374.6)	(3.7)
EBITDA	1.1	1.0	(0.1)	(9.3)	(6.1)	3.3	(6.6)	(6.8)	(0.3)
EBITDA Margin %	3.7%	3.1%		(4.4%)	(2.9%)		(1.8%)	(1.9%)	
Central Costs	(2.3)	(1.7)	0.6	(14.0)	(14.5)	(0.5)	0.9	1.6	0.7
Net Surplus/ (Deficit)	(1.2)	(0.7)	0.5	(23.4)	(20.6)	2.8	(5.7)	(5.3)	0.4
Net Margin %	(3.7%)	(2.0%)		(11.0%)	(9.7%)		(1.6%)	(1.4%)	

Note: As figures are rounded to the nearest £0.1m, totals may not reconcile to the sum of figures above.

Control Total and Sustainability & Transformation Fund (STF)

The Trust has a 2017/18 control total deficit of £5.6m. The control total is calculated by taking surplus/deficit, deducting the benefit of capital donation receipts and also the expense of depreciation on donated assets. The table below demonstrates how the planned £5.7m deficit gives a control total of £5.6m deficit for the year. As at M07 year to date (YTD) there is a £3.4m surplus against the YTD planned control total.

S&T funding of £4.1m has been included YTD which is the full amount to reflect both the achievement of the control total to the end of the month and the expectation that ongoing results continue as planned. This includes £0.4m awarded related to 2016/17.

£m	Full Year Plan	YTD Plan	YTD Actual	YTD Var
Deficit	(5.7)	(23.4)	(20.6)	2.8
Capital donations	2.1	2.1	1.1	(1.0)
Depreciation on donated assets	(2.2)	(0.9)	(0.9)	(0.0)
Deficit adjusted for donations	(5.6)	(24.6)	(20.7)	3.8
S&T funding	8.2	3.7	4.1	0.4
Deficit exclusive of S&T funding	(13.8)	(28.2)	(24.8)	3.4

		Commentary
M07 Surplus/ (Deficit)	(£0.7m)	<p>The table above summarises the financial performance for M07 which is reported in detail in Annex A.</p> <p>The Trust made a deficit of £0.7m in M07 against a plan of £1.2m; the result is £0.5m favourable to plan. The position includes full recognition of STF income (now increased to £0.8m per month) as the control total trajectory has been achieved. The headlines driving the M07 position are as follows:</p> <p>NHS clinical income:</p> <ul style="list-style-type: none"> • Spell activity in August was 62 spells ahead of plan at 3,119; and • NHS clinical income was £2.1m favourable to plan at £27.3m. A significant component of this is a favourable movement on prior months (£1.5m) due to coded activity earning significantly more income than anticipated. The estimate used will be revised upwards in M08. There was also a favourable variance on drugs and devices (£1m, partly offset by expenditure). <p>PP income generated £3.6m in M07, which was £0.3m adverse to plan, but up from £3m in M06.</p> <p>Non clinical income was favourable to plan by £0.2m, primarily due to increased research income.</p> <p>Pay costs were £0.3m adverse to plan at £18.5m, having increased from £18m in M06. This largely related to under-achievement of the increased in-month CIP target (causing a £0.7m adverse variance), offset by a favourable variance from the benefit of the pay contingency (£0.3m). Both substantive and agency actual pay costs increased from M06 (by £0.2m each). Agency costs increased to £850k in October, the highest level all year and above the NHSI ceiling of £753k. WTE increased by 91 since September. This large increase comprises 67 substantive staff and the remainder split between agency and bank. It largely relates to nursing staff and is expected to reduce in November as the supernumerary period for new starters ends. Further detail on workforce is given in Annex C.</p> <p>Non-pay costs were overspent by £1.9m at M07, largely relating to drugs (£0.3m) and clinical supplies (£1.4m), which were more than offset by additional NHS and private patient income. There was a positive variance due to the non-pay contingency (£0.2m). Other costs were overspent primarily due to additional provisions for legal (£0.1m) and consultancy (£0.2m) fees.</p> <p>EBITDA was £1m positive vs plan of positive £1.1m in M07, so £0.1m adverse</p>

		to plan, although improved from previous months primarily due to the NHS income catch-up in month. Below EBITDA net costs were better than plan by £0.6m. This is largely due to the phasing of the plan for the receipt of capital donations and should come back in line next month when all donations have been received for the donated scanners at Harefield.
YTD Surplus/ (Deficit)	(£20.6m)	<p>The Trust has made a YTD deficit of £20.6m against a planned YTD deficit of £23.4m; as such the result is £2.8m favourable to plan. The position includes full recognition of STF income (£4.1m) as control total trajectory has been achieved. The headlines driving the YTD position are as follows:</p> <p>NHS clinical income:</p> <ul style="list-style-type: none"> • Spell activity is 150 spells above plan at 20,381; and • NHS clinical income is £3.0m favourable to plan at £176.4m. Material variances are: STF (£0.4m favourable relating to 2016/17), drugs & devices (£2.0m favourable, offset by higher expenditure), inpatients (£1.6m favourable) and critical care (£0.4m favourable), home ventilation (£0.5m favourable) and transplant (£0.3m favourable) These were partly offset by adverse variances of £2.2m across a range of areas, including outpatients (£0.8m), trust to trust (£0.3m), ECMO (£0.2m) and a number of smaller areas. <p>PP income generated £21m YTD, £3.9m adverse to plan.</p> <p>Non clinical income is £0.9m favourable to plan at £14.5m, primarily driven by increased research income and income received from the accounts payable review, whereby a detailed statement review of over 800 suppliers was undertaken, and credits received for duplicate or incorrect invoices.</p> <p>Pay costs are £4.8m favourable to plan at £127.3m. Within this there are favourable variances from the benefit of the pay contingency (£1.7m), YTD CIP over-achievement (£0.7m) as well as underspends primarily across nursing (£1.1m), consultants (£0.5m), STT (£0.8m) and non-clinical staff (£0.2m). Junior doctors were overspent by £0.3m YTD. Agency spend was £5.1m YTD. This is over-budget by £1.1m but within the NHSI agency cap YTD.</p> <p>Non-pay costs are £1.5m adverse to plan at £90.7m. The overspend in clinical supplies and drugs (£0.9m) is offset by additional income. There was an overspend on management consultancy of £1.8m (Note that total expenditure and provision for BCG now stands at £1.5m for the financial year). There were also charges related to the increase in bad debt provisions earlier in the year (£1.3m between NHS and non NHS). Offsetting this is a favourable variance from the non-pay contingency (£1.7m), over-achievement of non-pay CIP YTD (£0.2m favourable) and under-spends on general supplies (£0.2m), along with other smaller variances in other areas.</p> <p>EBITDA is negative £6.1m YTD against a plan of negative £9.3m YTD, so £3.3m favourable to plan. Below EBITDA net costs at £14.5m are £0.5m adverse to plan, primarily due to the timing of capital donation receipts.</p>
Forecast and Underlying Surplus/	(£5.3m)	The Trust is forecasting achievement of the deficit target and control total, subject to risks and mitigations outlined in Annex M. The forecast underlying position has improved from M06, to a £37.2m deficit, primarily due to improved income projections.

(Deficit)		
FSP (Annex B)	£4.7m £0.3m	<p>FSP – Cost Improvements Cost Improvement Programmes (CIP) have delivered savings of £4.7m to date, £0.4m ahead of plan. A total of £10.1m has now been identified for the full year 2017/18 in respect of CIP, with £5.4m remaining to be identified over the coming months. The Darwin transformation programme is expected to contribute to this unidentified CIP challenge.</p> <p>FSP – Service Developments Margin from service development was lower than anticipated YTD at a contribution of £0.3m compared to a plan of £0.6m positive. Overall, after removing some items for CIP, the Trust has planned for £2.9m of margin from service developments in the full year, largely planned in the latter part of the year, but is now only forecasting achievement of £1.6m in 2017/18.</p>
Use of Resources	3	The Trust has a Use of Resources rating of 3 at M07 in line with plan. The scale is 1 (best) to 4 (worse).
Financial Risks	Annex K and Annex L	Financial risks have recently been reviewed. The prospect of substantial future I&E deficits has meant that the liquidity risk has moved from amber to red. Key risks and mitigations to achieving the forecast are given in Annex M of this report.

Section Two: Divisional Performance

2.1 Royal Brompton Heart Division

In October, the division generated a contribution of £3.8m, £1.5m (67%) ahead of plan. YTD, the division has now generated a contribution of £13.6m, £4.1m (44%) ahead of plan.

RBH Heart £000s	FY Budget	Mth Budget	Mth Actual	Mth Variance	YTD Budget	YTD Actual	YTD Variance
NHS England & Other CCG	109,756	9,360	11,441	2,081	64,177	68,308	4,131
T2T & Other NHS	1,771	149	123	(27)	1,025	761	(264)
Patient Care Income	111,527	9,509	11,563	2,054	65,202	69,069	3,867
Private Patient	21,214	1,858	1,947	89	12,424	11,132	(1,292)
Other Income	1,559	130	144	14	910	929	19
Total Income	134,301	11,497	13,654	2,157	78,536	81,130	2,594
Pay	(75,049)	(5,986)	(6,314)	(328)	(45,120)	(43,487)	1,633
Non Pay	(40,151)	(3,247)	(3,567)	(320)	(23,917)	(24,007)	(90)
Total Expenditure	(115,200)	(9,233)	(9,881)	(648)	(69,037)	(67,494)	1,543
Contribution	19,100	2,264	3,773	1,509	9,499	13,636	4,137
Contribution %	14.2%	19.7%	27.6%		12.1%	16.8%	

INCOME

NHS

In October, reported NHS income was ahead of plan by £2.1m. Within this position, the division recognised an additional £1.4m of income for prior months where activity was previously uncoded at the time of reporting, attracting an average tariff. The actual tariff applicable for these spells was greater than anticipated upon discharge and final coding. This is predominantly seen within paediatric surgical activity where coding can be complex, particularly for acute cases. The areas impacted are described below.

Inpatient activity in October was ahead of plan by £0.5m, with a further £0.7m related to prior months. Paediatric activity was ahead of plan by £0.3m and had improved compared to previous months, particularly within respiratory and surgery. Adult inpatient spells also showed improved performance and were ahead of plan by £0.2m, split between cardiac surgery and cardiology.

Critical care activity was behind plan in month by £0.3m; adult cardiac surgery was behind plan by £0.1m and paediatric surgery by £0.2m, predominantly cardiac. This in month position was offset by an additional £0.5m related to prior months.

Income for contract-excluded drugs and devices was ahead of plan by £0.6m. Adult cardiology drugs were £0.2m ahead of plan and paediatric respiratory drugs were also £0.2m ahead of plan. Device activity was ahead of plan: 32 ICDs were implanted against a plan of 26, resulting in a £0.1m favourable variance. These income variances to plan are matched by corresponding non-pay variances.

YTD, NHS income is £4.1m ahead of plan, which includes:

- £2.2m ahead of plan in inpatient activity, within paediatric cardiology which is 198 spells (£1.4m) ahead of plan, adult cardiac surgery £0.4m ahead of plan and paediatric surgery £0.3m ahead of plan (predominantly thoracic);
- Critical care income is ahead of plan by £0.7m overall, with £0.9m over-recovery in paediatrics (predominantly cardiac surgery), offsetting shortfalls in adult services (£0.2m in cardiology and £0.1m in cardiac surgery);

- £1.4m and £0.7m ahead of plan in contract-excluded drugs and devices income respectively, both offset by a corresponding non-pay overspend;
- £0.6m shortfall across all outpatient/diagnostic activity, with fewer CMR scans, ECHO and ECG tests than planned, partially offset by increased numbers of PET-CT scans (£0.2m ahead of plan);
- £0.2m (28 bed days) behind plan in VV ECMO activity; the service is retrieving a greater number of patients than planned, but an improved process has led to a reduction in length of stay, with an adverse impact on bed-day income.

Of the YTD position, NHSE commissioned income is ahead of plan by £4.9m while CCG income is behind plan by £0.7m.

Trust-to-trust and other NHS income is on plan in month and behind plan YTD by £0.3m, partly due to the lower levels of CMR scans than planned.

Private Patients

Private patient income was ahead of plan in month by £0.1m, which is an improved performance compared to previous months, but behind plan YTD by £1.3m (10%):

- Cardiac surgery: ahead of plan by £0.3m in month and by £0.2m YTD;
- Cardiology: behind plan by £0.1m in month and £0.9m YTD, due to activity being 74 spells behind plan;
- Paediatrics: behind plan by £0.1m in month and £0.5m YTD, with activity 24 spells behind plan predominantly within cardiology.

Non-Clinical Income

Non-clinical income is on plan both in October and YTD.

EXPENDITURE

PAY

Total pay was overspent in month by £0.3m with a YTD underspend of £1.6m (4%). The in month overspend includes the impact of the additional monthly savings target (£0.4m) which has taken effect from October. Allocations to this target will continue to be made over the coming months.

Nursing budgets were underspent by £0.1m in month and £1.3m YTD. The underspend in October was lower than that in recent months, due to a number of substantive recruits taking up post across paediatrics, theatres and on Sir Reginald Wilson ward. Other nursing vacancies are ongoing in the adult cardiology wards as well as in critical care.

Nursing								
Vacancies	M1	M2	M3	M4	M5	M6	M7	
Maternity	14.28	15.57	15.49	16.65	16.25	18.25	19.25	
Other	118.10	125.01	129.32	120.94	140.84	128.34	105.00	
Total	132.38	140.58	144.81	137.59	157.09	146.59	124.25	

NON-PAY

In October, non-pay was overspent by £0.3m and is overspent YTD by £0.1m.

Clinical supplies were overspent by £0.2m in month. This is comprised of high NHS and private patient cardiac device activity (offset by income) as well as the allocation of budget (£0.1m) to the savings target following reduced expenditure on supplies across the division and from savings now

being realised through the Procurement initiative. Further allocations will be made to the savings target in the coming months.

The YTD non-pay position includes overspends on contract-excluded drugs and devices that are matched by the over performance in income described above. Other clinical supplies are underspent largely as a result of rebates received for free-of-charge devices (£0.4m impact) and credit notes received (£0.2m impact) for supplies relating to last financial year. Expenditure with our partners (general hospitals) for the shared care of children with cystic fibrosis is underspent by £0.2m.

2.2 Harefield Heart Division

In October, the division generated a contribution of £0.3m (4.5%). YTD the division has generated a contribution of £5.7m (10.6%), £1.3m behind the plan.

Harefield Heart £000s	FY Budget	Mth Budget	Mth Actual	Mth Variance	YTD Budget	YTD Actual	YTD Variance
NHS England & CCG	87,845	7,609	6,895	(715)	50,287	50,663	376
T2T & Other NHS	1,461	124	108	(16)	841	694	(147)
Patient Care Income	89,306	7,733	7,003	(731)	51,128	51,357	229
Private Patient	7,265	672	493	(179)	3,479	2,448	(1,031)
Other Income	188	16	16	0	109	194	84
Total Income	96,758	8,421	7,512	(910)	54,716	53,999	(718)
Pay	(51,839)	(4,338)	(4,349)	(12)	(29,862)	(29,808)	54
Non Pay	(30,438)	(2,516)	(2,821)	(305)	(17,776)	(18,456)	(680)
Total Expenditure	(82,277)	(6,854)	(7,171)	(317)	(47,638)	(48,264)	(626)
Contribution	14,481	1,567	341	(1,226)	7,078	5,735	(1,344)
	15.0%	18.6%	4.5%		12.9%	10.6%	

INCOME

NHS Clinical Income

In October, the overall reported NHS income is £0.7m behind plan. Included in the position is the underperformance of inpatient activity particularly in cardiology (£0.2m) and cardiac surgery (£0.2m). This is partly due to a planned reduction in bed capacity (12) to allow remedial works to be undertaken on Oak ward. Critical care is also behind plan by £0.4m. Income from excluded drugs and Transplant/VAD contract is behind plan by £0.1m respectively. This is offset by a corresponding underspend in Non-pay. The overall in month under performance has been partially offset by coding of prior month activity.

Transplant activity reduced in M07 but still remains ahead of target by 15 transplants year to date. This is having an adverse effect on the division as the marginal income above plan does not cover marginal direct costs.

Harefield Redevelopment Business Plan (HRBP) income target (£0.5m) has come on line in the month but there is no actual income due to a planned delay until quarter 4.

YTD, NHS income is £0.4m above plan. Inpatient activity stands at £0.3m behind plan mainly in cardiology whilst there is over performance in the transplant contract (£0.3m), outpatients (£0.1m) and critical care (£0.1m all seen in Transplant). Drugs & device income is £0.2m ahead of plan driven by transplant /VAD contract activity.

The Trust-to-trust income is on plan in month but remains behind plan by £0.1m YTD due to underperformance in CT and cardiac MRI scans driven by lower tariffs for some scans not reflected in the budget., The YTD impact is .£0.4m adverse.

Private Patients

Private patient income for the month was 50% higher compared to the average for the year. However it is still behind plan by £0.2m (27%) and £1m (30%) in month and YTD respectively. Excluding the HRBP income target (£150k), the baseline performance is only £29k behind plan in month and £0.9m YTD. The YTD activity is behind plan for cardiac surgery (36%), cardiology (9%) and transplant (50%).

Non-Clinical Income

Non-clinical income is on plan in month and £0.1m ahead of plan YTD largely due to £67k NORS (transplant organ retrieval) income received from NHSBT.

EXPENDITURE

PAY

Pay is overspent in the month (£12k) and underspent YTD by £54k (0.2%). The HRBP budget £0.4m in month and £0.7m YTD has come on line, but due to delays, there are currently no related costs. The underlying in-month and YTD pay position excluding this is overspent by £0.4m and £0.7m

Nursing – The underlying Nursing overspend excluding HRBP) is £0.2m in month. The division had 28 WTE of new starters which attracted high supernumerary costs in the month. The underlying YTD overspend excluding HRBP which lies at £0.6m and is a result of a high acuity of patients, particularly in relation to transplant activity, high supernumerary costs and reliance on bank and agency to cover vacancies. Nurse vacancies (including maternity vacancies not filled with fixed term contracts) across the division are shown in the table below. The increase from M4 is due to new budgets relating to the HRBP. The division has deliberately deferred the increase in capacity and recruiting into the vacancies to allow remedial works to be undertaken on Oak Ward.

Vacancies	M1	M2	M3	M4	M5	M6	M7
HRBP	0	0	0	3	3	70	70
Maternity	18	16	21	24	23	23	21
Others	22	24	21	23	26	14	4
Total	40	40	42	50	52	107	95

There is on-going recruitment in order to mitigate the use of Agency or bank. There is also a planned recruitment in respect of the HRBP to coincide with the opening of the facilities.

Junior doctors have an underlying overspend in month of £0.1m. The over spend in the month is due to locum spend in Critical Care. The YTD overspent by £0.1m (excluding HRBP) also includes circa £0.1m relating to retrieval runs.

Other staff groups pay largely on plan in month and YTD.

NON PAY

Non-pay costs in month are overspent by £0.3m (12%), and YTD underspent by £0.7m (4%).

Drugs are overspent by £0.1m in month and £0.6m YTD largely due to transplant due to high volumes of activity.

Clinical Supplies are overspent (£0.3m) in the month mainly driven by OCS (transplant retrieval) kits (5 used in the month against plan of 2). The other key in month pressures relate to prior months costs (£0.1m) for ITU bed hire. The delay in the HRBP has resulted in costs of £41k due to the continued need for the mobile MRI scanner. Some of this cost may be recoverable subject to agreement of final account.

The YTD position is overspent by £0.3k largely due to OCS kits (£0.5m). This is offset by the under spends on ICD (£0.3m) and other activity-related expenditure within catheter labs and theatres, but with corresponding lower income.

2.3 Lung division

In October, the division generated a contribution of £2.2m (29%), £0.2m behind plan. The full year contribution is on plan at £13.7m (27%).

£000s	FY	Month			Year to Date		
	Budget	Budget	Actual	Variance	Budget	Actual	Variance
NHS England & CCG	83,409	7,154	7,222	69	48,456	47,028	(1,427)
T2T & Other NHS	83	7	4	(3)	48	26	(23)
Patient Care Income	83,492	7,160	7,226	66	48,504	47,054	(1,450)
Private Patient	4,811	421	303	(118)	2,817	2,408	(409)
Other Income	510	43	48	6	298	341	44
Total Income	88,812	7,624	7,578	(47)	51,619	49,804	(1,816)
Pay	(33,692)	(2,731)	(2,877)	(147)	(20,039)	(19,970)	68
Non Pay	(30,442)	(2,515)	(2,481)	33	(17,868)	(16,141)	1,727
Total Expenditure	(64,133)	(5,245)	(5,359)	(113)	(37,907)	(36,111)	1,796
Contribution	24,679	2,379	2,219	(160)	13,712	13,692	(20)
	28%	31%	29%		27%	27%	

INCOME

NHS

In October NHS patient care income was £0.1m (1%) ahead of plan at £7.2m. This was driven by a prior month positive move of £0.3m primarily in inpatient activity. The underlying position was driven by (high-cost, contract-excluded) drugs activity being £0.1m behind plan, matched by a corresponding underspend in drugs expenditure. Critical care was £0.1m behind plan mainly due to thoracic surgery at Harefield and inpatient income was £0.1m behind plan in month driven by thoracic surgery across both sites. Outpatient income was marginally behind plan in month. Home ventilation patients income was £0.1m ahead of plan.

YTD NHS income is behind plan by £1.4m (3%) at £47.0m. This is primarily driven by lower than expected high-cost, contract-excluded drugs activity (£1.1m, 10% behind plan), with a corresponding non-pay underspend. Critical care income is behind plan by £0.4m due to lower than expected activity in respiratory medicine at Royal Brompton. Outpatient income is £0.2m behind plan due to lower than expected first and follow up attendances. Inpatient income is £0.2m behind plan at £14.7m which includes an over-performance on respiratory medicine day case activity of £0.8m being offset by an under-performance in thoracic surgery of £1.1m. The thoracic surgery shortfall is primarily driven by lower than expected activity at Harefield. One substantive thoracic surgeon vacancy per site is being filled on a locum basis: the Harefield locum started in June but an additional locum consultant vacancy in September hampered Harefield activity further. This locum post has been filled from early in October.

Private Patients

In October, private patient activity was £0.1m behind plan at £0.3m and YTD is £0.4m (15%) behind plan. In month respiratory medicine was £0.1m behind plan due to consultant leave. Thoracic surgery at Royal Brompton and imaging activity were both marginally behind plan. There is a risk that thoracic activity will remain behind plan throughout the year due to consultant vacancies being filled by locum staff. YTD respiratory medicine is £0.1m ahead of plan, thoracic surgery £0.4m behind plan and imaging activity £0.1m behind plan.

EXPENDITURE

Pay

Total pay was £0.2m over spent in month and is on plan YTD, after accounting for an increased savings plan. Pay managed within the division was £0.2m over spent in month and on plan YTD.

Consultant pay was on plan in month, and is £0.2m underspent YTD due to consultant vacancies. Junior doctor pay is £23k over spent in month and £0.2m YTD.

Nursing pay is £28k over spent in month and £75k overspent YTD. Nurse vacancies (including maternity vacancies not filled with fixed term contracts) across the division are shown in the table below. 7 nurses have been recently recruited and are awaiting start dates.

Nursing								
Vacancies	M1	M2	M3	M4	M5	M6	M7	
Maternity	5.00	4.00	3.00	3.00	2.00	1.00	1.00	
Other	8.78	5.84	6.63	7.42	9.07	12.55	9.30	
Total	13.78	9.84	9.63	10.42	11.07	13.55	10.30	

STT pay is £17k under spent in month and £113k underspent YTD. Admin pay is £107k over spent in month and £56 under spent YTD.

Non Pay

In October, non-pay costs were on plan; YTD they are underspent by £1.7m. The principal reason for the underspend is lower-than-expected expenditure on (high-cost, contract-excluded) drugs matched by a corresponding lower income with Ivacaftor, Nintedanib and Pirfenidone being the main drivers. Ivacaftor is used in the treatment cystic fibrosis and Nintedanib and Pirfenidone in the treatment of idiopathic pulmonary fibrosis.

2.4 Private Patients

This analysis reviews the overall income position for private patient activity both in terms of targets that reside within the clinical divisions (plus clinical support services) and targets associated with Wimpole Street (where expenditure budgets are also managed by the private patients directorate).

Total Private Patient Income

In month							
Income £000s	RBH Heart	HH Heart	Lung	Clinical Support	Wimpole St	Private Patients	Total
Budget	1,858	672	421	573	262	63	3,849
Actual	1,947	493	303	555	231	38	3,567
Variance	89	(179)	(118)	(18)	(31)	(25)	(282)

The in-month position is £0.3m adverse to plan which is due to a £0.15m slippage against Juniper Ward, a £0.1m under performance within the Lung division driven by Thoracic consultant departures and Respiratory Medicine consultant leave. However in month revenue at £3.6m was a significant improvement against trend by £0.7m, due to a rich device case mix with 4 ICDs, 9 Tavis, and an increase in aortic valves and CABGs.

In-month inpatient activity was behind plan by 36 spells; this consists of cardiology 19, paediatrics 5, respiratory 6, thoracic 11, transplant 1, and anaesthetics 1, offset by 7 surgery spells. This includes 13 spells for Juniper Ward.

Year to Date							
Income £000s	RBH Heart	HH Heart	Lung	Clinical Support	Wimpole St	Private Patients	Total
Budget	12,424	3,479	2,817	3,832	1,749	420	24,721
Actual	11,132	2,448	2,408	3,267	1,398	347	21,001
Variance	(1,291)	(1,031)	(409)	(565)	(351)	(73)	(3,720)

The year-to-date position is £3.7m adverse to plan with all divisions significantly behind plan. This is mainly due an overall decline in international referrals and consultant departures; in addition an increased length of stay for medical admissions in month 2, surgical re-admissions in month 3, and a poor case mix between months 4 and 6 with some improvement in month 7.

Year-to-date activity is below plan by 133 spells (36 in month as noted above).

Wimpole Street – Outpatients and Diagnostics

In-month Wimpole Street achieved a negative contribution of £138k, and £46k adverse to plan in month. Year to date Wimpole Street has achieved a negative contribution of £944k, £222k adverse to plan.

Wimpole Street £000s	FY	Month			Year to Date		
	Budget	Budget	Actual	Variance	Budget	Actual	Variance
PP Income	2,987	262	231	(31)	1,749	1,394	(355)
Pay	(2,225)	(185)	(214)	(29)	(1,298)	(1,345)	(48)
Non Pay	(2,012)	(168)	(154)	13	(1,174)	(993)	181
Grand Total	(1,250)	(91)	(138)	(46)	(722)	(944)	(222)

Income & Activity

Income in month was £31k below plan at £231k. YTD income is £355k behind plan at £1.4m.

PP Diagnostic activity improved against the previous month by 8% (from 568 to 616) mainly within PET, Echo, and Holter Monitoring and Xray, however there was a decline in MRI by 30% and CT by 24% from previous month

Attendances have slightly decreased from the previous month from 582 to 560. In-month Wimpole Street is above plan by 103 attendances (37%).

NHS Diagnostic activity increased against the previous month by 50% (from 94 to 145) mainly within PET. This is due to external NHS PET referrals mainly from Imperial.

Expenditure

Pay is reporting an under spend of £13k in month and £180k YTD, driven by vacancies in imaging, non-invasive and administrative staff. Non-pay is reporting an over spend in month of £29k, due to drugs and equipment maintenance.

Section Three: Trust Balance Sheet

3.1 Trust balance sheet at 31 October 2017

Balance Sheet as at 31 October 2017	£m	
Fixed Assets		241.7
Stocks	13.6	
Accrued Income & Prepayments	14.8	
Debtors	16.3	
Bank	25.1	
Current Assets	69.7	
Creditors	(21.8)	
Deferred Income	(8.1)	
Accruals & Other Creditors	(24.8)	
Accrued Dividend	(0.3)	
Provisions - Current	(2.4)	
Borrowings - Current	(5.3)	
Current Liabilities	(62.8)	
Net Current Assets (Liabilities)		6.9
Provisions - Non Current	(1.4)	
Borrowings - Non Current	(50.5)	
Non-Current Liabilities		(51.9)
Net Assets Employed		196.8
Capital	108.6	
I&E Reserve	40.4	
Revaluation Reserve	47.9	
Total Capital and Reserves		196.8

3.2 Balance sheet comments

	M07 Actual	Commentary
Cash (Annex F & G)	£25.1m (£26.7m)	<p>The cash level of £25.1m at 31 October is equivalent to 24.5 days operating costs (30 September: 26.2 days) and represents a £1.6m decrease from 30 September. The Q2 STF payment has yet to be received. Cash is now £11.7m above the original plan, primarily because more 2016/17 STF was received than was originally forecast, along with lower capital expenditure than planned, and a favourable I&E position relative to plan. The cash position is deteriorating due to the level of deficit the Trust is generating. Without an improvement in the I&E position there is a significant forward risk to the cash position.</p> <p>Steps have been taken to manage cash by making creditor payments only in line with payment terms and not before.</p>
RCF Borrowing	nil (nil)	The £10m facility remains in place and there are no current plans to draw on this in 2017/18. The current facility expires in December 2018.
Borrowing	£55.7m (£57.2m)	ITFF: all of the confirmed £50m facility has now been drawn down. The first loan of £30m saw repayments commence in April 2017, with repayments for the £20m loan commencing in June 2017. Total ITFF borrowing is now at £46.8m. Since 31 October an application has been submitted to ITFF for a £40m bridging loan to cover the period of construction of the proposed new imaging centre from mid-2018 to 2021..

		<p>Monthly repayments on the loan continue for Wimpole Street, and the total outstanding balance is £8.9m.</p> <p>Within the total borrowings sum is £5.3m of repayments due within 12 months which are shown in Borrowings – Current.</p>
Liquidity (Annex G & H)	-6.3 days (0.0 days)	A decrease of 6.3 days in M07 driven by the I&E deficit and increase in stock. Against plan liquidity is £5.8m favourable which is a combination of the favourable I&E position and a lower run rate to capital expenditure, partially offset by slightly higher stock levels relative to plan. However given the level of deficit and the onward risk, the risk rating for liquidity has been downgraded to red.
Stock	£13.6m (£10.5m)	An increase of £3.1m in M07 (£3.6m above plan YTD) reflecting large bulk orders approved to take advantage of opportunities to maximise discounts and free of charge stock.
Trade Debtors (Annex I)	£14.1m (£12.1m)	<p>NHS debt totals £5.0m, a £0.5m increase on M06. Within this figure, £1.1m is CCG debt (M06 – £1.8m), £1.0m is NHSE debt (M06 – £-0.1m) and £2.9m (M06 – £2.9m) relates to other NHS organisations.</p> <p>Some CCGs had disputed their liability to pay for pre-transplant critical care. These disputes have largely been resolved, with the exception of Herefordshire CCG. There is a dispute process underway between NHS England and the CCG and the Trust expects to receive payment once this is concluded.</p> <p>Private patient debt totals £15.3m, an increase of £1.5m since M06. Within this position the >60 days debt value increased by £0.1m. Embassy payments totalled £0.8m in the month. The provision against private patient debtors stands at £7.4m. Concerted efforts continue to be made to improve this position, which is largely down to a small number of overseas accounts.</p>
Trade Creditors	-£14.3m (-£7.1m)	The approved creditor balance is £5.7m above plan, with all approved creditor invoices being paid in line with maximum payment terms. Note that, as outlined in Annex K, the BPPC is not being met. This is due to delays in approvals rather than withholding of payments. The Accounts Payable team is working with managers to improve timeliness in approvals. A number of bulk order invoices have been received in the month, along with large capital invoices. The balance at 31 October is equivalent to 35.6 (30 September – 17.4) days' non-pay cost.
Capital spend (Annex J)	£13.8m YTD	<p>Expenditure in M07 was £2.7m, £13.8m YTD.</p> <p>The original budget for 2017/18 was £24.6m which included an assumed slippage from 2016/17 of £8.6m. The actual slippage from 2016/17 was £10.5m and as such the budget for 2017/18 was uplifted by £1.9m to stand at £26.5m.</p> <p>Annex J reflects the profile identified by project managers in October 2017. The budget reflects £12.0m of new funding, £4m for ongoing RBH redevelopment fees and £10.5m of slippage brought forward from 2016/17. £2.6m of the Chelsea redevelopment budget has now been re-profiled into 2018/19, therefore the revised total capital budget for 2017/18 now stands at £23.9m.</p> <p>As at the end of M07, expenditure was originally planned to have reached £21.8m, so there is a notional under-spend of £8.0m. A re-forecasting exercise was undertaken in M03, under which capital expenditure of £16.4m</p>

		<p>was anticipated to M07. Against this plan, expenditure is £2.6m behind plan.</p> <p>At this point the forecast for the year assumes a total spend of £23.9m. However forecasts, plus the profile across the year, are reviewed with project managers each month.</p>
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Section Four: Overall Appraisal

The Trust has made a deficit of £20.6m up to M07 2017/18, £2.8m favourable to plan. EBITDA was positive £1m in M07 (£0.5m favourable to plan) and now stands at negative £6.1m YTD (£3.3m favourable to plan).

As noted above, performance is also reported against the control total and YTD is £3.4m favourable to plan. The income position and consequently forecast underlying position have improved, with both private and NHS income higher than in previous months.

The Trust's cash position has deteriorated again in month and stands at £25.1m. As previously noted, the I&E deficit is putting pressure on the cash position.

The Trust is showing a Use of Resources rating of 3 in line with plan, on a scale of 1 (best) to 4 (worst). This metric forms part of the Single Oversight Framework segmentation where the Trust remains in segment 2 on a scale of 1 (best) to 4 (worst).

A further £1.4m was removed from full year budgets in respect of CIP in October. Of the £15.6m CIP target for 2017/18, £5.4m remains unidentified and is the subject of the Darwin transformation programme.

The reported forecast for the year remains on plan, but is contingent on the planned sale or revaluation of investment property which remains at risk owing to the delayed Ministerial announcement of the revised Crossrail 2 route and pending the grant of planning consents by the local planning authority, RBKC..

Overall at this point in the year, with the positive position against plan, and with the active steps being taken to improve the financial position, it is considered that there are sufficient identified mitigations to balance the identified risks to achieving the control total and deficit target. A summary of the risks and mitigations is given in Annex M. This is now showing a small net upside against the revised forecast but clearly there remains risk around the sale or revaluation of Chelsea Farmers' Market which is essential for achieving the control total.

Annex Ai – Detailed income and expenditure statement

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2017/18 Corporate Financial Assessment - for the period ending 31st October 2017 (Month M07)							
Detailed Income & Expenditure Position							
£m	2017/18 Budget	M07			YTD		
		Budget	Actual	Variance	Budget	Actual	Variance
NHS Clinical Income							
NHSE/ CCG/ Other NHS Commissioned	286.1	24.1	26.2	2.1	168.1	170.9	2.8
S&T Funding	8.2	0.8	0.8	0.0	3.7	4.1	0.4
Income Contingency	(1.5)	(0.1)	(0.1)	(0.0)	(0.9)	(0.9)	0.0
NHS Other Income	0.1	0.0	0.0	(0.0)	0.0	0.1	0.0
Trust to Trust	4.3	0.4	0.4	0.1	2.5	2.2	(0.3)
Sub-Total NHS Clinical Income	297.1	25.2	27.3	2.1	173.4	176.4	3.0
Non NHS Income							
Private Patient Income	43.8	3.9	3.6	(0.3)	24.9	21.0	(3.9)
Sub-Total Non NHS Income	43.8	3.9	3.6	(0.3)	24.9	21.0	(3.9)
Non Clinical Income							
Education & Training	5.3	0.4	0.5	0.0	3.1	3.2	0.1
Research & Development	6.4	0.5	0.6	0.1	3.7	4.1	0.3
Non Patient Services	1.1	0.1	0.2	0.1	0.6	0.9	0.2
Commercial- Parking, Accom, Catering	3.7	0.3	0.3	0.0	2.2	2.2	0.0
Other Income	2.8	0.2	0.3	0.0	1.6	2.0	0.3
Salary Recharges	1.6	0.1	0.2	0.0	0.9	1.0	0.1
Charitable Funds	2.4	0.2	0.2	(0.0)	1.4	1.2	(0.2)
Sub-Total Non Clinical Income	23.4	1.9	2.2	0.2	13.6	14.5	0.9
Total Income	364.3	31.0	33.1	2.1	211.9	211.9	(0.0)
Pay costs							
Consultants	(39.4)	(3.3)	(3.3)	0.0	(22.9)	(22.4)	0.5
Junior Doctors	(22.6)	(1.8)	(1.9)	(0.0)	(13.1)	(13.4)	(0.3)
Nursing	(79.7)	(6.7)	(6.6)	0.1	(46.1)	(45.0)	1.1
STT	(38.5)	(3.2)	(3.2)	0.0	(22.4)	(21.6)	0.8
Non Clinical staff	(40.1)	(2.9)	(3.5)	(0.6)	(25.8)	(24.9)	0.9
Pay Contingency	(3.0)	(0.3)	0.0	0.3	(1.8)	(0.0)	1.7
Sub-Total Pay costs	(223.3)	(18.2)	(18.5)	(0.3)	(132.1)	(127.3)	4.8
Non pay costs							
Drugs	(42.9)	(3.6)	(3.8)	(0.3)	(25.0)	(25.1)	(0.1)
Clinical Supplies	(57.4)	(4.1)	(5.5)	(1.4)	(35.0)	(35.7)	(0.8)
General Supplies	(11.2)	(0.9)	(0.9)	0.0	(6.6)	(6.4)	0.2
Establishment	(12.7)	(1.1)	(1.6)	(0.5)	(9.0)	(9.2)	(0.2)
Premises	(11.0)	(0.9)	(0.8)	0.1	(6.4)	(6.4)	(0.0)
Legal & Professional Fees	(2.9)	(0.2)	(0.5)	(0.3)	(1.7)	(3.6)	(1.9)
Ambulance Services	(1.9)	(0.2)	(0.2)	(0.0)	(1.1)	(1.1)	0.0
Other Expenditure	(4.5)	(0.4)	(0.2)	0.2	(2.6)	(3.1)	(0.5)
Non-Pay Contingency	(3.0)	(0.2)	0.0	0.2	(1.7)	(0.0)	1.7
Sub-Total Non pay costs	(147.6)	(11.7)	(13.6)	(1.9)	(89.2)	(90.7)	(1.5)
Total Expenditure	(370.9)	(29.9)	(32.0)	(2.2)	(221.3)	(218.0)	3.3
EBITDA	(6.6)	1.1	1.0	(0.1)	(9.3)	(6.1)	3.3
EBITDA margin %	(1.8%)	3.7%	3.1%		(4.4%)	(2.9%)	
Central Costs							
Depreciation	(19.7)	(1.6)	(1.5)	0.1	(11.5)	(10.884)	0.6
Capital Donation Receipts	2.1	0.0	0.7	0.7	2.1	1.066	(1.0)
Interest Payable	(1.4)	(0.1)	(0.1)	(0.0)	(0.8)	(0.776)	0.0
Interest Receivable	0.0	0.0	0.0	0.0	0.0	0.027	0.0
Restructuring Costs	0.0	0.0	(0.2)	(0.2)	0.0	(0.358)	(0.4)
Investment Property	26.4	0.0	0.0	0.0	0.0	0.000	0.0
PDC Dividend	(6.6)	(0.6)	(0.5)	0.1	(3.9)	(3.578)	0.3
Sub-Total Central Costs	0.9	(2.3)	(1.7)	0.6	(14.0)	(14.5)	(0.5)
Net Surplus/ (Deficit)	(5.7)	(1.2)	(0.7)	0.5	(23.4)	(20.6)	2.8
Net Margin %	(1.6%)	(3.7%)	(2.0%)		(11.0%)	(9.7%)	

Note: Figures above are rounded to £0.1m so financial variances of £0.0m may still generate a percentage variance

Annex Aii – Monthly I&E Trend

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2017/18 Corporate Financial Assessment - for the period ending 31st October 2017 (Month M07)													
Detailed Income & Expenditure Position													
£m	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12	YTD
NHS Clinical Income													
NHSE/ CCG/ Other NHS Commissioned	22.71	23.92	25.12	24.72	24.11	24.08	26.19						170.86
S&T Funding	0.41	0.41	0.83	0.55	0.55	0.55	0.82						4.10
Income Contingency		0.25	(0.25)	(0.11)		(0.60)	(0.15)						(0.86)
Trust to Trust & Other NHS	0.22	0.26	0.27	0.41	0.35	0.29	0.45						2.26
Total NHS Clinical Income	23.34	24.84	25.98	25.57	25.01	24.32	27.31						176.37
Private Patient Income	2.19	3.68	3.29	2.55	2.80	2.97	3.56						21.04
Non Clinical Income	1.89	2.05	2.27	1.83	1.94	2.34	2.19						14.52
Total Income	27.42	30.58	31.54	29.95	29.76	29.63	33.07						211.93
Pay Costs													
Pay Costs	(18.11)	(18.27)	(18.33)	(17.90)	(18.21)	(18.02)	(18.47)						(127.30)
Pay Contingency	(0.10)	(0.10)	(0.10)	(0.10)	0.40	(0.01)							(0.01)
Total Pay Costs	(18.21)	(18.37)	(18.43)	(18.00)	(17.81)	(18.03)	(18.47)						(127.31)
Non Pay Costs													
Drugs	(3.21)	(3.54)	(3.38)	(3.90)	(3.39)	(3.83)	(3.84)						(25.09)
Clinical Supplies	(4.49)	(4.76)	(5.45)	(4.87)	(5.48)	(5.15)	(5.55)						(35.75)
Other Costs	(4.03)	(4.64)	(4.68)	(4.10)	(3.90)	(4.31)	(4.19)						(29.86)
Non-Pay Contingency	(0.00)	0.00	(0.00)										(0.00)
Total Non Pay Costs	(11.73)	(12.94)	(13.51)	(12.87)	(12.77)	(13.30)	(13.57)						(90.70)
Total Expenditure	(29.94)	(31.31)	(31.94)	(30.87)	(30.59)	(31.32)	(32.04)						(218.01)
EBITDA	(2.52)	(0.73)	(0.40)	(0.92)	(0.83)	(1.69)	1.03						(6.07)
EBITDA Margin %	-9.2%	-2.4%	-1.3%	-3.1%	-2.8%	-5.7%	3.1%						-2.9%
Central Costs	(2.19)	(2.30)	(2.19)	(2.23)	(2.11)	(1.79)	(1.69)						(14.50)
Net Surplus/ (Deficit)	(4.71)	(3.03)	(2.59)	(3.16)	(2.94)	(3.48)	(0.66)						(20.58)
Net Margin %	-17.2%	-9.9%	-8.2%	-10.5%	-9.9%	-11.8%	-2.0%						-9.7%

Annex B – FSP Trackers

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2017/18 Cost Improvement Programme

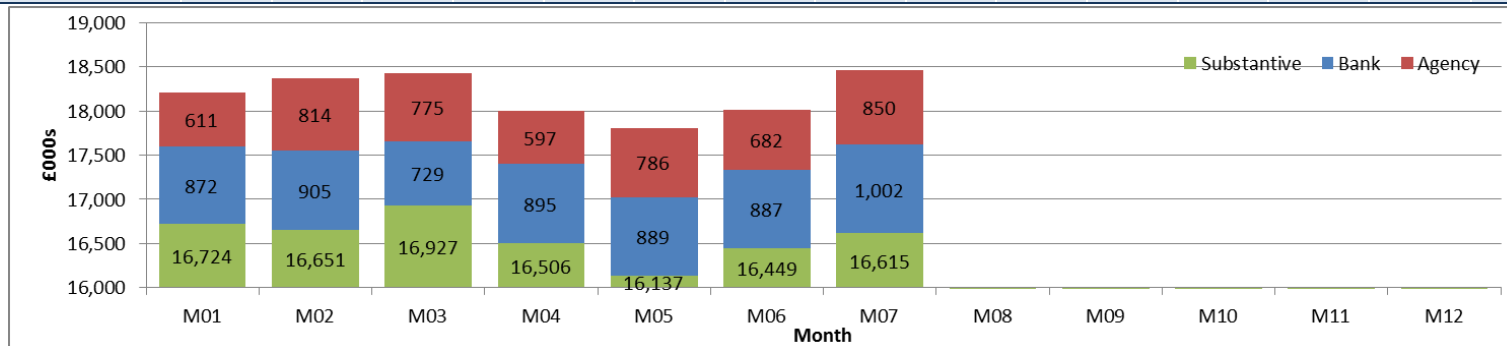
	2017/18 Budget	M07			YTD		
£000		Budget	Actual	Variance	Budget	Actual	Variance
Royal Brompton Heart	5,309	815	288	-527	1,234	1,087	-146
Harefield Heart	3,830	477	479	3	1,447	1,113	-334
Lung	1,348	214	101	-113	279	440	162
Research	224	33	19	-14	58	131	72
Clinical Support	1,316	218	176	-43	428	993	565
Corporate & Other	3,549	492	166	-326	844	932	88
Total	15,576	2,249	1,228	-1,021	4,290	4,697	407

Royal Brompton and Harefield NHS Foundation Trust Financial Reporting 2017/18 Service Developments

	2017/18 Budget	M07			YTD		
£000		Budget	Actual	Variance	Budget	Actual	Variance
Royal Brompton Heart	459	35	-9	-45	282	48	-234
Harefield Heart	1,616	252	2	-250	-38	41	80
Lung	554	61	3	-58	251	27	-224
Clinical Support	263	22	22	0	153	154	1
Total	2,891	370	18	-352	648	270	-378

Annex Ci – Staffing (Permanent & Temporary) - Expenditure

Staff Group	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD Actual 2017/18	YTD Budget 2017/18	YTD Var 2017/18
Consultant Locum	171	175	135	204	190	157	222						1,253	1,157	(97)
Consultant Substantive	3,141	2,926	3,032	2,980	3,024	2,984	3,057						21,144	21,789	645
Junior Doctors Locum	90	143	103	129	141	115	95						817	552	(265)
Junior Doctors Agency	15	123	100	80	64	57	65						503	158	(346)
Junior Doctors Substantive	1,713	1,705	1,777	1,680	1,742	1,753	1,695						12,065	12,411	346
Nursing Agency	336	404	355	284	421	379	451						2,630	2,795	165
Nursing Bank	469	453	329	391	397	458	515						3,012	2,614	(398)
Nursing Substantive	5,638	5,660	5,718	5,567	5,589	5,531	5,662						39,365	40,671	1,307
STT Agency	118	120	137	86	121	103	139						824	577	(247)
STT Bank	30	34	37	28	39	46	59						273	48	(225)
STT Substantive	2,894	2,970	2,995	2,903	2,904	2,867	2,969						20,501	21,764	1,262
Non-clinical Agency	142	168	183	147	179	143	195						1,157	529	(628)
Non-clinical Bank	113	100	125	143	121	111	112						825	324	(501)
Non-clinical Substantive	3,239	3,289	3,305	3,275	3,278	3,314	3,232						22,933	24,952	2,019
Pay contingency	100	100	101	100	(400)	7							8	1,750	1,742
Agency	611	814	775	597	786	682	850						5,114	4,058	(1,056)
Bank	872	905	729	895	889	887	1,002						6,180	4,695	(1,485)
Substantive	16,624	16,551	16,827	16,406	16,537	16,449	16,615						116,008	121,587	5,579
Pay contingency	100	100	101	100	(400)	7							8	1,750	1,742
Total	18,208	18,370	18,431	17,998	17,811	18,026	18,466						127,310	132,090	4,780
Agency	3.4%	4.4%	4.2%	3.3%	4.4%	3.8%	4.6%						4.0%	3.1%	-22.1%
Bank	4.8%	4.9%	4.0%	5.0%	5.0%	4.9%	5.4%						4.9%	3.6%	-31.1%
Substantive	91.3%	90.1%	91.3%	91.2%	92.8%	91.3%	90.0%						91.1%	92.0%	116.7%
Pay contingency	0.5%	0.5%	0.5%	0.6%	-2.2%	0.0%							0.0%	1.3%	36.5%



NHSI has set an agency expenditure ceiling of £9m for the year, compared to a trust plan of £6.9m (note this has reduced again since M05 due to the application of a CIP scheme). Agency spend YTD is £5.1m, against a plan of £4.1m, £1.1m adverse to budget. However this is within the NHSI cap.

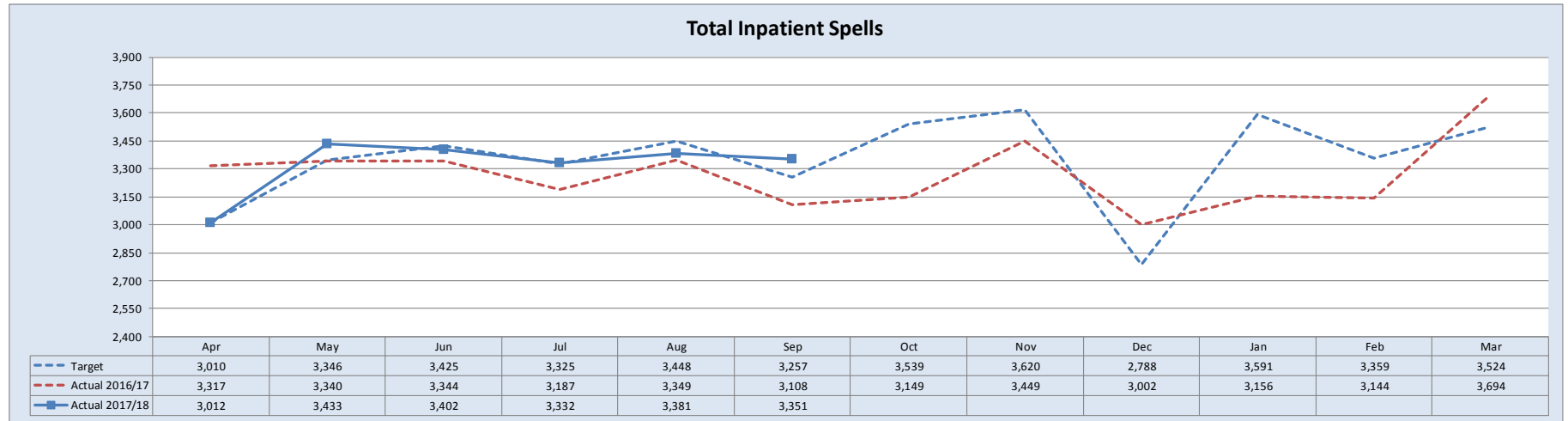
Annex Cii – Staff in Post (Whole Time Equivalents)

Staff Group	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Ave YTD 2017/18	Movement M1-M7 2017/18
Consultant Locum	12.3	11.1	11.5	14.3	13.5	12.8	16.5						13.1	4.2
Consultant Substantive	207.6	209.7	208.9	210.2	210.1	211.1	211.3						209.8	3.7
Junior Doctors Locum	7.8	8.8	6.2	9.0	10.9	7.7	7.4						8.2	-0.4
Junior Doctors Agency	2.1	6.1	6.2	5.9	3.3	3.4	1.4						4.1	-0.8
Junior Doctors Substantive	265.1	265.3	263.0	255.4	272.5	272.5	284.9						268.4	19.8
Nursing Agency	59.8	59.7	61.1	57.8	57.3	58.4	62.2						59.5	2.4
Nursing Bank	98.4	78.9	75.8	81.5	76.6	91.9	102.0						86.4	3.5
Nursing Substantive	1,415.6	1,408.1	1,404.7	1,408.2	1,385.2	1,391.0	1,434.0						1,406.7	18.3
STT Agency	19.3	34.1	29.1	35.7	25.8	14.3	24.3						26.1	5.0
STT Bank	4.7	5.2	7.0	4.8	6.1	7.1	7.6						6.1	2.9
STT Substantive	603.6	614.3	621.1	622.5	617.1	619.2	624.9						617.5	21.3
Non-clinical Agency	42.4	59.2	32.4	43.8	43.2	46.1	46.5						44.8	4.1
Non-clinical Bank	46.4	35.1	46.8	41.6	39.6	39.6	38.8						41.1	-7.5
Non-clinical Substantive	886.8	901.5	894.7	896.9	888.9	895.2	899.4						894.8	12.6
Agency	123.6	159.0	128.7	143.3	129.7	122.2	134.4						134.4	10.8
Bank	169.6	139.0	147.2	151.2	146.6	159.1	172.3						155.0	2.7
Substantive	3,378.8	3,398.9	3,392.3	3,393.2	3,373.7	3,389.0	3,454.5						3,397.2	75.7
Total	3,671.9	3,696.8	3,668.3	3,687.6	3,649.9	3,670.3	3,761.1						3,686.6	89.2
Agency	3.4%	4.3%	3.5%	3.9%	3.6%	3.3%	3.6%						3.6%	
Bank	4.6%	3.8%	4.0%	4.1%	4.0%	4.3%	4.6%						4.2%	
Substantive	92.0%	91.9%	92.5%	92.0%	92.4%	92.3%	91.8%						92.2%	

Annex Ciii – Workforce KPIs

Workforce KPIs	Month 6 %	Month 7 %
In Month All Staff Turnover %	1.5%	1.5%
In Month Total Sickness Absence Rate %	1.4%	2.5%
<i>of which is In Month Short Term Sickness Absence Rate %</i>	<i>0.3%</i>	<i>1.2%</i>
<i>of which is In Month Long Term Sickness Absence Rate %</i>	<i>1.1%</i>	<i>1.3%</i>
In Month Overall Vacancy Rate %	7.6%	7.3%
<i>of which Registered Nursing Vacancy Rate %</i>	<i>13.6%</i>	<i>6.2%</i>
<i>of which Qualified AHP Vacancy Rate %</i>	<i>11.6%</i>	<i>10.4%</i>
<i>of which Support to Clinical Staff Vacancy Rate %</i>	<i>8.5%</i>	<i>4.1%</i>
<i>of which NHS Infrastructure Vacancy %</i>		<i>8.0%</i>
<i>of which Medical Staff Vacancy Rate %</i>	<i>8.3%</i>	<i>6.3%</i>
% AfC Staff Appraisal Rate YTD	62.0%	61.0%
% Medical Staff Appraisal Rate YTD	90.0%	91.0%
% Mandatory Training Completed YTD	86.0%	64.0%

Annex D – Activity Reports (Draft)



Division	Directorate	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	Target	Var	% Var	Factored	Var	% Var	S/L O/T	Var	% Var
RB Heart	Anaesthetics	16	10	10	8	13	13							70	52	17.5	33%	124	18	17%	140	34	32%
	Cardiac Surgery	119	142	143	141	125	135							805	781	23.7	3%	1,585	24	2%	1,610	48	3%
	Cardiology	483	531	495	443	506	510							2,968	3,153	-185.4	-6%	6,128	-185	-3%	5,936	-378	-6%
	Transplant	0	0	0	1	1	0							2	0	2.0	0%	2	2		4	4	
	Total	618	683	648	593	645	658							3,845	3,987	-142.2	-4%	7,839	-142	-2%	7,690	-292	-4%
	Paediatric Anaesthetics	7	8	7	6	11	10							49	59	-10.0	-17%	107	-10	-9%	98	-19	-16%
	Paediatric Congenital Surgery	18	26	33	28	29	28							162	216	-53.8	-25%	379	-54	-12%	324	-108	-25%
	Paediatric Cardiology	169	202	186	198	174	191							1,120	964	155.9	16%	2,086	156	8%	2,240	310	16%
	Paediatric Respiratory Medicine	140	124	139	143	141	136							823	1,009	-185.9	-18%	1,831	-186	-9%	1,646	-371	-18%
	Paediatric Other	7	7	9	13	10	12							58	52	5.6	11%	112	6	5%	116	10	9%
Total	341	367	374	388	365	377							2,212	2,300	-88.2	-4%	4,514	-88	-2%	4,424	-179	-4%	
HH Heart	Anaesthetics	1	3	0	0	0	2							6	20	-14.0	-70%	26	-14	-35%	12	-28	-70%
	Cardiac Surgery	87	106	111	113	71	82							570	634	-64.5	-10%	1,285	-64	-5%	1,140	-209	-16%
	Cardiology	532	570	539	518	537	475							3,171	3,579	-407.9	-11%	7,006	-408	-6%	6,342	-1,072	-14%
	Transplant	76	85	80	106	139	104							590	197	393.5	200%	789	393	100%	1,180	785	199%
	Total	696	764	730	737	747	663							4,337	4,430	-92.9	-2%	9,105	-93	-1%	8,674	-524	-6%
Lung	Respiratory Medicine (RB)	1,060	1,222	1,263	1,261	1,271	1,270							7,347	6,543	803.7	12%	13,919	804	6%	14,694	1,578	12%
	Thoracic Surgery (RB)	67	113	96	90	101	90							557	598	-41.5	-7%	1,201	-41	-3%	1,114	-128	-10%
	Respiratory Medicine (Hfd)	142	160	187	160	182	196							1,027	1,197	-170.0	-14%	2,285	-170	-7%	2,054	-401	-16%
	Thoracic Surgery (Hfd)	88	124	104	103	70	97							586	754	-168.4	-22%	1,468	-168	-10%	1,172	-465	-28%
	Total	1,357	1,619	1,650	1,614	1,624	1,653							9,517	9,093	424	5%	18,873	424	2%	19,034	585	3%
NHS and PP Total		3,012	3,433	3,402	3,332	3,381	3,351							19,911	19,810	101	1%	40,332	101	0%	39,822	410	1%

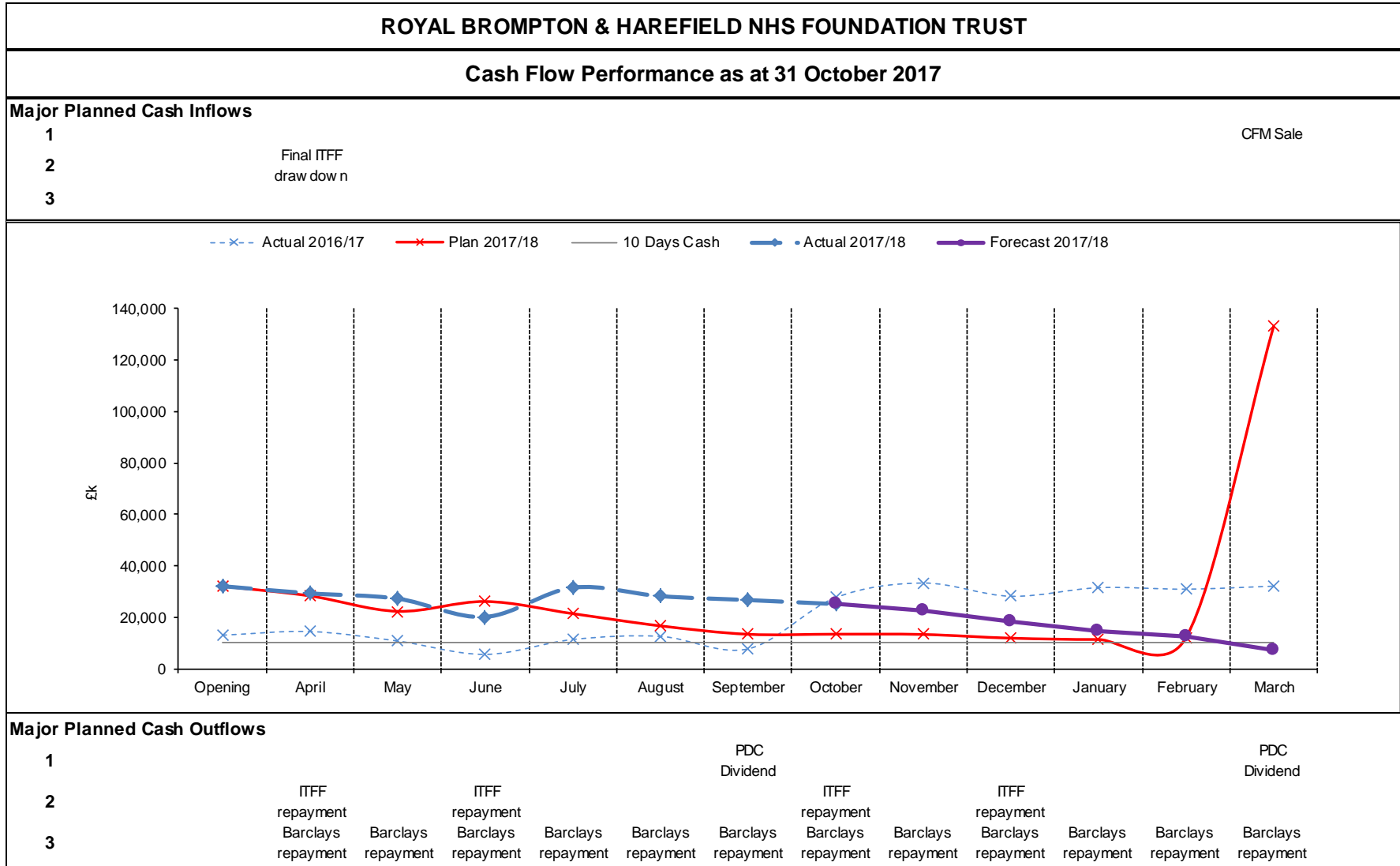
Annex E – Balance Sheet

Balance Sheet as at 31 October 2017					
£m	Actual as at 01-04-17	Plan as at 31-10-17	Actual as at 31-10-17	Variance against Plan	Variance against Plan (%)
Land	59.4	59.4	59.4	0.0	0%
Buildings	127.8	124.0	122.7	(1.3)	-1%
Equipment	26.1	20.0	23.0	3.0	15%
Intangibles	14.9	13.8	13.4	(0.5)	0%
Leased Equipment	0.0	0.0	0.0	0.0	0%
Assets under Construction	10.6	30.8	23.3	(7.6)	-25%
Fixed Assets	238.8	248.1	241.7	(6.3)	-3%
Stocks	10.0	10.0	13.6	3.6	36%
Trade Debtors, net of Provisions	16.5	8.5	14.1	5.6	66%
Prepayments	5.6	5.6	6.2	0.6	11%
Accrued Income	18.6	7.9	8.5	0.7	9%
Other Debtors	1.2	1.2	2.1	1.0	81%
Bank & Cash	32.1	13.4	25.1	11.7	87%
Current Assets	83.9	46.5	69.7	23.2	50%
Trade Creditors	(8.6)	(8.6)	(14.3)	(5.7)	67%
Pay Creditors	(7.7)	(7.7)	(7.6)	0.1	-1%
Deferred Income	(7.0)	(7.0)	(8.1)	(1.1)	15%
Accruals	(17.0)	(13.0)	(18.3)	(5.3)	40%
Accrued Dividend	0.5	(0.0)	(0.3)	(0.3)	0%
Other Creditors	(5.8)	(5.8)	(6.5)	(0.8)	13%
Provisions - Current	(1.9)	(1.9)	(2.4)	(0.5)	29%
Borrowings - Current	(5.0)	(5.0)	(5.3)	(0.3)	0%
Current Liabilities	(52.4)	(49.0)	(62.8)	(13.8)	28%
Net Current Assets (Liabilities)	31.5	(2.5)	6.9	9.4	-379%
Provisions - Non Current	(0.8)	(0.8)	(1.4)	(0.6)	78%
Borrowings - Non Current	(52.1)	(50.8)	(50.5)	0.3	-1%
Non-Current Liabilities	(52.9)	(51.5)	(51.9)	(0.3)	1%
Net Assets Employed	217.4	194.0	196.8	2.8	1%
PDC	108.6	108.6	108.6	0.0	0%
I&E Reserve	60.9	37.6	40.4	2.8	7%
Revaluation Reserve	47.9	47.9	47.9	0.0	0%
Total Capital and Reserves	217.4	194.0	196.8	2.8	1%

Annex F – Cash flow statement

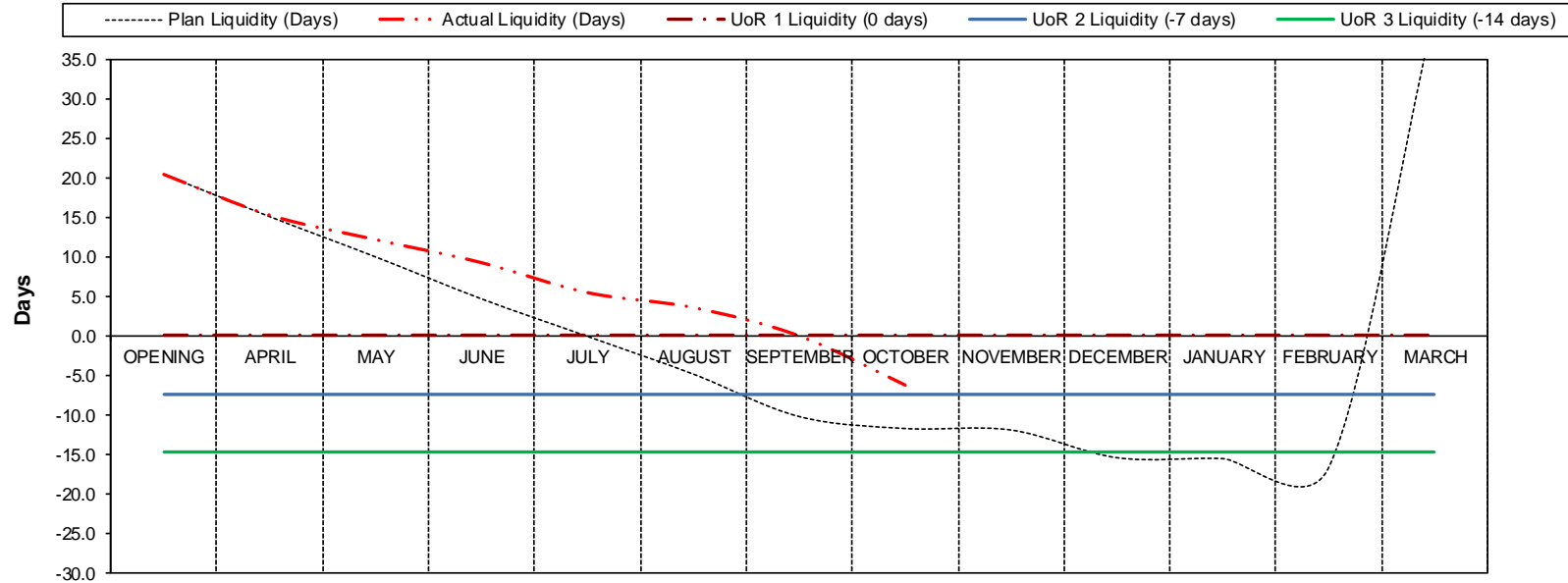
Cash Flow Statement (£m)	Actual as at 31-10-17
Cash flows from operating activities	
Operating income	212.9
Operating expenses of continuing operations	(229.2)
Operating surplus/ (deficit)	(16.2)
Non-operating and non-cash items in operating surplus/ (deficit)	
Depreciation & amortisation	10.9
Impairments	0.0
Reversals of impairments	0.0
(Gain)/ loss on disposal	0.0
Other movements in operating cash flows	0.0
	10.9
Operating cash flows before movements in working capital	(5.3)
Increase/ (decrease) in working capital	
(Increase)/ decrease in inventories	(3.6)
(Increase)/ decrease in trade & other receivables	2.4
(Increase)/ decrease in prepayments	(0.6)
(Increase)/ decrease in accrued income	10.0
(Increase)/ decrease in other debtors	(1.0)
Increase/ (decrease) in trade & other payables	5.7
Increase/ (decrease) in pay creditors	(0.1)
Increase/ (decrease) in deferred income	1.1
Increase/ (decrease) in accruals	1.3
Increase/ (decrease) in other payables	0.8
Increase/ (decrease) in provisions	1.1
	17.1
Net cash inflow/ (outflow) from operating activities	11.8
Cash flows from investing activities	
Interest received	0.0
Purchase of tangible & intangible assets	(13.8)
Sales of tangible & intangible assets & investment property	0.0
	(13.8)
Net cash inflow/ (outflow) before financing	(2.0)
Cash flows from financing activities	
Public dividend capital received	0.0
Loans received from Dept of Health	2.5
Other loans received	0.0
Loans repaid to Dept of Health	(3.1)
Other loans repaid	(0.7)
Interest paid	(0.8)
PDC dividend paid	(2.8)
Net cash generated from/ (used in) financing activities	(4.9)
Increase/ (decrease) in cash and cash equivalents	(6.9)
Cash & cash equivalents - 1 April	32.1
Cash & cash equivalents - 31 October	25.1

Annex G – Cash flow chart



Annex H – Liquidity report

Liquidity as at 31 October 2017



Liquidity £m

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Original Plan	21.6	15.9	10.5	4.9	(0.1)	(5.2)	(10.8)	(12.4)	(12.7)	(16.4)	(16.5)	(17.7)	43.5
Actual	21.6	16.1	12.8	9.8	5.8	3.7	(0.0)	(6.6)					0.0
UoR 1 (0 days)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
UoR 2 (-7 days)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)
UoR 3 (-14 days)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)	(14.8)
UoR 1 Surplus/ (Deficit)	21.6	16.1	12.8	9.8	5.8	3.7	(0.0)	(6.6)					
UoR 2 Surplus/ (Deficit)	29.0	23.5	20.3	17.2	13.2	11.1	7.4	0.8					
UoR 3 Surplus/ (Deficit)	36.4	30.9	27.7	24.6	20.6	18.6	14.8	8.2					

Annex I – Debtors

Income Year Ending Oct-17	Debtor Days	£m	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	Opening Balance
244.8	1	NHS England	1.0	(0.1)	0.1	0.4	0.6	(1.4)
55.1	8	CCGs	1.1	1.8	4.2	5.9	6.6	3.8
22.1	48	Other NHS	2.9	2.9	2.4	2.2	1.9	1.9
322	6	Total NHS	5.0	4.5	6.6	8.5	9.1	4.4
15.3	244.1	Embassies & Overseas Patients	10.2	9.7	10.0	10.7	10.3	11.0
23.0	67.9	Insurance Companies	4.3	3.5	4.3	4.6	5.2	5.5
6.6	46.1	Other Private Patients	0.8	0.6	0.6	0.9	0.9	0.7
44.9	124.7	Total Private Patients	15.3	13.8	14.9	16.2	16.4	17.1
11.2	106.2	Other Debtors	3.3	3.0	3.2	3.1	3.0	2.9
56.1	121	Total Non NHS Debt	18.6	16.8	18.1	19.3	19.5	20.0
378.1	23	Total Trade Debtors	23.7	21.3	24.7	27.9	28.5	24.4
		Less Provisions	(9.5)	(9.2)	(9.2)	(9.2)	(9.3)	(7.9)
		Total Debtors (Net of Provision)	14.1	12.1	15.5	18.7	19.3	16.5

Large value debt over 60 days (>£0.1m)

NHS (£m)	Total Balance Oct	Total Movement Oct	Over 60 days Oct	Over 60 days Movement Oct	Debtor Days Oct	Debtor Days Movement Oct
NHS West Hampshire CCG	0.9	0.0	0.9	0.0	277	-4
NHS Herefordshire CCG	0.3	0.0	0.3	0.0	325	2
NHS Medway CCG	0.3	0.0	0.3	0.0	210	5
NHS High Weald Lewes Havens CCG	0.2	0.0	0.2	0.0	296	-60
Frimley Health FT	0.2	(0.1)	0.1	(0.1)	1,112	883
Royal Marsden FT	0.2	0.0	0.1	0.0	207	-19
NHS Central London (Westminster) CCG	0.2	0.0	0.1	0.0	62	0
Hillingdon Hospital NHS FT	0.2	0.0	0.1	0.1	140	35
East and North Herts NHS Trust	0.2	0.1	0.1	0.1	0	-100
NHS Haringey CCG	0.1	0.0	0.1	0.1	94	16
Health and Social Care board	0.1	0.0	0.1	0.0	402	25
NHS South Kent Coast CCG	0.1	0.0	0.1	0.0	194	-43
Wales	0.3	0.0	0.1	0.1	27	-5
Total	3.3	0.0	2.6	0.2		

PP Embassy or Insurer (£m)	Total Balance Oct	Total Movement Oct	Over 60 days Oct	Over 60 days Movement Oct	Debtor Days Oct	Debtor Days Movement Oct
Kuwait Health Office	5.1	0.2	4.9	0.3	498	44
Kuwait Military	1.2	(0.2)	1.4	0.2	257	-24
Qatar Embassy	1.4	0.0	0.6	0	126	-13
BUPA	1.6	0.4	0.5	0.0	61	15
Kuwait Oil Company	1.0	0.1	0.9	0.0	337	8
AXA/ PPP	1.2	0.3	0.4	(0.1)	72	14
Libyan Embassy	0.3	0.0	0.3	0.0	1,454	31
WPA	0.2	(0.1)	0.1	-0.1	94	-34
UAE Medical Department	0.2	0.0	0.2	0.0	222	56
UAE Military	0.2	0.0	0.2	0.0	700	220
Cyprus	0.1	0.0	0.1	0.0	1,217	31
Total	12.5	0.7	9.6	0.1		

Annex J – Capital report

Project Code (£m)	Current Budget - Total	Actual Spend to Date	Commitment Value at the Reporting Date	Balance of Budget	Actual Q1	Actual Q2	Plan Q3	Plan Q4	Full Year Plan
Estates Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Redevelopment	5.2	1.1	3.8	0.3	0.8	0.3	0.8	0.7	2.5
Project Management	0.4	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Estates Maintenance	2.5	0.8	1.0	0.7	0.3	0.4	1.1	0.6	2.3
IT/IS	1.5	0.9	0.3	0.3	0.5	0.3	0.5	0.3	1.7
Equipment	1.1	0.8	0.1	0.2	0.4	0.3	0.3	0.1	1.1
Service Development Programme	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Projects	0.8	0.3	0.3	0.1	0.1	0.1	0.4	0.1	0.7
Major Project - Fulham Road Safety	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Project - HH Developments	11.8	8.7	2.8	0.3	2.9	3.7	5.4	0.0	12.0
Major Project - RBH Developments	2.5	1.0	0.1	1.4	0.1	0.6	0.5	0.9	2.1
Major Project - Trust Wide Developments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1
Procurement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contingency/Financing	0.8	0.0	0.0	0.8	0.0	0.0	0.5	0.5	0.9
TOTAL	26.7	13.8	8.5	4.4	5.2	5.9	9.7	3.1	23.9

Annex K – Better Payment Practice Code

BPPC	M07		YTD	
	Number	£000	Number	£000
Non NHS				
Total bills paid in the year	6,008	15,632	50,195	119,136
Total bills paid within target	3,309	10,051	31,774	88,216
Percentage of bills paid within target	55%	64%	63%	74%
NHS				
Total bills paid in the year	139	2,861	1,111	22,067
Total bills paid within target	101	2,838	840	21,624
Percentage of bills paid within target	73%	99%	76%	98%
Total				
Total bills paid in the year	6,147	18,493	51,306	141,203
Total bills paid within target	3,410	12,889	32,614	109,840
Percentage of bills paid within target	55%	70%	64%	78%

Annex L – Financial Risk Register

Ref	Risk	Description	Risk level	Risk Owner	Next Review Date
1	Failure to maintain designation for specialist clinical services	Many of the Trust's specialist services are subject to national designation or commissioning arrangements tied to evolving standards and specifications. If the Trust is unable to meet new standards, penalties may be applied and/ or patients and commissioners may choose to seek alternative service providers.	Moderate	Robert Craig	29/12/2017
2	Failure to maintain adequate liquidity	The impact of annual I&E deficits are placing significant pressure on the liquidity position of the Trust.	High	Richard Paterson	29/12/2017
3	Failure to execute property redevelopment programme effectively	Poor execution could inflict significant financial and reputational damage and in extremis result in the withdrawal of the Trust's FT authorisation from NHSI.	Moderate	Richard Paterson	29/12/2017
4	Failure to deliver annual plan	The accuracy of the annual plan forms part of NHSI's assessment of actual and potential risk to the Trust's authorisation. Any significant risks for or apparent weaknesses in the planning process require NHSI's review of annual plans to be more intense	Moderate	Richard Paterson	29/12/2017
5	Inadequate working capital management	Poor working capital management may create operational and cash flow difficulties and will affect the Trust's Use of Resources risk rating.	Moderate	Richard Paterson	29/12/2017
6	Failure to establish and maintain appropriate sources of borrowing	Inability to finance expenditure and capital programme, and unable to meet its financial obligations.	Moderate	Richard Paterson	29/12/2017
7	Commissioners will levy fines for missing contractual targets	Commissioners are looking to enforce fines for any failures to meet contractual targets. The Trust will provide for these on a monthly basis.	Moderate	Nick Hunt	29/12/2017
8	Annual capital expenditure failure to deliver planned returns	The benefits claimed from the investment are not realised. Risk of financial/ opportunity loss to the Trust if overspends on capital expenditure.	Low	Robert Craig	29/12/2017
9	Capital is misallocated	Trust fails to allocate capital that balances short term needs with long term sustainability	Low	Robert Craig	29/12/2017
10	Failure to provide accurate and timely financial information to Board and other stakeholders	Trust Board and stakeholders may make incorrect decisions based on information, which is not complete, accurate or timely. Material weaknesses in financial ledger, financial reporting and budgetary control procedures may affect the Trust's UoR risk rating.	Low	Richard Paterson	29/12/2017
11	Loss of financial oversight	Multiple projects running concurrently which require input from limited number of senior finance team members risks loss of oversight of core financial activities	Low	Richard Paterson	29/12/2017
12	Failure to capture all NHS revenues	Income may be lost through ineffective work measurement. Reduction in payments by Commissioners.	Low	Richard Paterson	29/12/2017
13	Failure to improve profitability with analysis from patient level costing data	Trust may fail to tackle underlying profitability issues through inadequate use of patient level costing data	Low	Richard Paterson	29/12/2017
14	Harefield Mansion	Possibility of significant long-term costs to restore Grade II* listed building and/or return to use.	Low	Robert Craig	29/12/2017
15	Losses	Losses may arise from: 1. Dishonesty (fraud/ theft); 2. Inadequate record keeping; 3. Best practice and guidance is not adhered to; and 4. Adequate security arrangements are not in place for the	Low	Richard Paterson	29/12/2017
16	Change of regulation on VAT recovery	Trust had full inspection on VAT Recovery of contracted out services at the end of August 2015 and all transactions were approved. HMRC issued further guidance in October 2015 and the Trust has implemented that guidance from 1 December 2015. The annual potential impact of the revised guidance is now thought to have reduced the potential annual impact to the Trust from £2m to £150k.	Low	Richard Paterson	29/12/2017

Annex M – Risks and Mitigations (to Forecast)

£000	Gross Value	Likelihood	Net Value	Comment
Identified Risks				
Delay in investment property sale or revaluation	-26,400	10.0%	-2,640	If sale is delayed, revaluation may also be possible and would give an I&E benefit
Non-delivery of CIP	-373	50.0%	-186	Conservative estimate in forecast
Margin on service developments	-1,585	50.0%	-792	Known slippage on some large schemes, particularly Harefield development
Additional identified non-pay cost pressures	-873	25.0%	-218	BCG/Consultancy fees
Additional agency costs	-521	75.0%	-391	Straightline YTD against budget/FOT
Commissioner challenges	-3,000	5.0%	-150	Low likelihood as all being dealt with
Trust to trust income	0	0.0%	0	Forecast revised per actuals
NHS Income	-5,000	10.0%	-500	Large positive movement and improvement in run-rate
Private patient income			0	Forecast revised downwards
Total Risk	-37,751	12.9%	-4,878	
Identified Mitigations				
Contingencies in budget			0	Not included in revised forecast
Other Items	139	20.0%	28	Net known smaller items
Provisions potentially not required	13,711	20.0%	2,742	Will be assessed through year; active steps being taken to manage debtor position
Property valuation	23,600	5.0%	1,180	Potential upside re plan not in forecast
PP Opportunity	435	50.0%	218	Potential income from newly appointed consultants
CQUIN Delivery	2,346	68.1%	1,599	Dependent on commissioner agreement
Total Mitigations	40,231	14.3%	5,766	
Net Risks and Mitigations	2,480	35.8%	889	