

Finance Performance Report 2017/18

February 2018

Director of Finance and Performance Management
Philip Cave



Contents and Appendices

Month 11 (February) 2017/18

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Executive Summary

Month 11 (February) 2017/18

Executive Summary

The revised version of the report agreed at the February FPC will be introduced from Month 1 2018/19 to maintain in year consistency.

The Trust has generated a consolidated deficit year to date of £19.8m which is £12.4m behind plan. The variance is driven by the underachievement of STF funding of £5.9m due to non delivery of the A&E 4 hour target and non-delivery of Q4 control totals as well as high levels of temporary clinical staffing and loss of elective income driven more recently by A&E/winter pressures. As the Trust is in FSM it is measured against its performance excluding STF funding. After this is removed the Trust's I&E deficit in February (month 11) was £6.2m (consolidated position excluding Sustainability and Transformation Funds, including Spencer Wing, and after technical adjustments) against a planned deficit of £2m (£4.2m adverse to plan).

The year to date I&E deficit is £26m which is £6.5m behind plan. A reconciliation of the various adjustments is presented below. The Trust has maintained its internal Forecast in Month 11 at £30m after NHSi adjustments (£11m worse than plan) to recognised the impact of additional A&E pressures and winter costs in the remaining month. This does not include CCG Income challenges due to the uncertainty of their size.

£'000	This Month			Year to Date			Annual		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Forecast	Variance
EKHUFT Income (inc STF)	47,825	44,946	(2,879)	531,988	528,942	(3,046)	584,133	579,432	(4,701)
EKHUFT Pay	(28,797)	(30,019)	(1,222)	(315,812)	(320,322)	(4,510)	(344,206)	(350,891)	(6,685)
EKHUFT Non-Pay	(19,390)	(21,217)	(1,827)	(223,823)	(228,622)	(4,799)	(245,484)	(252,764)	(7,280)
EKHUFT Financial Position (inc STF)	(362)	(6,291)	(5,929)	(7,646)	(20,001)	(12,354)	(5,557)	(24,223)	(18,666)
Spencer Unit Financial Position	18	6	(12)	179	177	(3)	187	103	(84)
Consolidated I&E Position (inc STF)	(344)	(6,285)	(5,941)	(7,467)	(19,824)	(12,357)	(5,370)	(24,120)	(18,750)
Impairments Adjustment	77	74	(3)	863	793	(70)	925	925	0
STF Funding	(1,696)	0	1,696	(12,842)	(6,942)	5,900	(14,537)	(6,942)	7,595
Consolidated I&E Position (exc STF)	(1,963)	(6,211)	(4,248)	(19,446)	(25,974)	(6,527)	(18,982)	(30,137)	(11,155)

Trust unconsolidated pay costs in the month of £30.0m were £0.2m less than January but £1.2m over plan. The over spend is driven by A&E/Winter pressures. Permanent staff costs (including Overtime) were £0.6m higher than December. Bank usage decreased by £0.3m and agency/locum staff increased £0.4m. All temporary staff (agency, bank, locum, overtime) increased by £0.1m to £4.5m in month. Waiting list payments fell to £0.1m in month but were still which is on plan. Pay is now £4.5m worse than plan year to date. The main driver for the pay overspend against plan in month is the inability to close beds driven by A&E/Winter activity which have also resulted in increased pay spend in ED to maintain patient safety.

Clinical income was £1m behind plan in month. This is driven by low elective work due to bed pressures which have extended longer than originally predicted and the impact of the snow at the end of the month. This is offset somewhat by strong non-elective activity and the non planned Health and Social Village bed income. Clinical income is £0.8m better than plan year to date. Other income is £1.9m worse than plan in month driven by lost STF funding. Year to date other income is £3.9m behind plan as lost STF income is offset by over recovery of R&D and education income.

Against the £32m CIPS target, including income, £29m is reported year to date against a target of £28.8m, £0.2m behind plan. Of the reported position 18% is non recurrent.

The cash balance as at the end of December was £6.8m, £0.8m above plan. The trusts total cash borrowing is now £31.8m.

As the expenditure impact of A&E/Winter are now impacting the financial position the revised Trust Forecast remains unchanged at £30.1m (after NHSi adjustments) and i dependent upon the ability of the Trust to deliver income at higher levels usually seen in March.

Income and Expenditure

R

In February the Trust reported a consolidated I&E deficit of £6.3m (before any adjustments) compared to a planned deficit of £0.3m . The reasons for the underperformance are as follows:-

- Lower than planned other income driven by loss of £5.9m STF due to the Trust missing its control total.
- Higher than planned pay, driven by A&E/Winter pressures
- High non pay, driven mainly by unbudgeted Health and Social Care Village costs (offset by income), one off small equipment for the new wards and other winter related expenditure.

After adjustments the Trust is £6.5m behind plan YTD. The Forecast remains as last month (a deficit of £30m after adjustments) behind plan due to the impact of A&E/winter pressures and the crystallisation of other previously flagged risks. Risks still remain from commissioner income challenge s of up to £36m for 2017/18, the main areas of concern being up coding, Sepsis and unbundled radiology. Of all the divisions the U<C division is under the most significant pressure resulting in its contribution year to date being £5.6m worse than plan, driven mainly by temporary staff costs.

Cash

A

The Trust's cash balance at the 28th February was £6.8m which was £0.8m above plan. The main drivers are:

- NHS income is £3.1m above plan driven by activity and other income is £0.5m over plan due to education and R&D
- STF income is £5.6m behind plan due to A&E performance and missing the Q4 control total
- Payroll expenditure is £5.4m below plan due to vacancies , offset with agency (see below)
- PDC payments are below plan £0.4m as cash is more favourable than expected
- Loans drawn are £4.7m over plan
- All other payments (including Agency) are £7.6m over plan

£3.1m was borrowed in month to cover unpaid STF and overall the Trust has borrowings of £31.8m. The interest payments YTD in relation to these loans are £0.9m. The Trust has requested £14.4m of exceptional loan capital in March in order to address creditor payment issues.

Capital Programme

G

The Trust is on plan for capital spend year to date. Underspends, such as the change in plan on Endoscopy decontamination equipment and CT/CT SPEC, have been off set by additional required programmes e.g. the CCU upgrade at WHH.

As the Trust has re-prioritised the spend it is still expecting to spend all its capital funds by year end .

Cost Improvement Programme

G

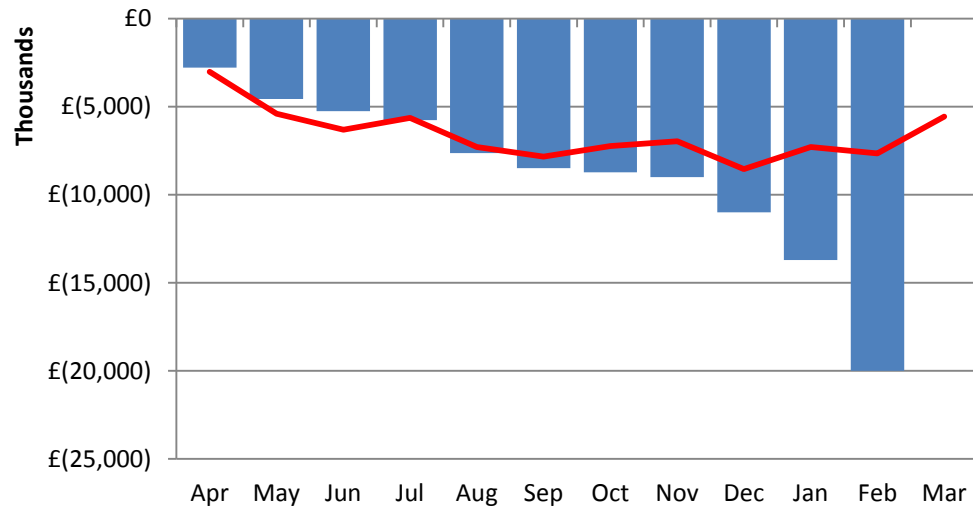
Net CIPs in month were £0.3m ahead of plan due largely to over performance in workforce and Divisional schemes. The YTD position is now £0.1m ahead of plan. Month 11 CIP delivery fell by £0.4m when compared to Month 10 as one off CIP cost releases were not repeated. Non recurrent savings now stand at £4.6m and will be offset in 18/19 using the full year effect of 17/18 schemes.

The Trust is expecting to deliver the planned £32m of CIPS by year end.

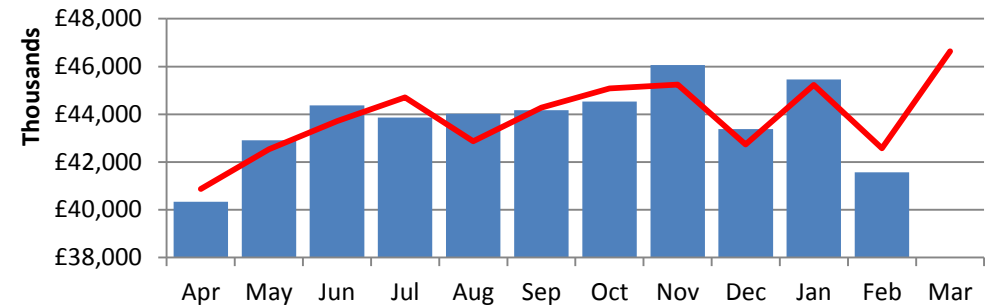
Financial Dashboard

Month 11 (February) 2017/18

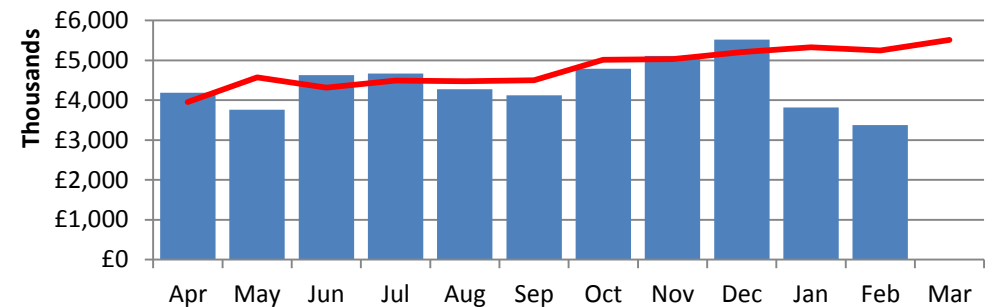
YTD NET RETAINED SURPLUS/(DEFICIT): Plan v. Actual



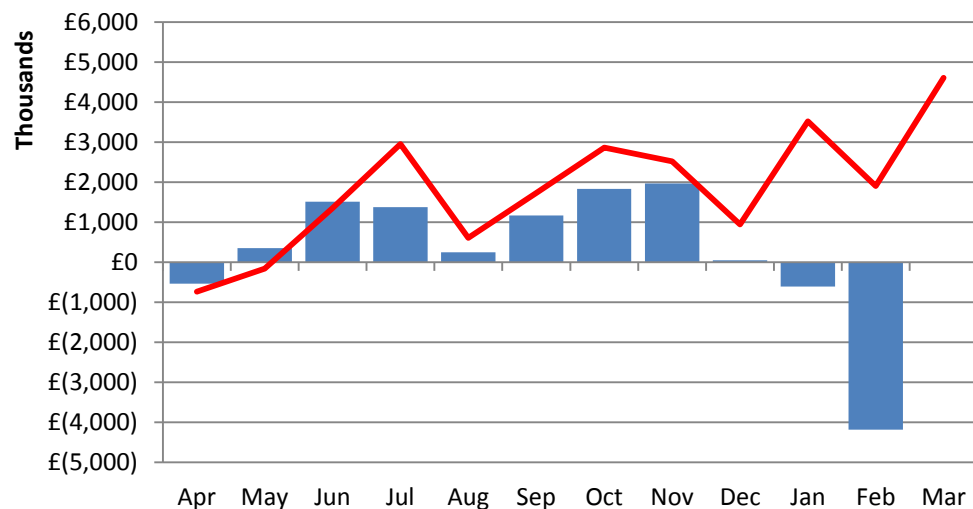
TOTAL CORPORATE AND SLA INCOME: Plan v. Actual



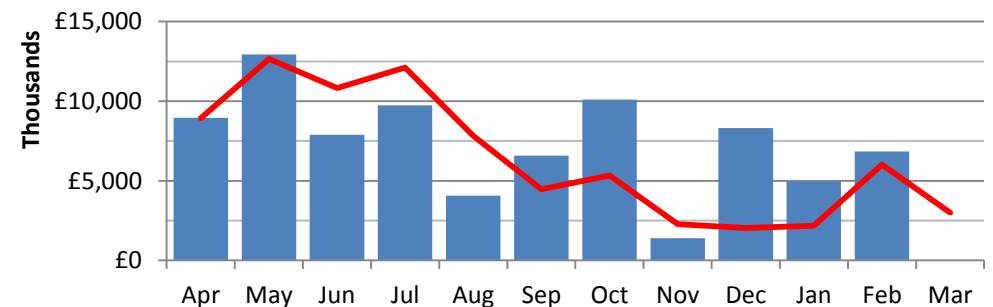
ALL OTHER INCOME: Plan v. Actual



YTD EBITDA: Plan v. Actual



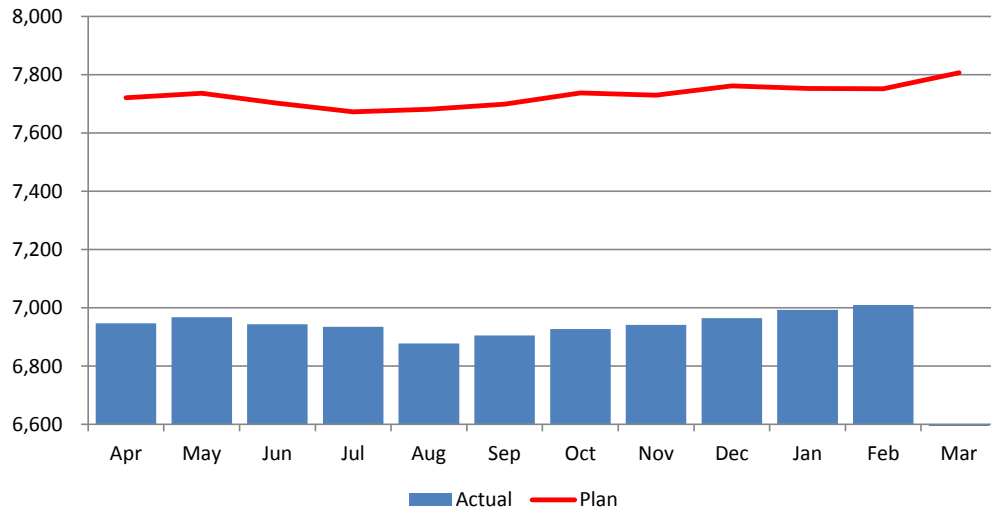
Cash: Plan v Actual



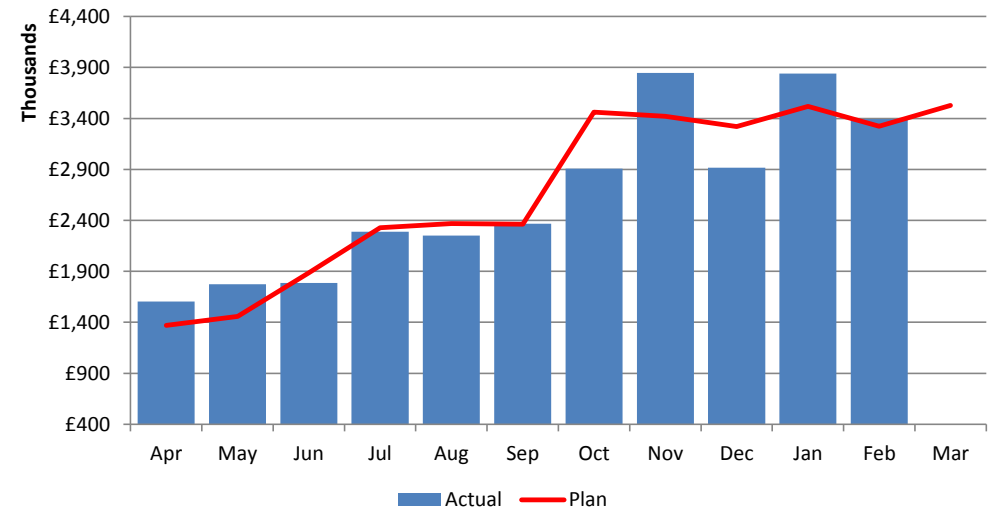
Financial Dashboard

Month 11 (February) 2017/18

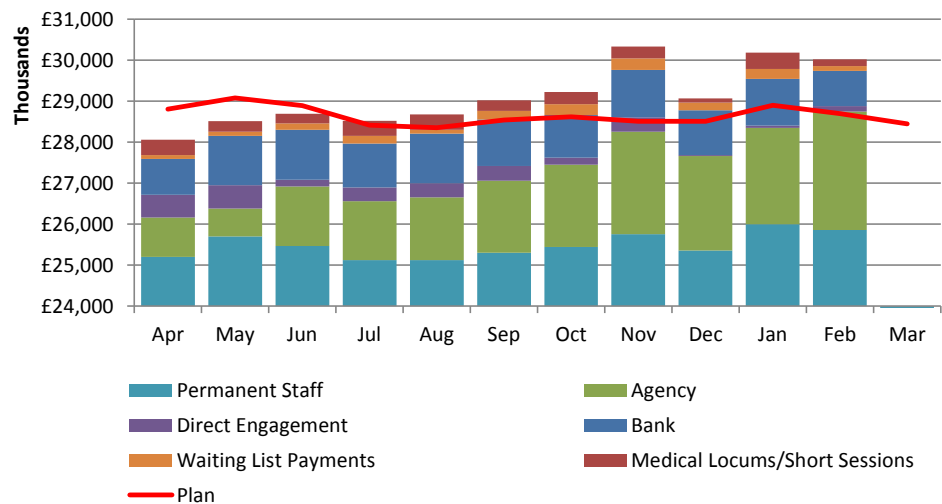
WTE: Plan v Actual



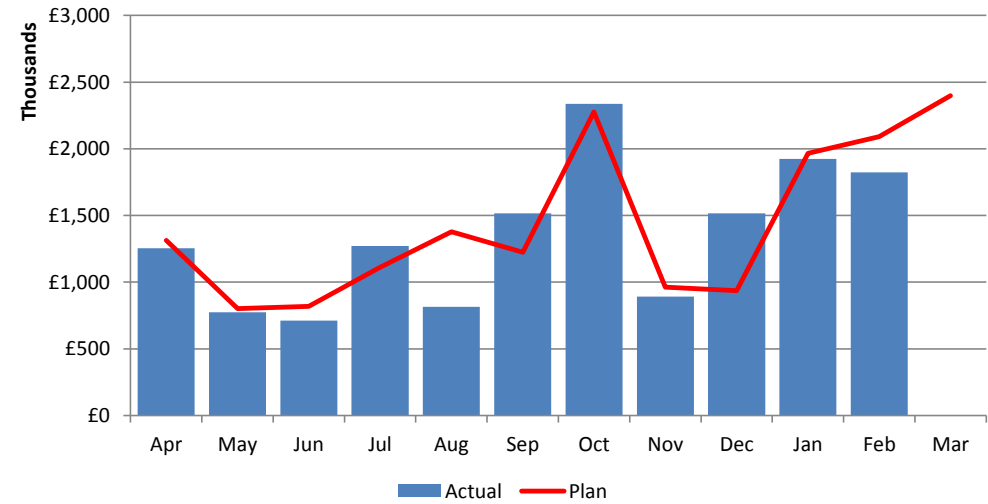
CIPs: Plan v Actual



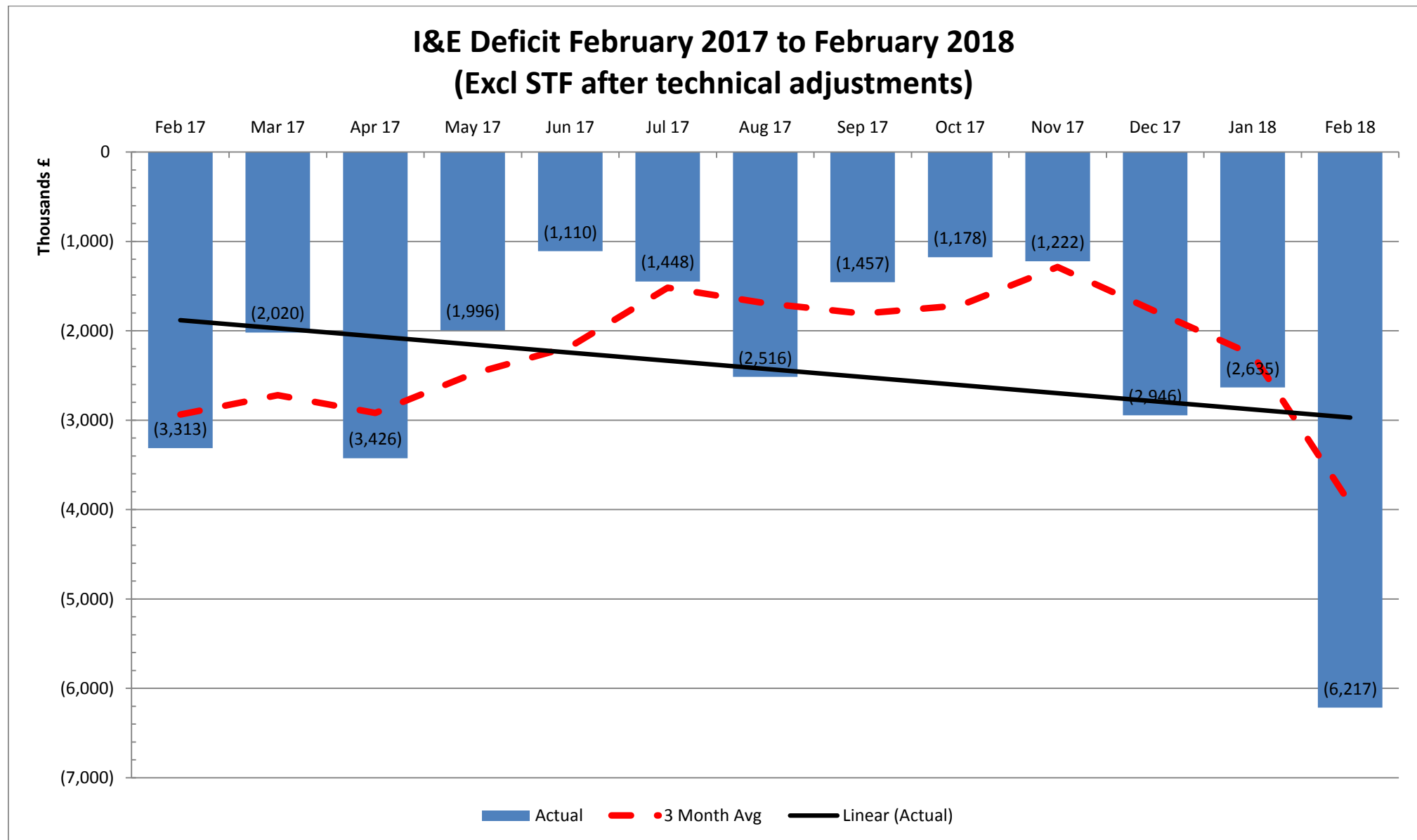
Pay: Plan v Actual



CAPITAL: Plan v. Actual



		M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Clinical Income Consolidated	Plan	41,650	43,310	44,496	45,487	43,652	45,064	45,859	46,026	43,515	46,013	43,360	47,417
	Actual	41,713	42,784	45,222	44,668	44,628	44,943	45,236	46,875	44,337	46,570	41,938	
	Variance	63	-526	726	-819	976	-121	-623	849	822	557	-1,422	
	Quarterly rolling average spend	42,814	43,464	43,240	44,225	45,024	44,746	44,936	45,685	45,483	45,927	44,282	
Other Income Consolidated	Plan	4,139	4,079	4,165	4,336	4,321	4,345	4,861	4,880	5,056	5,178	5,093	5,354
	Actual	3,832	4,386	4,476	4,720	4,043	4,041	4,683	5,088	5,476	3,411	2,951	
	Variance	-307	307	311	384	-278	-304	-178	208	420	-1,767	-2,142	
	Quarterly rolling average spend	2,748	3,133	4,231	4,527	4,413	4,268	4,256	4,604	5,082	4,658	3,946	
Pay Consolidated	Plan	-29,139	-29,415	-29,232	-28,757	-28,689	-28,879	-29,055	-28,947	-28,944	-29,333	-29,135	-28,889
	Actual	-28,405	-28,847	-29,028	-28,854	-29,014	-29,387	-29,580	-30,698	-29,392	-30,542	-30,394	
	Variance	734	568	204	-97	-325	-508	-525	-1,751	-448	-1,209	-1,259	
	Quarterly rolling average spend	-28,778	-28,840	-28,760	-28,910	-28,965	-29,085	-29,327	-29,888	-29,890	-30,211	-30,109	
Non Pay Operating Expenses Consolidated	Plan	-17,374	-18,081	-18,041	-18,079	-18,643	-18,770	-18,762	-19,400	-18,651	-18,298	-17,377	-19,244
	Actual	-17,243	-18,035	-19,141	-18,906	-19,387	-18,404	-18,461	-19,295	-20,359	-20,031	-18,651	
	Variance	131	46	-1,100	-827	-744	366	301	105	-1,708	-1,733	-1,274	
	Quarterly rolling average spend	-17,111	-17,707	-18,140	-18,694	-19,145	-18,899	-18,751	-18,720	-19,372	-19,895	-19,680	
Non Operating Consolidated	Plan	-2,267	-2,273	-2,285	-2,284	-2,284	-2,284	-2,284	-2,285	-2,535	-2,285	-2,285	-2,541
	Actual	-2,198	-2,096	-2,207	-1,908	-2,146	-2,045	-2,082	-2,259	-2,074	-2,111	-2,129	
	Variance	69	177	78	376	138	239	202	26	461	174	156	
	Quarterly rolling average spend	-4,435	-4,319	-2,167	-2,070	-2,087	-2,033	-2,091	-2,129	-2,138	-2,148	-2,105	
Agency Unconsolidated	Plan	-1,849	-1,702	-1,617	-1,552	-1,460	-1,450	-1,432	-1,292	-1,289	-1,278	-1,279	-1,258
	Actual	-1,889	-1,513	-1,855	-2,142	-2,245	-2,369	-2,477	-3,137	-2,433	-2,807	-3,178	
	Variance	-40	189	-238	-590	-785	-919	-1,045	-1,845	-1,144	-1,529	-1,899	
	Quarterly rolling average spend	-2,131	-1,902	-1,752	-1,837	-2,081	-2,252	-2,363	-2,661	-2,682	-2,792	-2,806	
CIPS Unconsolidated	Plan	1,369	1,458	1,885	2,327	2,367	2,361	3,460	3,420	3,319	3,519	3,324	3,527
	Actual	1,605	1,773	1,786	2,287	2,250	2,368	2,906	3,845	2,915	3,840	3,393	
	Variance	236	315	-99	-40	-117	7	-554	425	-404	321	69	
Cash Unconsolidated	Plan	8,936	12,660	10,827	12,105	7,837	4,480	5,335	2,270	2,042	2,187	6,014	3,005
	Actual	8,936	12,945	7,875	9,746	4,060	6,583	10,100	1,386	8,304	4,967	6,841	
	Variance		285	546	-2,359	-3,777	2,103	4,765	-884	6,262	2,780	826	



Income and Expenditure Summary

Month 11 (February) 2017/18

Unconsolidated	Year to Date			This Month		
£000	Plan	Actual	Var.	Plan	Actual	Var.
Income						
Electives	90,549	80,689	(9,860)	8,505	6,673	(1,832)
Non-Electives	139,807	146,948	7,141	12,097	12,670	573
Accident and Emergency	24,155	23,903	(252)	2,204	2,033	(171)
Outpatients	73,049	70,410	(2,639)	6,505	5,885	(620)
High Cost Drugs	52,877	50,738	(2,139)	4,807	4,411	(396)
Private Patients	397	231	(166)	36	17	(19)
Other NHS Clinical Income	97,153	106,145	8,992	8,256	9,798	1,543
Other Clinical Income	1,853	1,614	(239)	168	78	(91)
Total Corporate and SLA Income	479,841	480,679	838	42,578	41,566	(1,012)
All Other Income	52,147	48,264	(3,883)	5,247	3,380	(1,867)
Total Income	531,988	528,942	(3,046)	47,825	44,946	(2,879)
Expenditure						
Permanent Staff	(288,987)	(275,713)	13,274	(26,520)	(25,415)	1,105
Overtime		(4,653)	(4,653)		(447)	(447)
Waiting List Payments	(1,048)	(1,941)	(893)	(96)	(116)	(20)
Medical Locums/Short Sessions	(1,788)	(3,121)	(1,333)	(164)	(161)	3
Bank	(7,789)	(11,967)	(4,179)	(738)	(864)	(126)
Agency	(12,666)	(19,856)	(7,190)	(1,000)	(2,890)	(1,890)
Direct Engagement	(3,534)	(3,070)	464	(279)	(127)	152
Total Pay	(315,812)	(320,322)	(4,510)	(28,797)	(30,019)	(1,222)
Non Pay	(198,655)	(205,412)	(6,757)	(17,121)	(19,112)	(1,991)
Total Expenditure	(514,466)	(525,733)	(11,267)	(45,918)	(49,131)	(3,213)
Non-Operating Expenses	(25,168)	(23,210)	1,958	(2,269)	(2,106)	163
Income and Expenditure Surplus/(Deficit)	(7,646)	(20,001)	(12,354)	(362)	(6,291)	(5,929)

Consolidated	Year to Date			This Month		
£000	Plan	Actual	Var.	Plan	Actual	Var.
Income						
Clinical Income	488,432	488,545	113	43,360	41,938	(1,422)
Non Clinical Income	50,453	46,940	(3,513)	5,093	2,951	(2,142)
Total Income	538,885	535,485	(3,400)	48,453	44,889	(3,564)
Expenditure						-
Pay	(319,525)	(324,141)	(4,616)	(29,135)	(30,394)	(1,259)
Non Pay	(201,476)	(207,799)	(6,323)	(17,377)	(18,651)	(1,274)
Total Expenditure	(521,001)	(531,940)	(10,939)	(46,512)	(49,045)	(2,533)
Non-Operating Expenses	(25,351)	(23,369)	1,982	(2,285)	(2,129)	156
Income and Expenditure Surplus/(Deficit)	(7,467)	(19,824)	(12,357)	(344)	(6,285)	(5,941)

Corporate and SLA Income

East Kent CCGs income under performed against plan by £171k in month, with Thanet being the only over performing contract. The majority of this adverse position is driven by the low activity in elective care due to high levels of planned operations being cancelled. A richer than planned case mix in Non-Electives and funding for the HSCV beds (£3.2m) which is not in our current contract goes some way to offset this. The East Kent CCGs have taken the Trust to Expert Determination (ED) on £35.4m of the contracted value for 2017/18, the main areas of challenge concern the way the Trust counts and codes short stay and assessment unit activity. The outcome of the ED is expected 23rd March 2018. The Trust opinion is that the majority of these challenges are not valid and will not impact on 17/18 or into 2018/19.

NHSE Contracts are above plan in month by £13k. Rechargeable expenditure such as high cost drugs, devices and haemophilia blood products under performed by £400k in month across all contracts.

The Trust contract with NHSE includes almost £4m of QIPP expectation with the Trust agreeing to work with NHSE to implement cost savings where possible. The majority of these QUIPPs are not delivering, however, the risk against non achievement sits with the commissioner.

Other Income and Expenditure

Non clinical income is adverse to plan ytd by £3.9m (7.4%), a deterioration in month of £1.9m, £1.7m of which relates to unachieved sustainability and transformation funding for February. The Trust's adverse position ytd on STF now stands at £5.9m which is partially offset by income for Winter pressures and A&E improvement plan of £1.7m. Income and expenditure on the SaCP project has slipped by £2.4m ytd.

Total expenditure is £11.3m adverse to plan ytd (2.2%) including £5.3m for A&E Improvement Plan and £3m for Health and Social Care Beds which were unplanned.

Pay expenditure is adverse to plan by £4.5m ytd and main drivers for the adverse position continue to be temporary staffing costs and unachieved CIP schemes.

Non pay expenditure is adverse to plan by £6.8m ytd, mainly relating to previously reported expenditure on Health and Social Care beds, offset by an underspend on drugs. Clinical supplies are now break even against plan following an adverse performance in month of £0.4m, predominantly relating to medical equipment purchases and in particular purchases relating to the new Bartholomew Unit.

The expenditure run rate has reduced by £0.5m in February, mainly relating to reduced drug expenditure. The expenditure plan reduced by £1.1m when compared to January to reflect the shorter month. Total expenditure on pay in February was £30.0m, a reduction in spend of £0.2m when compared to January, mainly driven by reduced bank holiday enhancements between months. The reduction in non pay expenditure when compared to January relates predominantly to drugs and clinical supplies offset by increased spend on non clinical supplies and services and referrals to the independent sector.

Income and Expenditure Forecast

Month 11 (February) 2017/18

Unconsolidated	Annual			Forecast	Normalised ^{D.12}	
£000	Plan	Forecast	Var.	Adjustment	Forecast	Var.
Income						
Electives	100,038	89,502	(10,536)	-	89,502	-
Non-Electives	153,125	159,933	6,808	-	159,933	-
Accident and Emergency	26,602	26,080	(522)	-	26,080	-
Outpatients	80,322	76,713	(3,609)	-	76,713	-
High Cost Drugs	57,684	54,773	(2,911)	-	54,773	-
Private Patients	433	118,417	117,984	-	118,417	-
Other	108,271	223	(108,048)	-	223	-
Total Corporate and SLA Income	526,475	525,640	(835)	-	525,640	-
All Other Income	57,658	53,792	(3,866)	(6,942)	46,850	6,942
Total Income	584,133	579,432	(4,701)	(6,942)	572,490	6,942
Expenditure						
Permanent Staff	(315,146)	(300,567)	14,579	-	(300,567)	-
Overtime	-	(5,184)	(5,184)	-	(5,184)	-
Waiting List Payments	(1,144)	(2,367)	(1,223)	-	(2,367)	-
Medical Locums/Short Sessions	(1,950)	(3,398)	(1,448)	-	(3,398)	-
Bank	(8,509)	(13,341)	(4,832)	-	(13,341)	-
Agency	(13,650)	(23,147)	(9,497)	-	(23,147)	-
Direct Engagement	(3,807)	(2,887)	920	-	(2,887)	-
Total Pay	(344,206)	(350,891)	(6,685)	-	(350,891)	-
Non Pay	(217,791)	(226,517)	(8,726)	-	(226,517)	-
Total Expenditure	(561,997)	(577,408)	(15,411)	-	(577,408)	-
Non-Operating Expenses	(27,693)	(26,247)	1,446	1,035	(25,212)	(1,035)
Income and Expenditure Surplus/(Deficit)	(5,557)	(24,223)	(18,666)	(5,907)	(30,130)	5,907

Consolidated	Annual			Forecast	Normalised ^{D.12}	
£000	Plan	Forecast	Var.	Adjustment	Forecast	Var.
Income						
Clinical Income	535,849	534,773	(1,076)	-	534,773	(1,076)
Non Clinical Income	55,807	51,941	(3,866)	(6,942)	44,999	(10,808)
Total Income	591,656	586,714	(4,942)	(6,942)	579,772	(11,884)
Expenditure						
Pay	(348,414)	(355,100)	(6,686)	-	(355,100)	(6,686)
Non Pay	(220,720)	(246,542)	(25,822)	-	(246,542)	(25,822)
Total Expenditure	(569,134)	(601,642)	(32,508)	-	(601,642)	(32,508)
Non-Operating Expenses	(27,892)	(9,192)	18,700	1,035	(8,157)	19,735
Income and Expenditure Surplus/(Deficit)	(5,370)	(24,120)	(18,750)	(5,907)	(30,027)	(24,657)

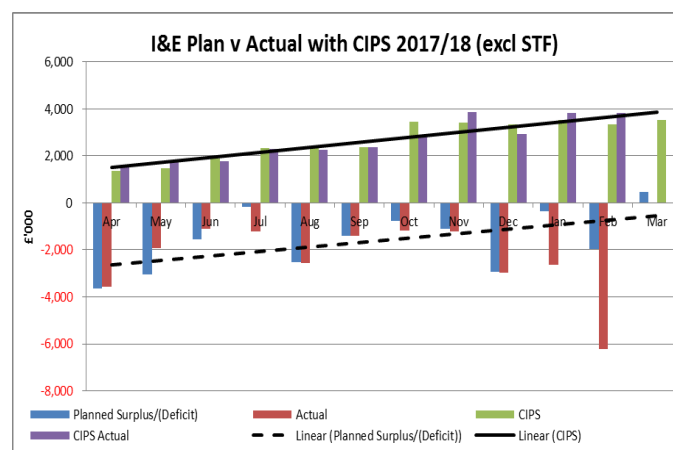
The Trust forecast remains unchanged at £11.0m adverse to the agreed £18.9m deficit control total, with current trends and performance suggesting this forecast is likely be realised.

The annual plan in the table opposite does not include the technical adjustments to show the control total, whereas the normalised forecast of £30.0m does.

The forecast outturn continues to reflect the inclusion of the latest forecast estimates for the A&E Improvement Plan of £9.9m against confirmed funding from NHSI of £1.5m

Discussions with NHSI are on-going on the formal process to be followed in order to secure their agreement to recognise this deterioration from plan as part of the reporting via the monthly monitoring return. The current forecast continues to assume there is no loss of income from the current CCG challenges.

CIPS of £32m net are still required to support the delivery of this amended forecast.



Risks and Opportunities

Month 11 (February) 2017/18

Risk/Opp	Area	Description	Narrative	Full Year (Risk)/Opp £000	Probability	Impact £,000
RISK	Clinical Income	Expert Determination	The sum of all CCG challenges has now been referred to Expert Determination. The Trust is expecting the results of the exercise to be published on 23 March. The findings of the determination are binding and final.	(35,400)	7%	(2,478)
RISK	Clinical Income	Commissioner Data Challenges	Other Commissioner reconciliation difference yet to be resolved	(5,000)	20%	(1,000)
RISK	Clinical Income	CQUIN performance 17-18	CQUIN - Challenging CQUIN programme in 17-18 with some targets such as flu vaccination rates and anti-biotic prescribing rates difficult to achieve in year.	(1,500)	83%	(1,250)
			Total Risk			(4,728)
			Total Opportunity			
			NET (RISK)/OPPORTUNITY			(4,728)

Some risks have been realised and are now included in the Forecast, only remaining risks are shown in the table.

Subjective Expenditure

Month 11 (February) 2017/18

Trustwide Subjective Expenditure £000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Income													
Electives	6,424	7,271	8,017	7,414	7,453	7,737	7,923	8,351	6,796	6,629	6,673		80,689
Non-Electives	12,862	13,522	13,494	12,782	12,913	13,320	13,071	13,489	13,457	15,369	12,670		146,948
Accident and Emergency	2,094	2,234	2,163	2,237	2,221	2,134	2,222	2,140	2,191	2,234	2,033		23,903
Outpatients	5,474	6,519	6,709	6,518	6,651	6,074	7,030	7,431	5,350	6,766	5,885		70,410
High Cost Drugs	4,255	4,320	4,678	4,695	4,950	4,605	4,153	4,404	5,180	5,088	4,411		50,738
Private Patients	41	6	74	(41)	16	22	28	23	15	30	17		231
Other NHS Clinical Income	9,068	8,850	9,107	10,137	9,666	10,086	9,935	10,052	10,514	8,933	9,798		106,145
Other Clinical Income	124	187	137	117	154	187	176	166	119	169	78		1,614
Total Corporate and SLA Income	40,341	42,909	44,378	43,858	44,024	44,165	44,539	46,057	43,623	45,219	41,566		480,679
All Other Income	4,184	3,760	4,627	4,667	4,277	4,126	4,792	5,113	5,520	3,819	3,380		48,264
Total Income	44,525	46,668	49,005	48,525	48,301	48,291	49,332	51,170	49,143	49,038	44,946		528,942
Expenditure													
Permanent Staff	(24,695)	(25,381)	(25,087)	(24,738)	(24,728)	(24,884)	(25,012)	(25,301)	(24,875)	(25,598)	(25,415)		(275,713)
Overtime	(507)	(322)	(381)	(390)	(401)	(423)	(434)	(462)	(484)	(403)	(447)		(4,653)
Waiting List Payments	(100)	(101)	(159)	(186)	(96)	(211)	(262)	(281)	(188)	(240)	(116)		(1,941)
Medical Locums/Short Sessions	(368)	(260)	(236)	(372)	(372)	(254)	(301)	(290)	(104)	(404)	(161)		(3,121)
Bank	(866)	(1,199)	(1,213)	(1,069)	(1,208)	(1,132)	(1,041)	(1,150)	(1,086)	(1,142)	(864)		(11,967)
Agency	(966)	(685)	(1,454)	(1,433)	(1,527)	(1,751)	(2,003)	(2,495)	(2,303)	(2,349)	(2,890)		(19,856)
Direct Engagement	(555)	(568)	(165)	(337)	(346)	(363)	(173)	(353)	(28)	(54)	(127)		(3,070)
Total Pay	(28,057)	(28,516)	(28,696)	(28,525)	(28,677)	(29,018)	(29,226)	(30,331)	(29,068)	(30,189)	(30,019)		(320,322)
Non-Pay													
Drugs	(5,493)	(5,627)	(5,479)	(5,750)	(6,110)	(5,307)	(5,157)	(5,355)	(5,960)	(6,044)	(5,399)		(61,680)
Clinical Supplies	(5,481)	(5,113)	(6,050)	(5,681)	(6,160)	(5,502)	(5,713)	(6,054)	(5,863)	(6,064)	(5,819)		(63,500)
Non-Clinical Supplies	(444)	(928)	(1,126)	(1,097)	(881)	(953)	(1,038)	(1,129)	(1,061)	(786)	(1,169)		(10,613)
Facilities Management	(1,437)	(1,261)	(1,313)	(1,292)	(1,253)	(1,435)	(1,342)	(1,439)	(1,365)	(1,339)	(1,350)		(14,825)
NHS Supplies and Services	(187)	(290)	(385)	(285)	(177)	(356)	(251)	(105)	(270)	(328)	(200)		(2,832)
Cost of Secondary Commissioning of mandatory Services	(504)	(568)	(744)	(674)	(607)	(654)	(752)	(603)	(808)	(822)	(903)		(7,638)
Education & Training	(95)	(278)	(201)	(79)	(349)	(222)	(159)	(303)	(195)	(275)	(220)		(2,377)
Consultancy	(38)	(34)	(76)	(123)	(40)	(7)	(127)	()	(48)	(119)	(33)		(645)
Premises	(855)	(928)	(827)	(893)	(895)	(875)	(938)	(959)	(927)	(1,040)	(1,004)		(10,142)
Clinical Negligence	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,676)	(1,787)	(1,892)	(1,798)		(19,773)
Printing and Stationary	(66)	(104)	(101)	(78)	(134)	(54)	(86)	(86)	(75)	(71)	(101)		(957)
Postage	(66)	(226)	20	(72)	(116)	(85)	(91)	(91)	(107)	(84)	(86)		(1,003)
Telephones	(62)	(55)	(65)	(76)	(61)	(107)	(45)	(38)	(38)	(37)	(36)		(620)
Staff Travel	(158)	(112)	(136)	(192)	(99)	(139)	(167)	(144)	(190)	(148)	(127)		(1,611)
Transport Hire/Lease	(36)	(45)	(39)	(46)	(75)	(42)	(59)	(55)	(47)	(42)	(40)		(525)
Cleaning Materials	(22)	(26)	(12)	(19)	(23)	(24)	(108)	(31)	(27)	18	(25)		(299)
Office Equipment and Consumables	(7)	(1)	(15)	56	(58)	(22)	(1)	(41)	7	(15)	(7)		(106)
Misc Other Operating Expenses	(245)	(401)	(445)	(517)	(530)	(510)	(435)	(754)	(1,261)	(371)	(797)		(6,266)
Total Non Pay	(17,002)	(17,798)	(18,798)	(18,619)	(19,370)	(18,099)	(18,270)	(18,864)	(20,022)	(19,457)	(19,112)		(205,412)
Total Expenditure	(45,059)	(46,314)	(47,494)	(47,144)	(48,047)	(47,117)	(47,496)	(49,195)	(49,090)	(49,646)	(49,131)		(525,733)
EBITDA	(534)	354	1,511	1,381	254	1,174	1,835	1,974	53	(609)	(4,185)		3,209
Financing	(2,243)	(2,137)	(2,191)	(1,898)	(2,129)	(2,029)	(2,070)	(2,253)	(2,055)	(2,100)	(2,106)		(23,210)
Income and Expenditure Surplus/(Deficit)	(2,777)	(1,783)	(680)	(517)	(1,875)	(855)	(235)	(279)	(2,002)	(2,708)	(6,291)		(20,001)

Clinical Income

Month 11 (February) 2017/18

£000	Annual	Year to Date				This Month			
	Plan	Plan	Actual	Variance		Plan	Actual	Variance	
Electives	99,575	90,163	80,689	(9,473)	(10.5%)	8,471	6,618	(1,853)	(21.9%)
Non-Electives	152,199	138,953	146,948	7,995	5.8%	12,019	12,725	706	5.9%
Accident and Emergency	26,611	24,163	23,903	(260)	(1.1%)	2,205	2,025	(180)	(8.2%)
First Outpatients	39,624	36,057	34,102	(1,955)	(5.4%)	3,206	2,733	(473)	(14.7%)
Follow Up Outpatients	40,553	36,875	36,308	(567)	(1.5%)	3,291	3,055	(236)	(7.2%)
High Cost Drugs	57,684	52,877	50,738	(2,139)	(4.0%)	4,807	4,413	(394)	(8.2%)
Private Patients	433	406	231	(175)	(43.1%)	4	17	13	318.1%
Other NHS Clinical	108,030	98,746	106,092	7,346	7.4%	8,421	9,132	711	8.4%
Other Clinical	1,766	1,601	1,667	66	4.1%	155	78	(77)	(49.7%)
Prior Month Adjustment					0.0%		771	771	0.0%
Total	526,475	479,841	480,679	838	0.2%	42,578	41,566	(1,012)	(2.4%)

Favourable

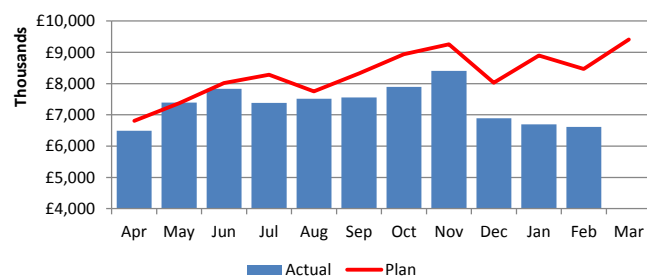
Adverse

Income has performed under plan in February, due to winter pressures there have been widespread Elective cancellations to allow capacity for significant overperformance in Non-Electives. T&O was particularly badly affected by the cancellations. The high levels of Non-Elective work, a high casemix and unplanned income from the Health and Social Care beds have partially offset this. The main overperforming areas are T&O, Healthcare of the Elderly, Cardiology, Gastroenterology and Respiratory Medicine. Outpatient activity has seen a large decrease in month. The biggest underperforming areas are T&O, Rheumatology, and Physiotherapy. H&SCV beds unplanned income has been accrued in month as the system continues to utilise these beds.

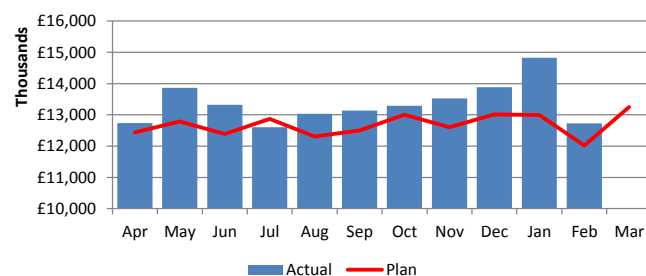
The Trust is reducing its reliance on the Independent Sector. In sourcing for Endoscopy day cases will continue and JAG accreditation for the WHH site has been achieved since November, with Best Practice being paid at the full rate from this month onwards and partial achievement being backdated to June. Future In-sourcing may be required in Ophthalmology to cope with a growing follow up backlog.

Rechargeable expenditure is under plan in month with Drugs and Devices £400k behind plan. This does not impact the bottom line as there is a corresponding decrease in expenditure.

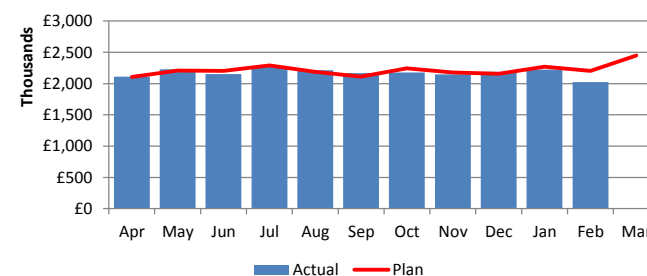
Electives Plan v Actual



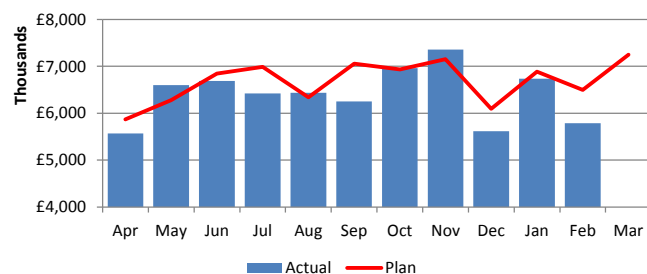
Non-Electives: Plan v Actual



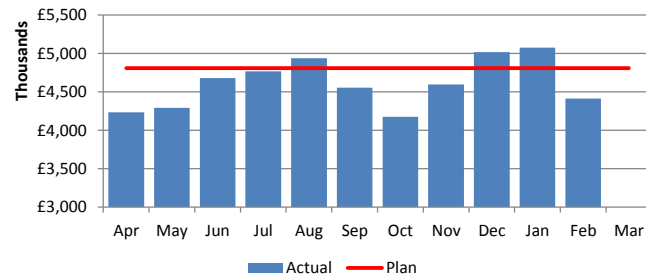
Accident & Emergency: Plan v Actual



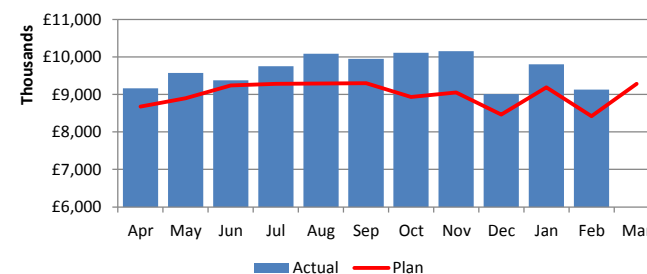
Outpatients: Plan v Actual



High Cost Drugs: Plan v Actual



Other NHS Clinical: Plan v Actual



Clinical Activity

Month 11 (February) 2017/18

Activity Units	Annual	Year to Date			This Month			
	Plan	Plan	Actual	Variance	Plan	Actual	Variance	
Electives	90,641	82,453	81,613	(840)	(1.0%)	7,372	7,036	(336) (4.6%)
Non-Electives	86,516	79,018	73,201	(5,817)	(7.4%)	6,859	6,090	(769) (11.2%)
Accident & Emergency	215,706	196,542	189,131	(7,411)	(3.8%)	17,578	15,317	(2,261) (12.9%)
First Outpatients	246,433	224,439	216,775	(7,664)	(3.4%)	19,797	17,369	(2,428) (12.3%)
Follow Up Outpatients	548,298	498,861	483,284	(15,577)	(3.1%)	44,274	40,331	(3,943) (8.9%)
Other NHS Clinical	5,471,543	4,986,482	4,942,023	(44,459)	(0.9%)	422,536	424,460	1,924 0.5%
Total	1,187,594	1,081,313	1,044,004	(37,309)	(3.5%)	95,880	86,143	(9,737) (10.2%)

Adverse

Adverse

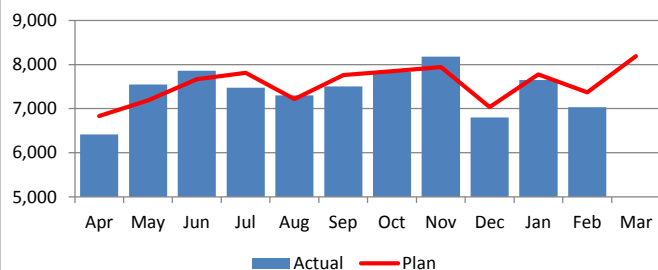
Activity under performed in month in most of our key delivery areas.

Elective Inpatient activity was 14.1% under plan largely due to T&O (by 155). Elective income also under performed in month significantly due to an £856k income CIP against which there is currently no activity allocated.

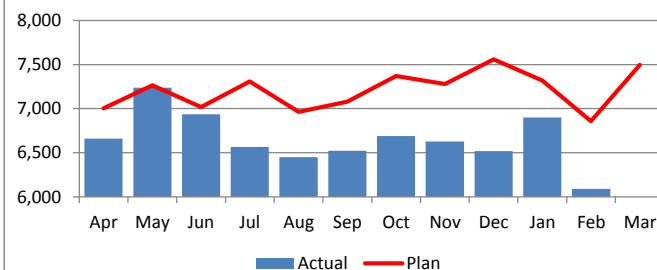
Day case activity was 4.7% under plan (T&O 109 and ENT 82). Outpatient activity also under performed in month with an overall underperformance of 10.7% across new and follow up attendances.

All divisions have signed off on their demand and capacity plans and have been funded to resource each speciality to a level that will allow income and activity to meet plans. Forecast risks to in year plans have materialised due to difficulties in the ability of the services to recruit to key positions in hard to recruit to areas, along with the winter pressures and A&E improvement plans which have impacted on elective and outpatient work.

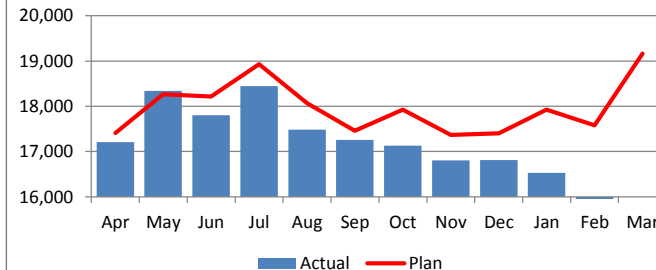
Electives: Plan v Actual



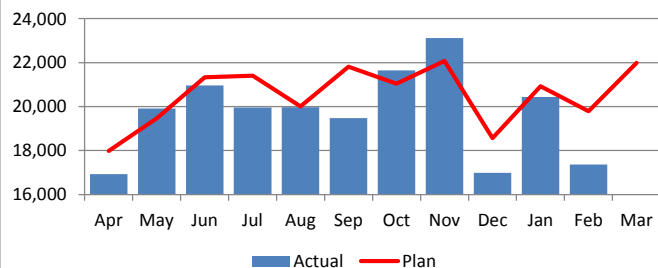
Non-Electives: Plan v Actual



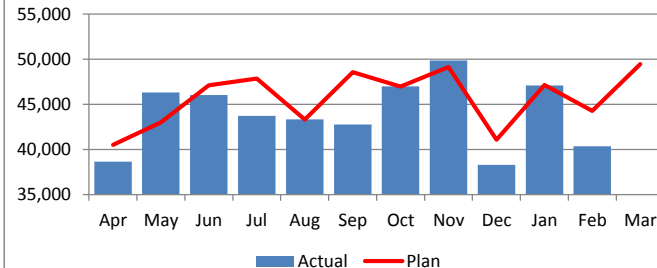
Accident & Emergency: Plan v Actual



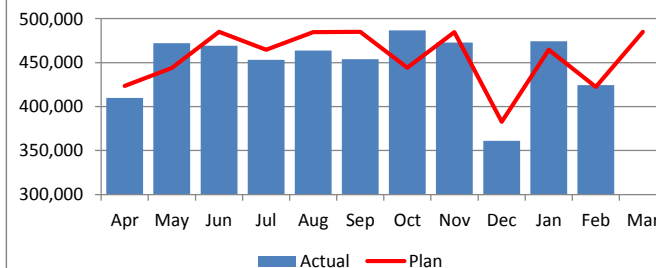
First Outpatients: Plan v Actual



Follow Up Outpatients: Plan v Actual



Other NHS Clinical: Plan v Actual



Clinical Income - by Commissioner

Month 11 (February) 2017/18

Commissioner	Annual £000	Year to Date £000			This Month £000		
	Plan	Plan	Actual	Variance	Plan	Actual	Variance
NHS Ashford CCG	66,915	61,046	63,485	2,439	5,371	5,369	(1)
NHS Canterbury & Coastal CCG	112,807	102,902	104,915	2,013	9,055	8,892	(163)
NHS South Kent Coast CCG	126,788	115,642	118,829	3,187	10,187	10,076	(111)
NHS Thanet CCG	93,394	85,197	85,724	527	7,497	7,600	104
East Kent CCGs	399,905	364,787	372,954	8,166	32,109	31,938	(171)
NCA - England	4,803	4,424	4,438	14	385	227	(158)
NHS England - Armed Forces	156	142	146	4	13	7	(6)
NHS England - Specialised Services	77,358	70,789	73,401	2,612	6,150	6,163	13
NHS England - Health In Justice	26	24	120	96	2	7	5
NHS England - Secondary Dentistry	5,428	4,935	5,342	407	447	484	36
NHS England - Public Health	6,442	5,906	6,011	106	537	542	5
Kings	264	242	240	(2)	22	22	
NCA - Wales	1	1	138	136		7	7
NCA - Northern Ireland			6	6		1	1
NCA - Scotland			24	23			
Other Trusts	2,410	2,209	2,139	(70)	201	209	9
East Kent Overseas		(2)	571	573	(2)	34	36
NHS Dartford, Gravesham & Swanley CCG	365	333	413	79	29	20	(9)
NHS Medway CCG	2,153	1,962	1,849	(113)	172	185	13
NHS Swale CCG	4,303	3,921	3,104	(817)	347	236	(111)
NHS West Kent CCG	5,221	4,761	4,922	161	418	469	51
Other Organisations	12,169	10,391	2,336	(8,055)	1,293	135	(1,158)
Cancer Drugs Fund	5,469	5,013	2,631	(2,382)	456	263	(192)
Adjust Prior Month Reported Position			()			771	771
Prior year Income			(107)	(107)		(155)	(155)
Total	526,475	479,841	480,679	837	42,578	41,566	(1,013)

Clinical income is £1m behind plan. All Commissioner contracts are over performing YTD with the exception of The Cancer Drugs Fund, Medway and Swale CCGs.

The East Kent CCGs are taking the Trust to expert determination for approximately £35.4m of income relating to upcoding and mis-recording of activity, the outcome is due on 23rd March 2018. EKHUFT is confident that the actual level of valid challenges is much less than the CCGs' estimate.

There are no contracting issues with any of our other Commissioners.

Other organisations includes a £7.6m ytd income CIP planning assumption based on additional elective and outpatient work which has not been delivered due to lack of available elective beds.

Pay

Month 11 (February) 2017/18

Pay Expenditure

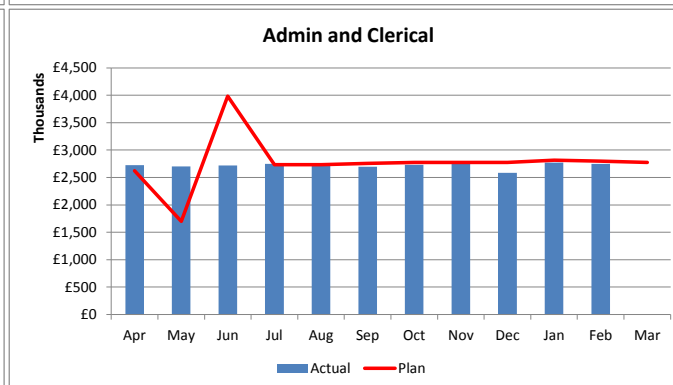
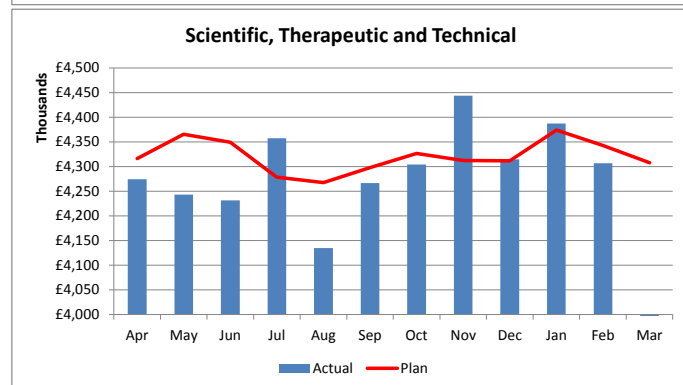
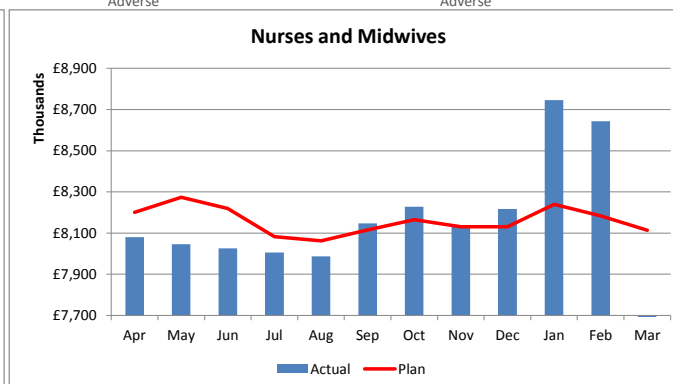
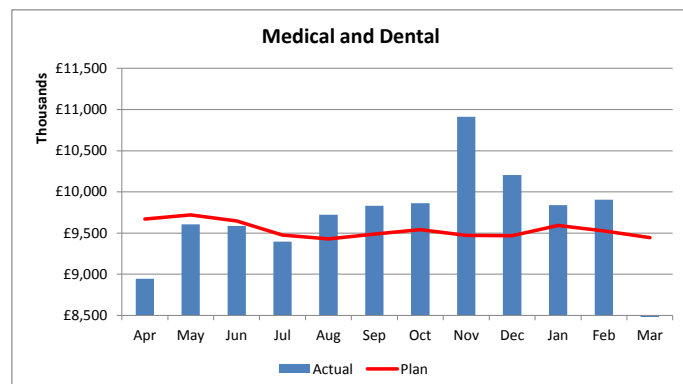
£000	Annual	Year to Date			This Month			Agency % of Total	
	Plan	Plan	Actual	Variance	Plan	Actual	Variance	YTD	%
Medical and Dental	(114,479)	(105,035)	(107,812)	(2,777)	(9,528)	(9,905)	(377)	(11,502)	10.67%
Nurses and Midwives	(97,915)	(89,801)	(90,261)	(459)	(8,184)	(8,644)	(460)	(6,109)	6.77%
Scientific, Therapeutic and Technical	(51,849)	(47,541)	(47,263)	278	(4,342)	(4,307)	36	(1,612)	3.41%
Admin and Clerical	(33,233)	(30,460)	(29,938)	522	(2,796)	(2,749)	47	(126)	0.42%
Other	(46,880)	(42,974)	(45,048)	(2,074)	(3,946)	(4,414)	(468)	(507)	1.13%
Total	(344,356)	(315,812)	(320,322)	(4,510)	(28,797)	(30,019)	(1,222)	(19,856)	6.20%

-1.43%

Adverse

-4.24%

Adverse



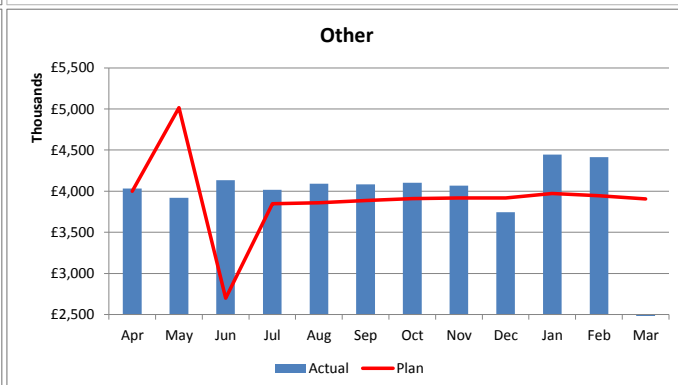
Pay performance including Winter pressures and A&E Improvement Plan costs is adverse to plan ytd by £4.5m (1.4%). Pay CIPs are adverse to plan ytd by £1.7m.

The position on medical staffing expenditure continues to show an adverse trend and is adverse to plan in month by £0.4m and ytd by £2.8m. As previously reported, the position is driven by reliance on temporary medical staff and these staffing groups are £0.9m adverse to plan in February (including bank staff and unachieved CIPs).

Expenditure on nursing staff is now adverse to plan ytd following an adverse performance in February of £0.5m. Expenditure on TFS Healthcare agency nurses accounts for all of the overspend in month and stands at £0.6m in February and £1.0m ytd. An STP group has created a strategy to reduce nursing pay rates across Kent and Medway in a staged manner next year.

Above plan expenditure on HCAs in UC<C of £1.6m accounts for the majority of the overspend on Other staff. Expenditure on TFS agency HCAs stands at £0.2m in February and £0.3m ytd in UC<C and Surgical Services.

Total expenditure on pay in February was £30.0m, £0.2m lower than January. This includes a reduction £0.1m between periods for bank holiday enhancements. Expenditure on agency staff and Direct Engagement medical staff (formerly STAFFflow) increased by £0.6m, offset by reductions in all other staff groups.



Non-Pay

Month 11 (February) 2017/18

£000	Annual	Year to Date	This Month				
	Plan	Plan	Actual	Var.	Plan	Actual	Var.
Drugs	(70,014)	(64,056)	(61,680)	2,376	(5,224)	(5,399)	(175)
Clinical Supplies	(69,612)	(63,494)	(63,500)	(5)	(5,378)	(5,819)	(441)
Non-Clinical Supplies	(10,661)	(9,467)	(10,613)	(1,145)	(962)	(1,169)	(207)
Facilities Management	(15,835)	(14,541)	(14,825)	(284)	(1,215)	(1,350)	(135)
NHS Supplies and Services	(2,373)	(2,184)	(2,832)	(648)	(209)	(200)	9
Cost of Secondary Commissioning of mandatory Services	(4,123)	(3,470)	(7,638)	(4,168)	(376)	(903)	(527)
Education & Training	(1,594)	(1,463)	(2,377)	(914)	(133)	(220)	(87)
Consultancy	(829)	(764)	(645)	120	(76)	(33)	43
Premises	(12,422)	(11,546)	(10,142)	1,404	(1,034)	(1,004)	30
Clinical Negligence	(21,637)	(19,833)	(19,773)	60	(1,803)	(1,798)	5
Printing and Stationary	(1,556)	(1,428)	(957)	471	(138)	(101)	37
Postage	(1,012)	(928)	(1,003)	(76)	(84)	(86)	(2)
Telephones	(718)	(658)	(620)	38	(57)	(36)	21
Staff Travel	(2,172)	(2,005)	(1,611)	394	(199)	(127)	73
Transport Hire/Lease	(704)	(645)	(525)	119	(53)	(40)	13
Cleaning Materials	(339)	(310)	(299)	12	(28)	(25)	4
Office Equipment and Consumables	(164)	(138)	(106)	33	(7)	(7)	()
Misc Other Operating Expenses	(1,876)	(1,724)	(6,266)	(4,542)	(146)	(797)	(651)
Total Non-Pay Expenditure	(217,641)	(198,655)	(205,412)	(6,757)	(17,121)	(19,112)	(1,991)
Depreciation & Amortisation-Owned Assets	(18,394)	(16,859)	(16,445)	414	(1,533)	(1,474)	59
Impairment Losses	(500)	(250)		250			
Profit/Loss on Asset Disposals	(100)	(88)	90	178	(8)		8
PDC Dividend	(7,700)	(7,058)	(6,093)	965	(642)	(554)	88
Interest Receivable	36	33	90	57	3	13	10
Interest Payable	(1,035)	(946)	(845)	101	(89)	(91)	(2)
Other Non-Operating Expenses			(7)	(7)			
Total Non-Operating Expenditure	(27,693)	(25,168)	(23,210)	1,958	(2,269)	(2,106)	163
Total Expenditure	(245,334)	(223,823)	(228,622)	(4,799)	(19,390)	(21,217)	(1,827)

Non Pay expenditure is adverse to plan ytd by £6.8m (3.4%).

Drug expenditure is favourable to plan by £2.4m ytd. Pass-through drugs are favourable to plan YTD by £0.9m, offset by an adverse position on clinical income. All other drugs are favourable to plan by £1.5m.

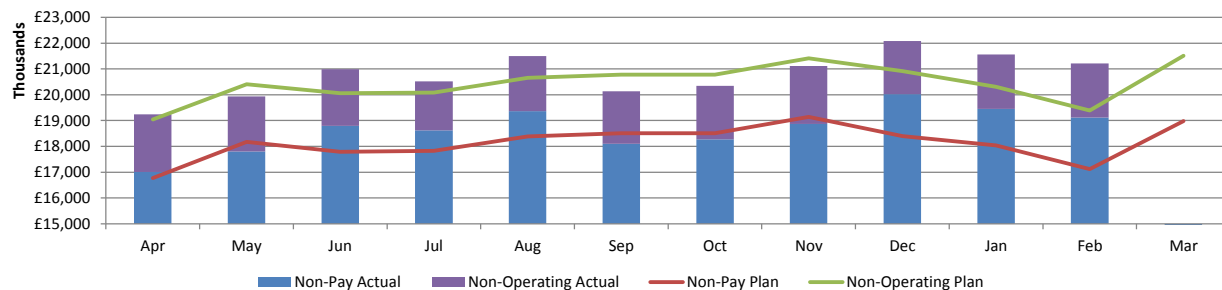
Expenditure on clinical supplies and services is breakeven against plan ytd, a deterioration in month of £0.4m, £0.6m of which relates to medical equipment for the new St Bartholomew's ward and disposables offset by overperformance against CIP targets of £0.1m and a favourable variance on rechargeable devices and NHS contracts totalling £0.1m. Ytd, overspends on external scanning services and medical equipment and disposables totalling £1.7m are offset by favourable performances against plan on CIP schemes, rechargeable devices and externally referred diagnostic tests totalling £1.7m.

Referrals to the independent sector are adverse to plan ytd by £4.2m. As previously reported the main areas of overspend relate to Health and Social Care Village beds and external support for Gastroenterology 18 week referrals costing at total of £5.3m. Below plan referrals to Spencer Wing and a favourable performance on CIP schemes offset this overspend by a total of £1.3m.

Expenditure on non clinical supplies, general services and miscellaneous items is adverse to plan in total by £5.4m ytd. This adverse variance is offset by a favourable position on premises expenditure of £1.4m, with slippage on the SaCP project currently standing at £2.4m.

Expenditure on Education and Training is adverse to plan by £0.9m, offset by a favourable performance on income.

Non-Pay: Plan v Actual



Non Operating Expenditure YTD is £1.9m below plan. The Trust incurred £845k interest charges in respect of the £22,736 facility utilised in 2016/17 and the £9.1m drawn up to February 2017/18.

Income Other

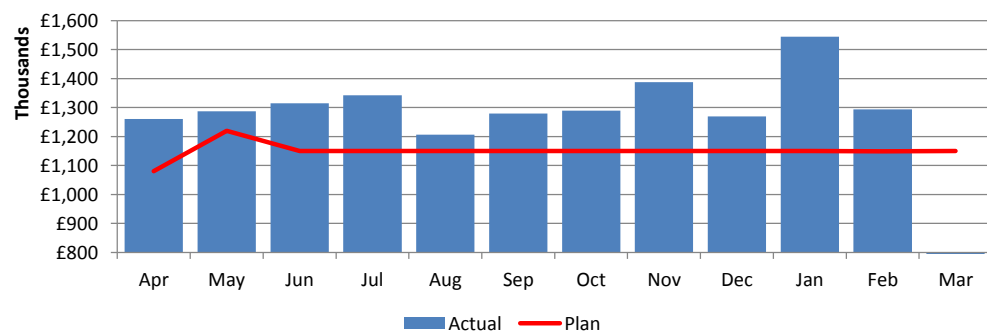
Month 11 (February) 2017/18

Income - Other

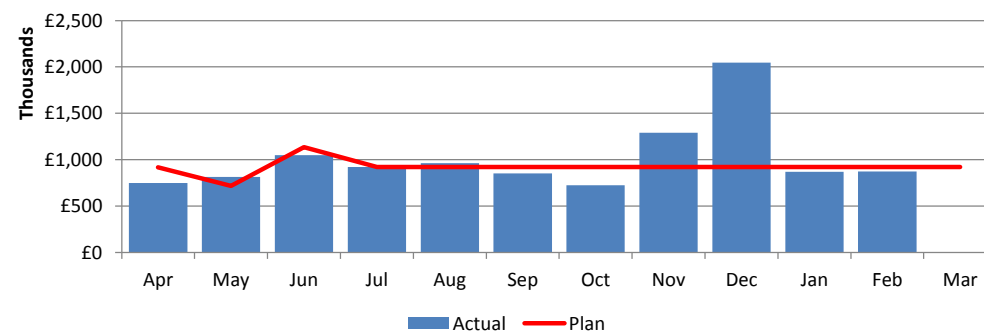
	Annual	Year to Date			This Month		
£000	Plan	Plan	Actual	Variance	Plan	Actual	Variance
Training and Education	13,799	12,649	14,473	1,824	1,149	1,293	144
Research and Development	2,468	2,266	2,501	235	206	120	(86)
NHS Non Clinical	11,065	10,145	11,155	1,010	922	874	(48)
Other	29,826	26,852	20,096	(6,756)	2,970	1,092	(1,877)
Donated Asset	500	235	39	(196)			
Total	57,658	52,147	48,264	(3,883)	5,247	3,380	(1,867)
				-7.45%			-35.59%
				Adverse			Adverse

Non clinical income is adverse to plan ytd by £3.9m (7.4%), a deterioration in month of £1.9m, £1.7m of which relates to unachieved sustainability and transformation funding for February. The Trust's adverse position ytd on STF now stands at £5.9m which is partially offset by income for Winter pressures and A&E improvement plan of £1.7m. Income relating to Education and Training and R&I continues to perform above plan and is £2.1m favourable ytd, offset by adverse performances on accommodation revenue, charitable funds income, parking revenue and miscellaneous income totalling £1.5m. Income and expenditure on the SaCP project has slipped by £2.4m ytd.

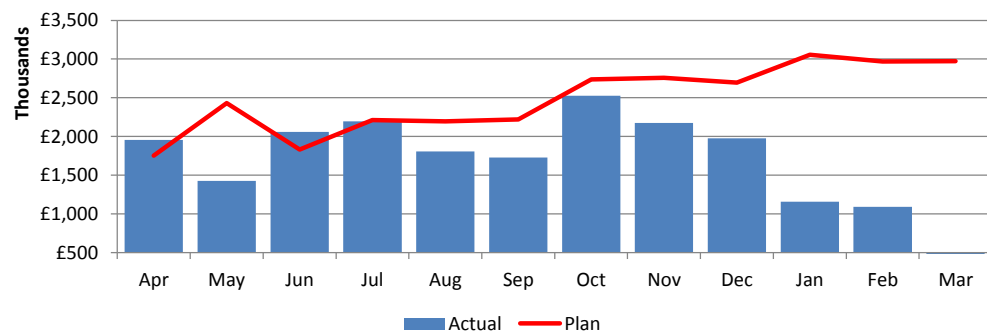
Training and Education



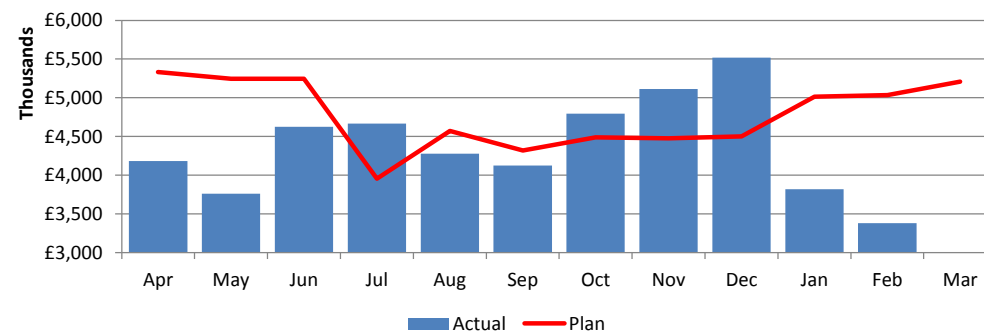
NHS Non Clinical



Other



Total



Cost Improvement Summary

Month 11 (February) 2017/18

Delivery Summary

	Year to Date			This Month			Forecast	
	Plan	Actual	Variance	Plan	Actual	Variance	Outturn	Variance
Programme Themes £000								
Theatres	-	-	-	-	-	-	-	-
Outpatients	-	-	-	-	-	-	-	-
Patient Flow/LOS	4,139	3,091	(1,048)	526	502	(25)	3,618	(1,047)
Diagnostic Demand Reduction	-	-	-	-	-	-	-	-
Agency	5,292	3,672	(1,620)	606	430	(176)	4,428	(1,454)
Workforce *	4,645	6,231	1,586	454	734	279	7,523	2,409
Procurement	1,969	2,438	470	125	178	53	2,323	236
Medicine Optimisation	387	867	480	32	90	57	966	75
Division Schemes **	8,333	11,204	2,872	949	1,160	211	11,677	2,419
Sub-total	24,765	27,504	2,739	2,693	3,093	400	30,535	2,637
Central	4,044	1,464	(2,580)	631	300	(69)	1,666	(2,773)
Grand Total	28,809	28,968	159	3,324	3,393	331	32,200	(136)

* Includes all workforce related schemes in divisions

** Smaller divisional schemes not allocated to a work stream

Delivered £000

Month	Target	Actual
April	1,369	1,605
May	1,458	1,773
June	1,885	1,786
July	2,327	2,287
August	2,367	2,250
September	2,361	2,368
October	3,460	2,906
November	3,420	3,845
December	3,319	2,915
January	3,519	3,840
February	3,324	3,393
March	3,527	
*excl Income Completeness	32,336	28,968

89.6%

CIPs

The CIPs Plan is net of the cost of delivery. CIPs achieved in M11 were £3.4m against a plan of £3.3m. Achievement for the Year to Date £29.0m against plan of £28.8m. The net target for the year is £32m. The major areas of CIP achievement in M11 were Divisional schemes £1.2m, Patient Flow £0.4m, Medicines Optimisation £0.1m and Workforce £0.7m offset by shortfalls in agency £(0.2m). CIPs in February amounted to £3.1m recurrent and £0.3m on a non-recurrent basis. Year to date £25.4m recurrent and £4.6m non-recurrently.

Cost Improvement Summary

Month 11 (February) 2017/18

Planned Summary

Programme Divisions £000	2017 - 2018			Target Variance	
	Draft Target	Gross	RAG Adj	vs Gross	vs RAG
Clinical Support	2,092	2,046	3,648	(46)	1,556
Specialist	3,149	3,249	3,375	100	226
Surgery	6,433	6,433	7,319	-	886
UC<C	6,769	6,771	8,075	2	1,306
Corporate - Other	808	808	926	-	118
SD&CP	1,212	1,218	1,743	6	531
Procurement	2,087	2,087	2,616	-	529
Medicine Optimisation	776	776	813	(0)	37
Outpatients	-	-	-	-	-
Workforce	-	-	-	-	-
Sub-total	23,326	23,388	28,515	62	5,189
Central	9,010	8,948	3,685	(62)	(5,324)
Grand Total	32,336	32,336	32,200	(0)	(136)

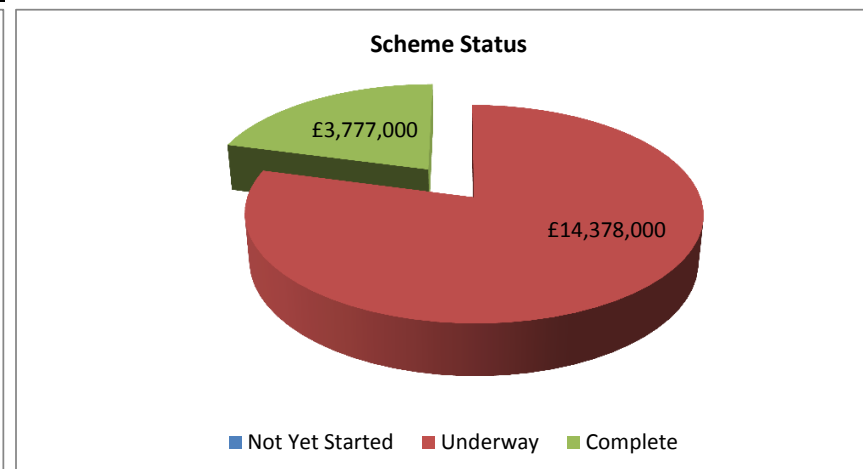
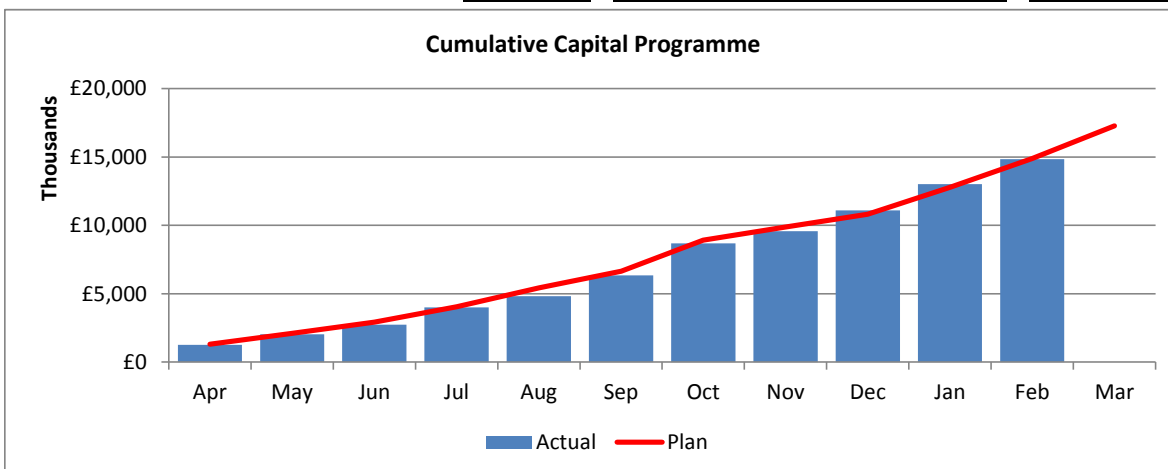
Planned Summary

Programme Themes £000	2017 - 2018			Target Variance	
	Draft Target	Gross	RAG Adj	vs Gross	vs RAG
Theatres	-	-	-	-	-
Outpatients	-	-	-	-	-
Patient Flow/LOS	4,666	4,666	3,618	-	(1,047)
Diagnostic Demand Reduction	-	-	-	-	-
Agency	5,882	5,882	4,428	0	(1,454)
Workforce *	4,631	5,114	7,523	483	2,892
Procurement	2,087	2,087	2,323	-	236
Medicine Optimisation	891	891	966	(0)	75
Division Schemes **	9,679	9,258	11,677	(421)	1,998
Sub-total	27,836	27,898	30,535	62	2,699
Central	4,500	4,438	1,666	(62)	(2,835)
Grand Total	32,336	32,336	32,200	-	(136)

Capital Expenditure Month 11 (February) 2017/18

Capital Programme	Annual	To Date			Annual
£000	Plan	Plan	Actual	Variance	Forecast
WHH Orthopaedic Outpatients	1,446	1,046	1,214	(168)	1,446
Clinical Strategy Plans	200	168	176	(8)	200
Electronic Health Records	1,240	1,220	1,204	16	1,240
CT/CT SPECT Replacement	80	80	6	74	80
KCH MRI Replacement	3,671	3,671	3,594	77	3,671
QEQM Cardiac Catheter Lab					
CCU Move to Arundel Unit	2,886		1,618	(1,618)	2,886
Invest To Save Schemes	106	26	144	(118)	106
Replacement Medical Equipment	2,875	2,650	1,874	776	2,875
PEIC/H & S/CQC	2,208	1,766	1,800	(34)	2,208
IDG	1,660	1,660	1,669	(9)	1,660
Other Building Schemes	978		1,353	(1,353)	978
Other Equipment Schemes	550		67	(67)	550
Other IT Schemes			238	(238)	
All Other	255	250	(123)	373	255
Adjustment to balance to NHSI Plan Profi		2,341		2,341	
Total	18,155	14,878	14,833	45	18,155

- Total YTD expenditure for Mth 11 2017/18 met the NHSI plan.
- The largest scheme at £2.9m , the CCU move to the refurbished Arundel Unit (renamed Bartholomew Suite) will complete in March 2018 on budget.
- Additional funding has been received in March from NHSI for Ambulatory Care as part of the A&E improvement plan.
- The capital forecast outturn position for 2017/18 is to meet plan as amended for additional in year



Working Capital

Month 11 (February) 2017/18

Invoiced creditors have increased by £8.8m from the opening position to £39.9m. 49% relates to current invoices (M10 49%) with 10% or £4m (M10 £4.3m) over 90 days.

Over 90 days NHS creditors increased by £476k in the month

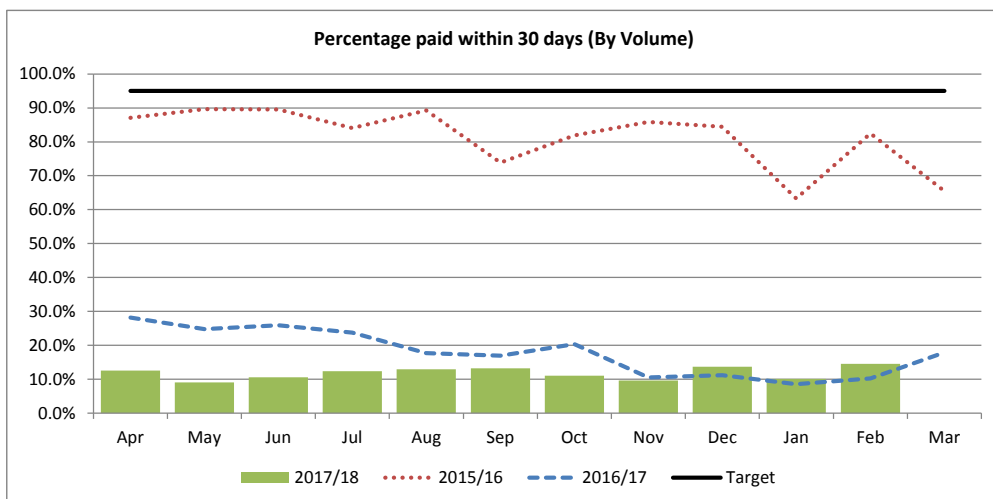
- Maidstone & Tunbridge Wells NHS Trust - £328k
- Medway NHS Foundation Trust - £160k

Total invoiced debtors have decreased from the opening position of £19.2m by £1.6m to £17.6m.

At 28th February there were 5 debtors owing over £1m. South Kent Coast CCG £2.4m, Canterbury & Coastal CCG £1.6m, Ashford CCG £2.1m, all with current outstanding invoices for M1-6 overperformance. Maidstone & Tunbridge Wells owes £1.2m and NHS England South East Commissioning Hub £1.3m

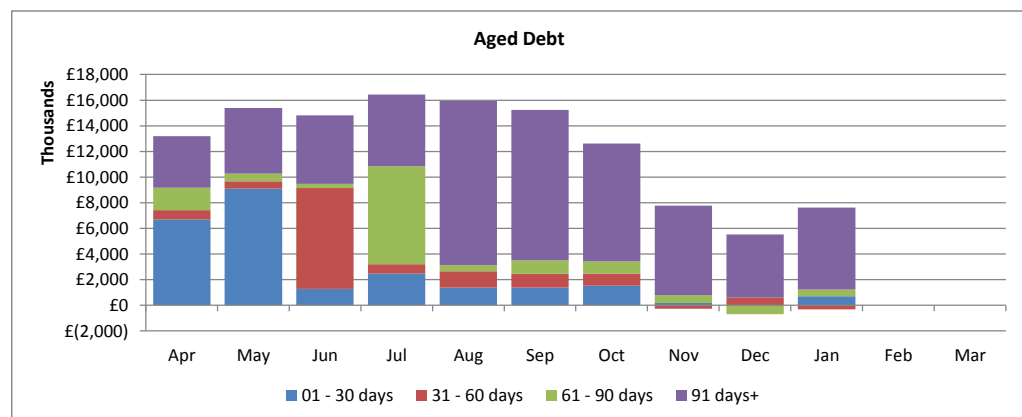
The debtors team are focussing on collection of all other debt to support the Trust cash position.

Better Payment Practice Code	Year to Date		This Month	
	Non NHS Creditor Invoices	NHS Creditor Invoices	Non NHS Creditor Invoices	NHS Creditor Invoices
By Value £000				
0 - 30 days	(133,816)	(23,563)	(10,038)	(100)
30+ days	(170,351)	(9,733)	(16,557)	(650)
By Volume				
0 - 30 days	11,106	159	1,109	15
30+ days	83,268	2,405	6,432	190
% by Value £	44.0%	70.8%	37.7%	13.3%
% by Volume	11.8%	6.2%	14.7%	7.3%
Target	95.0%	95.0%	95.0%	95.0%



Aged Debt

£000	Current	01 - 30 days	31 - 60 days	61 - 90 days	91 days+	Total
Apr	12,258	6,703	728	1,751	4,006	13,190
May	2,028	9,091	589	588	5,130	15,398
Jun	7,508	1,282	7,861	321	5,357	14,822
Jul	2,104	2,488	722	7,642	5,581	16,433
Aug	2,430	1,386	1,271	473	12,817	15,948
Sep	3,021	1,371	1,074	1,065	11,737	15,246
Oct	(2,772)	1,532	947	959	9,184	12,622
Nov	1,567	181	(277)	598	6,984	7,487
Dec	1,645	(30)	618	(664)	4,919	4,845
Jan	9,370	705	(319)	514	6,408	7,308
Feb						
Mar						
		10%	-4%	7%	88%	



Debtor Balances

Month 11 (February) 2017/18

Debtor	Debtor balances over £200k outstanding as at 28/02/2018						Creditor balance as at 28/02/2018	Notes
	Current	1-30 Days	31-60 Days	61-90 Days	Over 90	Total		
62003-NHS SOUTH KENT COAST CCG	11,134.88	2,316,683.17	425.00	6,657.68	16,478.99	2,351,379.72	99,968.00	£2.3m overperformance invoiced for M1-6 1718 overperformance
61818-NHS ASHFORD CCG	6,535.70	1,973,872.75	0.00	3,468.39	68,730.87	2,052,607.71	57,352.00	£1.9m overperformance invoiced for M1-6 1718 overperformance
61865-NHS CANTERBURY AND COASTAL CCG	9,182.91	1,578,651.25	0.00	(1,100,532.52)	1,131,032.50	1,618,334.14	80,426.00	£1.6m overperformance invoiced for M1-6 1718 overperformance
62138-NHS ENGLAND SOUTH EAST COMMISSIONING HUB (14G)	1,256,099.17	0.00	0.00	0.00	0.00	1,256,099.17		
50010-MAIDSTONE AND TUNBRIDGE WELLS NHS TRUST	(89,155.40)	237,069.81	71,933.77	90,716.89	825,452.39	1,136,017.46	2,308,508.65	Reciprocal payment arrangement with MTW. Undisputed debtor and creditor balances to be reduced before year end
51136-EAST KENT MEDICAL SERVICES	179,681.79	109,937.69	162,059.78	124,404.39	375,380.95	951,464.60	992,570.26	Reciprocal payment arrangement in place with EKMS
51708-MEDWAY NHS FOUNDATION TRUST	24,267.07	124,559.79	3,868.61	17,828.31	574,207.23	744,731.01	1,329,706.10	Reciprocal payment arrangement in place with Medway FT
62033-NHS THANET CCG	11,528.40	401,829.00	0.00	16,373.86	265,723.00	695,454.26	80,522.00	£0.4m overperformance invoiced for M1-6 1718 overperformance
59742-HEALTHX	12,186.78	12,186.78	12,186.78	12,186.78	389,976.33	438,723.45	992,570.26	Healthx Loan Interest
62140-NHS ENGLAND SOUTH Y57 SOUTH EAST Q81	106,682.00	220,000.00	0.00	0.00	0.00	326,682.00		Outstanding invoices for Clinical Excellence Awards 17/18 and Breast Screening Services
Other Govn.	1,325,507.05	575,253.08	142,260.07	156,111.85	1,889,757.72	4,088,889.77		
Other Non Govn.	378,785.21	509,805.66	119,234.76	96,583.96	867,324.16	1,971,733.75		
	3,232,435.56	8,059,848.98	511,968.77	(576,200.41)	6,404,064.14	17,632,117.04	5,941,623.27	

Statement of Financial Position

Month 11 (February) 2017/18

£000	Opening	To Date	Movement
Non-Current Assets	271,469	269,099	(2,370) ▼
Current Assets			
Inventories	9,744	9,554	(189) ▼
Trade and Other Receivables	31,436	38,525	7,089 ▲
Assets Held For Sale			-
Cash and Cash Equivalents	5,083	6,836	1,752 ▲
Total Current Assets	46,263	54,915	8,652 ▲
Current Liabilities			
Payables	(35,732)	(47,444)	(11,712) ▲
Accruals and Deferred Income	(27,706)	(32,254)	(4,548) ▲
Provisions	(341)	(413)	(72) ▲
Net Current Assets	(17,516)	(25,197)	(7,681) ▼
Non Current Liabilities			
Provisions	(2,967)	(2,940)	27 ▼
Long Term Debt	(22,736)	(31,834)	(9,098) ▲
Total Assets Employed	228,250	209,128	(19,123) ▼
Financed by Taxpayers Equity			
Public Dividend Capital	190,259	191,137	878 ▲
Retained Earnings	(21,592)	(41,534)	(19,942) ▼
Revaluation Reserve	59,583	59,525	(59) ▼
Total Taxpayers' Equity	228,250	209,128	(19,123) ▼

Non Current asset values reflect in year additions of £14.8m (including donated assets) less depreciation charges of £16.5m. The balance of movements relates to fluctuations in the level of RTA income recognised for new claims

Trust closing cash balances for February was £6.8m, £0.8m above the revised plan. See cash report for further details.

Trade and other receivables have increased from the 2017/18 opening position by £7.1m. Invoiced debtors have decreased from the opening position of £19.2m by £1.6m to £17.6m at the end of February (Jan £16.7m), primarily due overperformance for Q1 & Q2 being invoiced to EK CCGS

Accruals and Deferred Income have increased by £4.5m since the opening position. Of the £32.3m balance, £22.1m relates to Accruals and £10.2m is Deferred Income.

The long term debt entry reflects drawings against working capital facilities. The Trust drew £22.7m in 16/17 and £9.1m up to February with a further £14.4m anticipated in March

Retained earnings reflects the year to date deficit.

Key Highlights

Month 11 (February) 2017/18

CLINICAL INCOME

Clinical income is under plan in February by £1.0m. A large number of planned Elective cancellations have occurred due to high levels of Non-Elective work over the flu season. The main area under plan in Electives is T&O. There have also been high vacancy levels and changes in our ability to meet planned levels over the winter period. Non-Elective income remains high with increased casemix in the current and prior period. The main Specialties ahead of plan are T&O, Healthcare of the Elderly, Cardiology, Respiratory and Gastroenterology.

ACTIVITY

A&E demand has fallen when compared with previous months and has been below plan every month apart from May. The under performance continues to be driven by the temporary transfer of some ED specialties from KCH to WHH and QEQM. Non-elective activity continued to perform below plan in month and after the KCH site moves, activity has been up to 10% below plan. However, richer casemix has meant that with the exception of July, income has been consistently over plan. The commissioners have increased the provision of care packages with a view to returning patients home more quickly and as part of their QIPP schemes are investing in preventing patients with Pneumonia from coming to the hospital where they can be treated at home. Outpatient income in month remains under plan as non-urgent appointments have continued to be cancelled in order to free up capacity to deal with the demands of winter.

COMMISSIONER ANALYSIS

Activity plans reflected CCG QIPP schemes to the value of £1.9m YTD. Any new commissioner QIPP schemes will be added to the contracts via a contract variation once the Trust is satisfied that the schemes are achievable in the timeframes set out. GP referrals were 2.4% under plan in February. However, cumulative under performance in outpatient attendances mean that many of our outpatient services are now listing at 13 weeks and beyond. A&E demand has fallen, with activity 12.9% below plan in month and A&E attendances have been below plan since June.

CLINICAL DIVISIONS

Clinical Divisions are showing an adverse position ytd of £5.4m, a deterioration in month of £2.4m. Clinical Income streams are favourable to plan ytd by £8.4m, and favourable in month by £0.3m. Non clinical income is marginally adverse to plan in month by less than £0.1m and £1.3m favourable ytd, including £1.5m of Winter pressure funding allocated to Urgent Care and Surgical Services Divisions in previous months. The favourable income position totalling £9.7m offsets an overspend against plan ytd on expenditure of £15.1m, an overspend in month of £2.6m. The in month overspend relates predominantly to pay where expenditure on agency and bank staff is above plan by £2.6m driven by A&E improvement plan spend and additional staffing for Winter pressures, offset by underspends on substantive staff and internal locum sessions totalling £0.5m. The main overspend in month on non pay relates to the purchase of Healthcare Village beds costing £0.4m.

CIPS

The target for the year is £32m. To date £32m (net) of schemes are forecast for the year. The governance arrangements to deliver the programme are in place and the Finance Director is having weekly sessions with Divisional Finance Leads to ensure delivery. The NHSI Improvement Director is maintaining fortnightly confirm and challenge meetings. As at the end of the month c.99% of schemes were 'green' rated. There is also a major focus on developing 18/19 schemes further to the NHSI FSM meetings, and at the month end we had approximately 53% (£16.2m) schemes worked up for 18/19, with a further £5m in the pipeline.

CAPITAL

Total YTD expenditure for Mth 11 2017/18 met the NHSI plan.

OTHER INCOME

Non clinical income is adverse to plan ytd by £3.9m (7.4%), a deterioration in month of £1.9m, £1.7m of which relates to unachieved sustainability and transformation funding for February. The Trust's adverse position ytd on STF now stands at £5.9m which is partially offset by income for Winter pressures and A&E improvement plan of £1.7m. Income and expenditure on the SaCP project has slipped by £2.4m ytd.

PAY

Pay performance is adverse to plan ytd by £4.5m (1.4%). Pay CIPs are adverse to plan ytd by £1.7m. Overall pay in February is adverse to plan by £1.2m, again driven by an adverse performance on agency staffing costs of £1.9m predominantly relating to medical and nursing staff and operational pressures. Actual pay in February totalled £30.0m, a reduction of £0.2m when compared to expenditure in January. Expenditure on agency staff grew by £0.5m in February, offset by reductions in expenditure on all other pay headings, in particular bank staff and internal locum sessions.

NON-PAY

Non Pay expenditure is adverse to plan ytd by £6.8m (3.4%). Health and Social Care Village beds and Gastroenterology 18 week referrals continue to drive the adverse position costing a total of £5.3m ytd. These overspends are offset by a favourable variance on referrals to the Spencer Wing and over performance against CIP targets totalling £1.3m. Clinical supplies are now break even against plan ytd following an overspend in month of £0.4m. Overspends on education and training, non clinical supplies and general services totalling £6.4m are offset by favourable performances on drugs and premises expenditure of £3.8m. Slippage on SaCP project income and expenditure stands at £2.4m ytd.

CORPORATE/ESTATES AND FACILITIES

The Corporate and SD&CP Divisions are £1.8m favourable to plan ytd (2.7%) and £0.2m adverse to plan in month, £0.1m of which relates to the Serco contract. The ytd favourable position is mainly driven by an underspend on pay of £1.7m, where vacant posts are not being fully covered by temporary staff and slippage on Legionella works of £0.3m offset by an overspend on the Serco contract of £0.1m.

EBITDA

The Trust is reporting a year to date surplus EBITDA of £3.2m

CASH

The closing cash balance for the Trust as at 31st January was £6.8m.

DEBT

Trade and other receivables have increased from the 2017/18 opening position by £7.1m to £38.5m. Five debtors owed over £1m at 28th February : South Kent Coast CCG £2.4m, Ashford CCG £2.1m, Canterbury & Coastal CCG £1.6m, Maidstone and Tunbridge Wells NHS Trust £1.2m, NHS England £1.3m. The EK CCG outstanding debt is primarily in respect of overperformance against contract for Q1 & Q2.

FINANCING

£845k of interest was incurred in respect of the drawings against working capital facilities in 2016/17 (£22.7m) and 2017/18 (a further £9.1m).

Cash Flow

Month 11 (February) 2017/18

Year to Date		This Month			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Actual		Plan	Actual	Variance	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
5,084	Opening Bank Balance	2,187	4,967	2,781	5,084	8,947	12,945	7,886	9,746	4,060	6,586	10,104	1,390	8,304	4,967	6,841
59,983	Ashford CCG	5,431	5,437	7	5,431	5,431	5,431	5,432	5,442	6,231	5,431	5,440	4,846	5,431	5,437	5,109
104,551	C4G	9,257	9,293	36	9,258	9,257	9,257	9,257	9,332	10,374	9,257	10,207	9,782	9,274	9,293	8,707
116,757	South Kent Coast CCG	10,424	10,429	5	10,318	10,425	10,481	10,475	10,434	10,924	10,424	10,424	11,995	10,426	10,429	9,812
82,872	Thanet CCG	7,717	7,717		7,717	7,718	7,728	7,720	7,718	8,516	7,718	7,727	7,217	5,376	7,717	7,538
	Additional Income															
520	Dartford, Gravesham & Swanley CCG	32	39	7	32	32	32	91	37	32	32	129	32	32	39	32
1,677	Medway CCG	164	164		164	177	164	165	170	167	172	165	167		164	164
3,908	Swale CCG	328	324	(4)	366	320	328	328	348	315	337	335	584	324	324	328
4,530	West Kent CCG	401	425	24	401	401	417	408	816	427	401	416		418	425	401
96,254	NHS England	7,859	7,909	49	11,528	11,048	8,516	8,248	7,883	8,148	8,119	7,725	9,402	7,730	7,909	10,574
31,287	All Other NHS Organisations	2,267	1,003	(1,264)	1,474	5,966	985	5,408	1,134	906	6,112	1,026	1,249	6,025	1,003	1,176
268	Capital Receipts				134	7	90		37							
26,268	All Other Receipts	2,118	2,269	150	2,571	2,015	1,909	1,109	3,273	1,442	3,628	1,685	3,558	2,809	2,269	1,955
3,889	S&T Fund	4,362		(4,362)						1,853			2,036			
9,927	Loan		3,052	3,052						3,310	1,000		2,565		3,052	14,394
(829)	Loan Repayment													(829)		
541,862	Total Receipts	50,361	48,061	(2,300)	49,394	52,798	45,338	48,642	46,625	52,645	52,631	45,279	53,433	47,014	48,061	60,190
	Payments															
284,815	Monthly Payroll inc NI & Super	26,988	26,441	(547)	25,383	25,988	26,075	25,647	25,558	25,385	25,797	26,043	26,213	26,285	26,441	26,360
237,449	Creditor Payment Run	17,455	17,323	(132)	18,795	21,553	23,592	20,664	25,321	20,450	22,361	24,626	19,382	23,382	17,323	32,205
14,258	Capital Payments	2,091	2,424	333	1,353	1,259	730	471	1,432	702	956	3,323	924	684	2,424	1,767
3,183	PDC Dividend Payment									3,183						3,235
399	Interest Payments									399						458
540,104	Total Payments	46,534	46,188	(346)	45,531	48,799	50,397	46,782	52,311	50,119	49,114	53,993	46,519	50,351	46,188	64,025
1,757	Total Movement In Bank Balance	3,827	1,873	(1,954)	3,863	3,998	(5,059)	1,860	(5,686)	2,527	3,517	(8,714)	6,914	(3,337)	1,873	(3,835)
6,841	Closing Bank Balance	6,014	6,841	827	8,947	12,945	7,886	9,746	4,060	6,586	10,104	1,390	8,304	4,967	6,841	3,005
	Plan				8,936	12,660	10,827	12,105	7,837	4,480	5,335	2,270	2,042	2,187	6,014	3,005
	Variance				11	285	(2,941)	(2,359)	(3,777)	2,107	4,769	(880)	6,262	2,780	826	

Cash Flow

Month 11 (February) 2017/18

Unconsolidated Cash balance was £6.8m at the end of February 2018, £0.8m above the plan revised 19 May 2017.

Total receipts in February 2018 were £2.3m below the revised plan

- STF income is £4.4m below plan
- Loan £3.1m above plan (loan in respect of delayed STF receipt)
- Other NHS Receipts £1.2m below plan
- All Other income £0.2m above plan

Total Payments in February 2018 were £0.3m below the revised plan

- Creditor payments incl capital were £0.2m above plan
- Payroll (inc Tax/NIC/Pensions) was £0.5m below plan

YTD position is £0.8m above the revised plan

- EK CCG income (inc 2016/17 overperformance) is £3.1m above plan
- STF income is £5.6m below plan (15% of Q1 not achieved, 30% of Q2 not achieved, Q3 not received)
- Working capital facility drawn is £4.7m above plan
- All other income is £0.5m above plan
- Payroll expenditure is £5.4m below plan
- PDC Payment was £0.4m below plan
- All other payments are £7.6m over plan

Changes to 2017/18 Forecast for February

- The £14.4m exceptional working capital for redress of creditors was agreed by NHSi and DH in early March. This will be received on the 12th March and creditor payment runs have been increased in the last two weeks of the month

Sustainability and Transformation Funding

Sustainability and transformation funding planned was £14.5m for 17-18 as recognised in the I & E revised plan May 17. The Trust received Q1 STF £1.8m on 29th September (85% of £2.1m) and Q2 STF £2.0m (70% of £2.9m) on 27th December. A payment date for receipt of Q3 STF £3m (70% of £4.4m) has been confirmed as the 12th March. There is no expectation of Q4 STF and in cash terms this is recognised as additional deficit funding.

Working Capital Facility

Loan Schedule	Loan Value '£000	Facility type	Repayment date	Interest rate	Total Interest if full term £000
2016/17 (received)	22,736	ISRWF	17/05/2021	3.50%	3,688
Sept' 2017 (received)	3,310	ISUCL	18/09/2020	3.50%	350
Oct' 2017 (received)	1,000	ISUCL	19/10/2020	3.50%	105
Dec' 2017 (received)	2,565	ISUCL	18/12/2020	3.50%	271
Jan' 2018 (repaid)	-829	ISUCL	N/A	N/A	N/A
Feb' 2018 (forecast)	3,052	ISUCL	TBA*	TBA	TBA
Mar' 2018 (forecast)	14,394	ISUCL	TBA*	TBA	TBA

- £6.0m has been drawn to the end of February with a further £3m received in advance of Q3 STF
- The trust has received £1,929k deficit funding for receipt in March plus an additional £12.5m in respect of exceptional working capital support in order to redress creditors.
- The cashflow will be reforecast to reflect the revised I&E deficit as agreed with NHSi

Creditor Management

Creditor management continued to be applied throughout February 18. The Trust is close to the limit in restricting creditor payments and still being able to receive essential goods and services. At the end of February 2018 the Trust was recording 56 creditor days (Calculated as invoiced creditors at 28th January/ Forecast non pay expenditure, x 365) Exceptional working capital support has been received in March which will reduce the levels of outstanding creditors at the year end.

Facility Type Key

- ISRWF Single Currency Interim Revolving Working Capital Support Facility
- ISUCL Uncommitted Single Currency Interim Revenue Support - this facility replaces the ISRWF as the Trust is in Financial special measures and has a variable interest rate

Subjective Analysis

Month 11 (February) 2017/18

Statement of Comprehensive Income £000

Prior Year to Date		Annual	Year to Date	This Month				
Actual		Plan	Plan	Actual	Variance	Variance %	Variance	Year on Year
	Income							
84,336	Electives	100,038	90,549	80,689	(9,860)	(10.89%)	(1,832)	(3,647)
133,831	Non-Electives	153,125	139,807	146,948	7,141	5.11%	573	13,117
21,409	Accident and Emergency	26,602	24,155	23,903	(252)	(1.04%)	(171)	2,494
71,340	Outpatients	80,322	73,049	70,410	(2,639)	(3.61%)	(620)	(931)
30,508	High Cost Drugs	57,684	52,877	50,738	(2,139)	(4.04%)	(396)	20,230
393	Private Patients	433	397	231	(166)	(41.74%)	(19)	(161)
123,405	Other NHS Clinical Income	106,249	97,153	106,145	8,992	9.26%	1,543	(17,260)
1,874	Other Clinical Income	2,022	1,853	1,614	(239)	(12.92%)	(91)	(260)
467,098	Total Corporate and SLA Income	526,475	479,841	480,679	838	0.17%	(1,012)	13,581
45,321	Other Income	57,658	52,147	48,264	(3,883)	(7.45%)	(1,867)	2,942
512,419	Total Income	584,133	531,988	528,942	(3,046)	(0.57%)	(1,012)	16,524
	Expenditure							
(272,094)	Permanent Staff	(315,295)	(288,987)	(275,713)	13,274	4.59%	1,105	(3,619)
(4,283)	Overtime	0	0	(4,653)	(4,653)	-	(447)	(370)
(3,653)	Waiting List Payments	(1,144)	(1,048)	(1,941)	(893)	(85.18%)	(20)	1,711
(3,406)	Medical Locums/Short Sessions	(1,950)	(1,788)	(3,121)	(1,333)	(74.60%)	3	285
(5,371)	Bank	(8,509)	(7,789)	(11,967)	(4,179)	(53.65%)	(126)	(6,596)
(12,620)	Agency	(13,650)	(12,666)	(19,856)	(7,190)	(56.76%)	(1,890)	(7,236)
(8,537)	Direct Engagement	(3,808)	(3,534)	(3,070)	464	13.13%	152	5,467
(309,964)	Total Pay	(344,356)	(315,812)	(320,322)	(4,510)	(1.43%)	(1,222)	(10,358)
	Non-Pay							
(58,232)	Drugs	(70,014)	(64,056)	(61,680)	2,376	3.71%	(175)	(3,448)
(65,673)	Clinical Supplies	(69,612)	(63,494)	(63,500)	(5)	(0.01%)	(441)	2,174
(9,096)	Non-Clinical Supplies	(10,661)	(9,467)	(10,613)	(1,145)	(12.10%)	(207)	(1,517)
(14,312)	Facilities Management	(15,835)	(14,541)	(14,825)	(284)	(1.95%)	(135)	(512)
(2,249)	NHS Supplies and Services	(2,373)	(2,184)	(2,832)	(648)	(29.69%)	9	(584)
(8,152)	Cost of Secondary Commissioning of mandatory Services	(4,123)	(3,470)	(7,638)	(4,168)	(120.10%)	(527)	514
(1,688)	Education & Training	(1,594)	(1,463)	(2,377)	(914)	(62.44%)	(87)	(689)
(1,310)	Consultancy	(829)	(764)	(645)	120	15.66%	43	665
(9,346)	Premises	(12,422)	(11,546)	(10,142)	1,404	12.16%	30	(796)
(16,772)	Clinical Negligence	(21,637)	(19,833)	(19,773)	60	0.30%	5	(3,001)
(1,098)	Printing and Stationary	(1,556)	(1,428)	(957)	471	32.97%	37	141
(845)	Postage	(1,012)	(928)	(1,003)	(76)	(8.17%)	(2)	(158)
(931)	Telephones	(718)	(658)	(620)	38	5.75%	21	311
(1,551)	Staff Travel	(2,172)	(2,005)	(1,611)	394	19.64%	73	(60)
(540)	Transport Hire/Lease	(704)	(645)	(525)	119	18.53%	13	14
(417)	Cleaning Materials	(339)	(310)	(299)	12	3.82%	4	118
(261)	Office Equipment and Consumables	(164)	(138)	(106)	33	23.61%	(1)	156
(7,701)	Misc Other Operating Expenses	(1,876)	(1,724)	(6,266)	(4,542)	(263.38%)	(651)	1,434
(200,174)	Total Non-Pay	(217,641)	(198,655)	(205,412)	(6,757)	(3.40%)	(1,991)	(5,237)
(510,138)	Total Expenditure	(561,996)	(514,466)	(525,733)	(11,267)	(2.19%)	(3,213)	(15,595)
2,281	EBITDA	22,136	17,522	3,209	(14,312)	(81.68%)	(4,225)	928
(24,959)	Non-Operating Expenses	(27,693)	(25,168)	(23,210)	1,958	7.78%	163	1,749
(22,678)	Income and Expenditure Surplus/(Deficit)	(5,557)	(7,646)	(20,001)	(12,354)	(161.57%)	(4,062)	2,678

Pay Analysis: Permanent, Overtime, WLI, Bank

Month 11 (February) 2017/18

This Month				Annual £000	Year to Date £000			
Planned WTE	Contracted WTE	Worked WTE	Category	Plan	Plan	Actual	Variance	Variance %
2,304.54	2,078.77	2,068.69	Nurses and Midwives	(92,558)	(84,831)	(84,151)	680	0.80%
1,394.53	1,309.09	1,283.49	Scientific, Therapeutic and Technical	(50,138)	(45,954)	(45,651)	303	0.66%
1,512.38	1,310.91	1,291.63	Admin and Clerical	(33,077)	(30,315)	(29,812)	503	1.66%
1,522.50	1,425.93	1,404.79	Other Pay	(46,461)	(42,585)	(44,541)	(1,956)	(4.59%)
1,092.70	961.53	978.79	Medical and Dental	(102,713)	(94,139)	(90,120)	4,019	4.27%
7,826.64	7,086.23	7,027.39	Total	(324,948)	(297,824)	(294,275)	3,549	1.19%

This Month				Annual £000	Year to Date £000			
Planned WTE	Contracted WTE	Worked WTE	Directorate	Plan	Plan	Actual	Variance	Variance %
421.50	361.41	356.83	Specialty Medicine	(19,997)	(18,288)	(17,671)	617	3.37%
273.85	246.40	238.58	HCOOP	(11,117)	(10,185)	(10,281)	(97)	(0.95%)
705.34	615.57	614.11	Acute Medicine	(25,777)	(23,632)	(23,962)	(330)	(1.40%)
481.89	389.84	390.79	Emergency Medicine	(17,693)	(16,191)	(19,622)	(3,431)	(21.19%)
163.46	147.65	149.40	Vascular, Inter Radiology & Urology	(8,165)	(7,483)	(6,902)	581	7.76%
79.13	66.72	66.91	UC<C Divisional Support	(3,379)	(3,242)	(3,259)	(17)	(0.52%)
133.85	100.38	98.49	Surgical Division Management	(319)	(468)	(3,756)	(3,289)	(703.39%)
286.16	259.22	266.34	General Surgery	(13,667)	(12,494)	(11,421)	1,072	8.58%
233.38	208.85	207.89	Head & Neck	(12,654)	(11,573)	(11,014)	559	4.83%
317.92	295.33	289.04	Trauma & Orthopaedics	(15,999)	(14,588)	(12,776)	1,812	12.42%
755.32	730.20	751.06	Anaesthetics	(36,897)	(33,798)	(33,224)	574	1.70%
22.80	20.80	20.41	Specialist Services Divisional Management	(273)	(267)	(1,015)	(748)	(280.71%)
451.93	430.06	417.49	Child Health	(20,646)	(18,932)	(18,937)	(5)	(0.02%)
494.96	451.23	449.53	Womens Health	(21,882)	(20,060)	(20,507)	(447)	(2.23%)
325.54	311.62	305.75	Pathology	(13,162)	(12,056)	(11,812)	244	2.03%
491.49	432.76	426.15	Radiological Sciences	(21,396)	(19,590)	(18,957)	633	3.23%
273.09	251.93	237.16	Therapies	(8,655)	(7,928)	(7,947)	(19)	(0.24%)
180.01	166.30	159.26	Pharmacy	(5,336)	(4,888)	(4,937)	(49)	(1.01%)
194.26	188.81	186.45	Cancer, Clinical Haematology and Haemophilia	(7,387)	(6,765)	(6,694)	70	1.04%
-0.53	14.64	14.46	Clinical Support Divisional Management and Infection Control	(1,923)	(1,729)	(649)	1,080	62.45%
306.62	285.76	279.58	Outpatient Services	(6,385)	(5,837)	(5,775)	62	1.06%
46.91	40.14	37.36	Dermatology	(1,817)	(1,665)	(1,850)	(184)	(11.05%)
244.29	227.84	233.58	Renal	(9,654)	(8,850)	(8,888)	(38)	(0.43%)
117.93	108.05	106.67	Directorate of Clinical Quality, Patient Safety and Operations	(5,169)	(4,700)	(4,454)	246	5.23%
109.98	97.36	92.42	Human Resources Directorate	(5,067)	(4,636)	(4,175)	461	9.94%
111.14	101.83	103.28	Facilities	(2,996)	(2,765)	(2,663)	101	3.67%
128.59	117.96	117.87	Finance and Performance Management	(5,168)	(4,714)	(4,567)	147	3.13%
36.87	30.55	29.55	Trust Board	(1,428)	(1,295)	(1,317)	(23)	(1.74%)
17.98	14.25	14.28	Strategic Development	(1,230)	(1,132)	(1,005)	127	11.23%
111.51	96.11	92.93	Information Technology	(4,015)	(3,682)	(3,360)	322	8.75%
3.00	3.00	3.00	Strategic Estates	(68)	(63)	(115)	(53)	(83.82%)
28.50	25.50	25.96	Hospital Management - WHH	(1,014)	(929)	(867)	63	6.74%
30.00	25.00	25.33	Hospital Management - QMH	(1,017)	(932)	(900)	32	3.45%
32.50	24.00	24.46	Hospital Management - KCH	(1,038)	(951)	(830)	121	12.70%
56.28	48.44	46.39	Procurement	(1,719)	(1,576)	(1,380)	195	12.38%
0.00	0.00	0.00	Central Budgets	(2,881)	(2,638)	489	3,127	118.54%
43.64	44.22	43.57	PGME/Library	(2,170)	(1,987)	(1,964)	23	1.13%
47.00	43.43	42.23	Research & Development	(1,779)	(1,644)	(1,642)	2	0.12%
68.50	63.07	62.83	Recharges	(4,008)	(3,673)	(3,667)	6	0.16%
7,826.58	7,086.23	7,027.39	Total	(324,948)	(297,824)	(294,275)	3,549	1.19%

Pay Analysis Year to Date £000

Month 11 (February) 2017/18

Pay Analysis Year to Date £000

Directorate	Contracted	%	Overtime	%	Bank	%	Temporary	%	Temporary Plan	Temporary Var.
Specialty Medicine	(16,876)	80.7%	(150)	0.7%	(645)	3.1%	(3,236)	15.5%	(2,110)	(1,127)
HCOOP	(9,189)	76.2%	(172)	1.4%	(920)	7.6%	(1,775)	14.7%	(1,127)	(649)
Acute Medicine	(21,924)	75.8%	(354)	1.2%	(1,684)	5.8%	(4,949)	17.1%	(2,270)	(2,678)
Emergency Medicine	(15,040)	58.6%	(590)	2.3%	(3,992)	15.5%	(6,052)	23.6%	(5,480)	(572)
Vascular, Inter Radiology & Urology	(6,616)	79.4%	(77)	0.9%	(209)	2.5%	(1,432)	17.2%	(43)	(1,389)
UC<C Divisional Support	(3,170)	96.4%	(49)	1.5%	(40)	1.2%	(29)	0.9%	1,386	(1,416)
Surgical Division Management	(3,613)	96.2%	(32)	0.8%	(112)	3.0%	0	0.0%	(2,712)	2,712
General Surgery	(10,800)	81.6%	(207)	1.6%	(414)	3.1%	(1,810)	13.7%	(79)	(1,731)
Head & Neck	(10,700)	94.6%	(119)	1.1%	(195)	1.7%	(292)	2.6%	(24)	(268)
Trauma & Orthopaedics	(12,094)	88.6%	(120)	0.9%	(562)	4.1%	(881)	6.4%	(132)	(749)
Anaesthetics	(31,209)	89.7%	(1,018)	2.9%	(996)	2.9%	(1,573)	4.5%	(92)	(1,481)
Specialist Services Divisional Management	(1,006)	99.1%	(2)	0.2%	(6)	0.6%	0	0.0%	589	(589)
Child Health	(18,446)	91.4%	(174)	0.9%	(317)	1.6%	(1,247)	6.2%	(806)	(441)
Womens Health	(19,531)	92.3%	(306)	1.4%	(670)	3.2%	(663)	3.1%	(557)	(106)
Pathology	(11,639)	95.6%	(114)	0.9%	(59)	0.5%	(365)	3.0%	(191)	(173)
Radiological Sciences	(18,508)	89.4%	(363)	1.8%	(86)	0.4%	(1,749)	8.4%	(949)	(800)
Therapies	(7,820)	96.5%	(108)	1.3%	(20)	0.2%	(153)	1.9%	(76)	(77)
Pharmacy	(4,850)	93.9%	(26)	0.5%	(61)	1.2%	(226)	4.4%	(161)	(66)
Cancer, Clinical Haematology and Haemophilia	(6,517)	97.4%	(47)	0.7%	(130)	1.9%	2	0.0%	(252)	254
Clinical Support Divisional Management and Infection Control	(648)	99.8%	(1)	0.2%	0	0.0%	0	0.0%	314	(314)
Outpatient Services	(5,683)	98.4%	(86)	1.5%	(6)	0.1%	()	0.0%	0	()
Dermatology	(1,458)	76.6%	(12)	0.7%	(379)	19.9%	(53)	2.8%	(317)	264
Renal	(8,567)	95.4%	(213)	2.4%	(109)	1.2%	(90)	1.0%	(164)	74
Directorate of Clinical Quality, Patient Safety and Operations	(4,350)	97.7%	(45)	1.0%	(59)	1.3%	()	0.0%	0	()
Human Resources Directorate	(4,141)	96.9%	(17)	0.4%	(17)	0.4%	(96)	2.3%	0	(96)
Facilities	(2,296)	83.3%	(70)	2.5%	(298)	10.8%	(94)	3.4%	(87)	(7)
Finance and Performance Management	(4,378)	94.7%	(76)	1.6%	(113)	2.5%	(57)	1.2%	(110)	53
Trust Board	(1,317)	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0
Strategic Development	(929)	92.5%	(2)	0.2%	(74)	7.3%	()	0.0%	0	()
Information Technology	(3,350)	99.7%	(6)	0.2%	(4)	0.1%	0	0.0%	0	0
Strategic Estates	(115)	100.0%	0	0.0%	0	0.0%	0	0.0%	(46)	46
Hospital Management - WHH	(838)	96.6%	(27)	3.1%	(2)	0.3%	()	0.0%	0	()
Hospital Management - QMH	(874)	97.1%	(24)	2.6%	(2)	0.2%	0	0.0%	0	0
Hospital Management - KCH	(817)	98.4%	(14)	1.7%	1	-0.1%	0	0.0%	(22)	22
Procurement	(1,367)	93.1%	(4)	0.3%	(10)	0.7%	(88)	6.0%	0	(88)
Central Budgets	251	18.2%	()	0.0%	239	17.4%	884	64.4%	(2,471)	3,355
PGME/Library	(1,953)	98.3%	()	0.0%	(11)	0.5%	(22)	1.1%	0	(22)
Research & Development	(1,632)	99.4%	(5)	0.3%	(6)	0.3%	0	0.0%	0	0
Recharges	(3,643)	99.4%	(24)	0.6%	0	0.0%	0	0.0%	0	0
Total	(277,654)	86.7%	(4,653)	1.5%	(11,967)	3.7%	(26,046)	8.1%	(17,987)	(8,059)

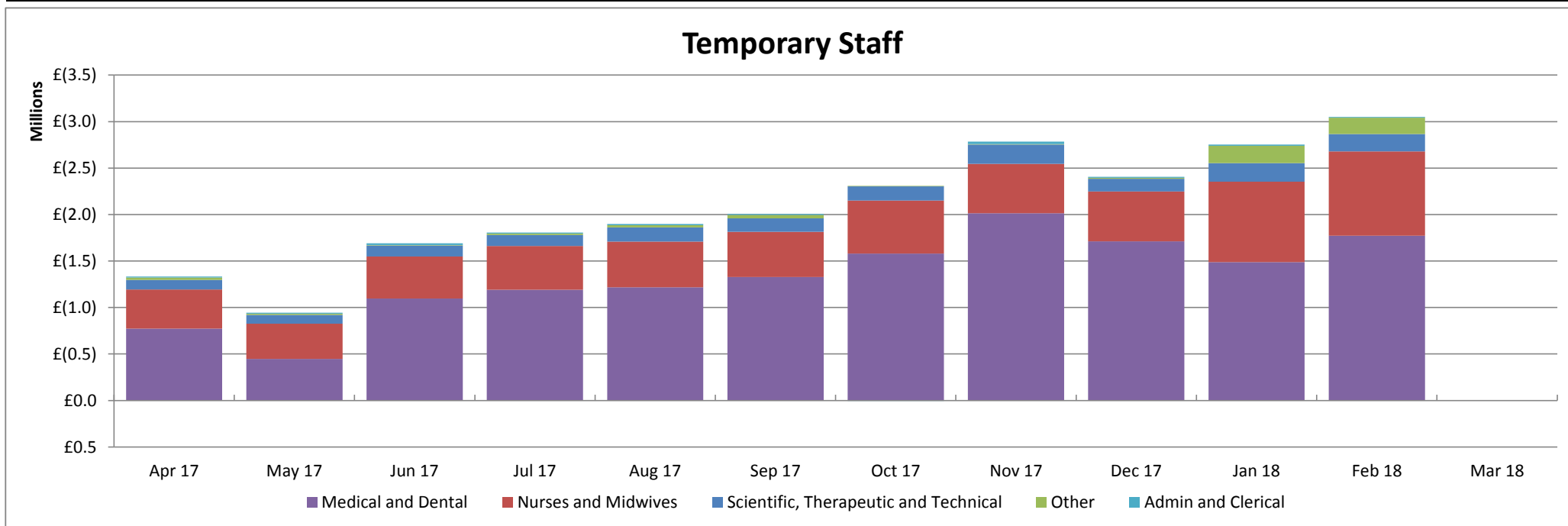
The temporary staffing spend (agency, direct engagement, medical locums) in emergency, acute and speciality medicine has fallen marginally to 56.2% of the total spend. Pressures remain in EDs and in covering additional winter pressure beds.

The percentage of the total temporary staffing cost spent on Medical and Nursing YTD is 68% and 23% of the total respectively. This is in line with percentages up to January.

Pay Analysis - Temporary Staff

Month 11 (February) 2017/18

In Month £000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Medical and Dental	(774)	(448)	(1,096)	(1,190)	(1,218)	(1,329)	(1,579)	(2,013)	(1,713)	(1,489)	(1,773)	
Agency	(405)	(189)	(860)	(818)	(847)	(1,075)	(1,278)	(1,723)	(1,609)	(1,085)	(1,613)	
Medical Locum and Short Session STAFFflow	(368)	(260)	(236)	(372)	(372)	(254)	(301)	(290)	(104)	(404)	(161)	
Scientific, Therapeutic and Technical	(101)	(96)	(119)	(117)	(151)	(145)	(152)	(208)	(137)	(199)	(185)	
Agency	(101)	(96)	(119)	(117)	(151)	(145)	(152)	(208)	(137)	(199)	(185)	
Nurses and Midwives	(421)	(376)	(451)	(473)	(491)	(485)	(571)	(533)	(535)	(865)	(907)	
Agency	(421)	(376)	(451)	(473)	(491)	(485)	(571)	(533)	(535)	(865)	(907)	
Admin and Clerical	(12)	(10)	(19)	(10)	(13)	(10)	5	(25)	(10)	(13)	(8)	
Agency	(12)	(10)	(19)	(10)	(13)	(10)	5	(25)	(10)	(13)	(8)	
Other	(26)	(14)	(5)	(15)	(25)	(37)	(7)	(5)	(11)	(186)	(177)	
Agency	(26)	(14)	(5)	(15)	(25)	(37)	(7)	(5)	(11)	(186)	(177)	
Total	(1,334)	(934)	(1,672)	(1,795)	(1,885)	(1,996)	(2,310)	(2,759)	(2,396)	(2,739)	(3,042)	



Pay Analysis - Temporary Staff

Month 11 (February) 2017/18

Temporary Staff Actual £m	M & D	N & M	PAMS	A&C Other	Total	Variance v 2016/17	Variance v 2015/16
Urgent Care & LongTerm Conditions	1.05	0.67	0.03	0.11	1.86	0.40	0.49
Surgical Services	0.29	0.22	0.04	0.05	0.59	0.04	0.08
Clinical Support Services	0.18		0.13		0.31	0.08	0.15
Specialist Services	0.15	0.03			0.18		(0.02)
Strategic Development and Capital Planning				0.01	0.01	(0.01)	(0.02)
Corporate	0.01			0.02	0.04	0.02	(0.01)
Central	0.22	(0.01)	(0.02)		0.19	0.27	0.27
Total	1.90	0.91	0.18	0.19	3.18	0.80	0.94
Variance v 2017/18 average	0.29	0.35	0.04	0.13	0.81		
Variance v 2016/17 average	0.40	0.38	0.04	0.12	0.94		

Temporary Staff Year to Date £m	M & D	N & M	PAMS	A&C Other	Total	Average per Month
Urgent Care & LongTerm Conditions	10.98	4.31	0.49	0.26	16.04	1.46
Surgical Services	4.30	1.40	0.21	0.08	5.99	0.54
Clinical Support Services	1.56		0.93		2.49	0.23
Specialist Services	1.54	0.50	0.01		2.05	0.19
Strategic Development and Capital Planning				0.18	0.18	0.02
Corporate	0.06			0.12	0.18	0.02
Central	(0.74)	(0.10)	(0.03)		(0.88)	(0.08)
Total	17.70	6.11	1.61	0.64	26.06	2.38
Average per month	1.61	0.56	0.15	0.06	2.37	

Trust Statement of Comprehensive Income by Division

Month 11 (February) 2017/18

	Electives	Non-Electives	Accident & Emergency	Outpatients	High Cost Drugs	Private Patients	Other Clinical	All Other Income	Pay	Non Pay	Net Position
Year to Date Actual £000											
Urgent Care and Long Term Conditions	19,173	82,243	23,903	18,813	4,901	77	13,429	1,831	(90,837)	(29,117)	44,417
Surgical Services	49,791	34,495	0	29,067	7,060	27	16,420	2,079	(85,081)	(38,773)	15,084
Clinical Support Services	306	13	0	3,965	14,133	87	31,081	5,527	(52,570)	(41,351)	(38,810)
Specialist Services	11,419	30,097	0	18,565	24,351	42	44,460	2,024	(59,941)	(35,342)	35,675
Clinical Divisions Total	80,689	146,848	23,903	70,410	50,445	231	105,390	11,461	(288,429)	(144,582)	56,366
Strategic Development and Capital Planning	0	0	0	0	0	0	0	8,253	(11,304)	(31,912)	(34,963)
Corporate	0	0	0	0	0	0	0	16,977	(18,295)	(28,236)	(29,554)
Divisional Total	80,689	146,848	23,903	70,410	50,445	231	105,390	36,691	(318,028)	(204,730)	(8,150)
Central	0	100	0	0	293	(1)	2,369	11,573	(2,294)	(682)	11,359
EBITDA											3,209
Capital Charges and Interest										(23,210)	(23,210)
Income and Expenditure Surplus/(Deficit)											(20,001)

	Electives	Non-Electives	Accident & Emergency	Outpatients	High Cost Drugs	Private Patients	Other Clinical	All Other Income	Pay	Non Pay	Net Position
Year to Date Variance to Plan £000											
Urgent Care and Long Term Conditions	1,143	4,324	113	(781)	(480)	(60)	2,464	1,400	(9,699)	(4,079)	(5,654)
Surgical Services	(4,871)	3,036	0	(712)	362	2	1,197	302	(1,597)	1,513	(768)
Clinical Support Services	(120)	(119)	0	(273)	(39)	(97)	1,414	(396)	522	(66)	827
Specialist Services	(235)	1,249	0	54	(592)	(20)	1,423	(9)	(1,896)	176	151
Clinical Divisions Total	(4,083)	8,491	113	(1,712)				1,296	(12,669)	(2,456)	(5,444)
Strategic Development and Capital Planning	0	0	0	0	0	0	0	(1,995)	881	2,193	1,080
Corporate	0	0	0	0	0	0	0	207	791	(323)	675
Divisional Total	(4,083)	8,491	113	(1,712)				(491)	(10,997)	(586)	(3,689)
Central	(5,390)	(497)	(373)	(811)	(1,390)	(1)	914	(3,392)	6,487	(6,171)	(10,623)
EBITDA											(14,312)
Capital Charges and Interest										1,958	1,958
Income and Expenditure Surplus/(Deficit)											(12,354)

Cost Improvement Phasing

Month 11 (February) 2017/18

Work stream Gross £'000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Theatres	-	-	-	-	-	-	-	-	-	-	-	-	-
Outpatients	-	-	-	-	-	-	-	-	-	-	-	-	-
Patient Flow/LOS	-	151	151	151	526	526	526	526	526	526	526	526	4,666
Diagnostic Demand Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency	175	190	335	462	522	526	592	636	623	627	606	590	5,882
Workforce	396	376	390	406	408	419	432	446	461	456	454	469	5,114
Procurement	192	171	177	231	206	200	181	171	171	143	125	118	2,087
Medicine Optimisation	36	36	37	40	40	33	33	32	32	32	32	503	891
Clinical Support	(6)	205	5	61	65	81	82	82	94	94	67	68	897
Specialist	15	20	100	93	132	202	205	206	206	206	207	212	1,804
Surgery	162	162	162	335	335	335	369	364	369	373	373	342	3,679
UC<C	51	66	92	125	125	185	185	185	185	185	185	185	1,754
Corporate - Other	-	-	-	-	-	-	-	-	-	-	-	-	-
SD&CP	27	117	72	79	79	79	82	119	117	117	117	119	1,123
Sub-total	1,048	1,494	1,520	1,984	2,439	2,588	2,687	2,767	2,785	2,759	2,693	3,133	27,898
Central	321	(36)	365	343	(72)	(227)	773	653	534	760	631	394	4,438
Grand Total	1,369	1,458	1,885	2,327	2,367	2,361	3,460	3,420	3,319	3,519	3,324	3,527	32,336

Workstream RAG adj £'000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Theatres	-	-	-	-	-	-	-	-	-	-	-	-	-
Outpatients	-	-	-	-	-	-	-	-	-	-	-	-	-
Patient Flow/LOS	-	19	171	204	216	265	264	229	448	802	502	500	3,618
Diagnostic Demand Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency	365	413	200	269	328	276	534	331	377	376	430	530	4,428
Workforce	551	690	583	642	680	572	537	508	588	937	734	501	7,523
Procurement	126	197	178	181	185	219	212	231	187	317	178	111	2,323
Medicine Optimisation	29	56	55	51	73	61	84	121	120	134	90	92	966
Clinical Support	38	260	53	62	82	174	124	183	144	153	220	176	1,669
Specialist	16	35	159	114	189	253	238	347	303	246	254	218	2,372
Surgery	212	212	215	353	271	305	287	260	284	254	280	371	3,304
UC<C	-	43	90	114	103	121	196	785	150	319	273	404	2,598
Corporate - Other	-	-	-	230	58	58	58	200	58	58	58	64	842
SD&CP	34	44	60	46	46	46	241	75	75	75	75	75	893
Sub-total	1,371	1,969	1,764	2,265	2,231	2,350	2,774	3,269	2,733	3,672	3,093	3,044	30,535
Central	238	(194)	22	22	22	22	106	577	182	167	300	201	1,666
Grand Total	1,609	1,774	1,786	2,287	2,253	2,372	2,880	3,845	2,915	3,840	3,393	3,245	32,200

Urgent Care and Long Term Conditions

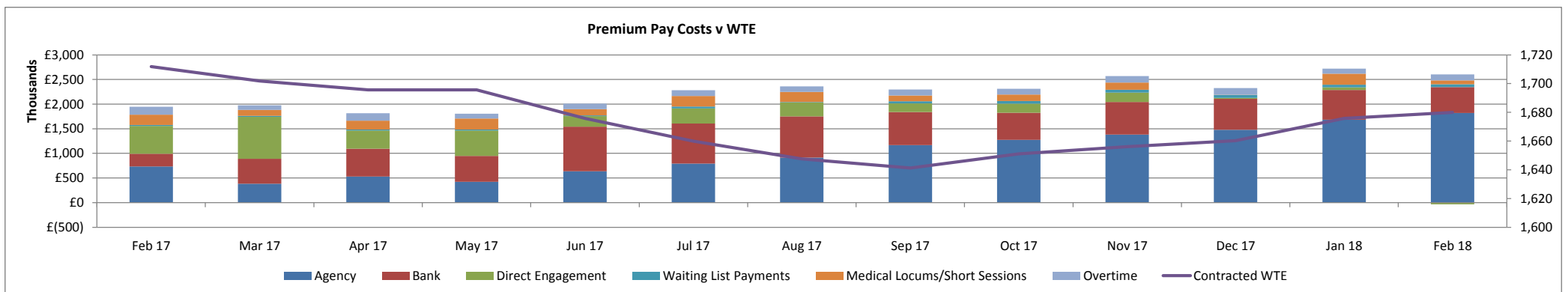
Month 11 (February) 2017/18

Statement of Comprehensive Income £000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
Income						
Electives	18,030	19,173	1,143	1,567	1,729	163
Non-Electives	77,919	82,243	4,324	6,807	7,158	351
Accident & Emergency	23,790	23,903	113	2,128	2,025	(103)
First Outpatients	11,223	10,578	(645)	1,003	874	(129)
Follow Up Outpatients	8,370	8,235	(135)	751	714	(38)
High Cost Drugs	5,381	4,901	(480)	489	341	(148)
Private Patients	136	77	(60)	1	2	1
Other NHS Clinical	9,342	12,115	2,773	826	1,103	276
Other Clinical	1,623	1,314	(309)	148	57	(91)
Prior Month Adjustment	0	()	()	0	481	481
Total Corporate and SLA Income	155,814	162,539	6,725	13,721	14,484	764
All Other Income	431	1,831	1,400	30	18	(13)
Total Income	156,246	164,370	8,125	13,751	14,502	751
Expenditure						
Permanent Staff	(68,540)	(65,771)	2,769	(6,113)	(6,059)	54
Overtime	0	(1,316)	(1,316)	0	(121)	(121)
Waiting List Payments	(99)	(427)	(328)	(7)	(58)	(51)
Medical Locums/Short Sessions	(1,832)	(1,658)	174	(168)	(77)	91
Bank	(2,898)	(7,282)	(4,383)	(258)	(525)	(267)
Agency	(3,373)	(12,105)	(8,732)	(132)	(1,820)	(1,689)
Direct Engagement	(4,396)	(2,278)	2,117	(408)	35	443
Total Pay	(81,138)	(90,837)	(9,699)	(7,086)	(8,626)	(1,539)
Non Pay	(25,037)	(29,117)	(4,079)	(2,190)	(3,025)	(835)
Total Expenditure	(106,175)	(119,953)	(13,778)	(9,277)	(11,651)	(2,374)
Contribution	50,070	44,417	(5,654)	4,474	2,851	(1,623)

NEL income over-performed by £0.6m in February following the rebasing of beds between Divisions (which has caused adverse income performance in Surgical Division) and opening of additional temporary beds. A&E attendances are 200 lower than February last year, coupled with a high plan have caused an adverse variance of £0.1m. Income across the Trust was £0.4m behind plan for the 2 days of snow in February; a proportion of this in UC<C therefore the Divisions are being asked to maximise activity for March. H&SCV beds are favourable by £3.0m ytd which are offset as a non-pay overspend cost of £3.0m as this is outside the formal Contract. Other Income is reflective of £1.3m relating to Winter/ED Recovery Plan funding received for Q3 and is offset by pay costs of which the majority is Agency.

The Divisional expenditure position includes £1.4m cost (£4.4m ytd) as a consequence of the ED recovery plan / Winter, of which £0.9m this month is Agency. Total Agency costs remained static at £2.0m, Nursing costs are still twice the average due to escalated rates being paid and additional ward / clinical areas being staffed to ensure a safe and consistent level of staffing. The Division is planning to de-escalate beds as Site pressures ease which will reduce cost. Consultant Agency cost reduced in most specialities but increased in ED. ED Middle Grade spend is expected to fall further in March due to successful recruitment to permanent posts. RMOs are being used on all 3 Sites (reported as non-pay) however the Division is still incurring £0.2m Agency costs to cover Deanery gaps with a particular problem at KCH where there are 5/6 posts vacant. Other pay costs reduced slightly compared to January, particularly a drop in internal Locum cover and due to non-recurrent premium winter costs paid last month. Vacancies fell by 3 to 281 (14%) .

Non pay adverse variance includes expenditure on trend for Endoscopy 18 Weeks, RMO and H&SCV beds. Clinical non-pay costs increased by £0.15m compared to January which reflects the purchase of additional beds and equipment for the new ward at WHH.



Surgical Services

Month 11 (February) 2017/18

Statement of Comprehensive Income

£000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
Income						
Electives	54,662	49,791	(4,871)	4,963	3,818	(1,145)
Non-Electives	31,459	34,495	3,036	2,525	3,015	491
Accident & Emergency	0	0	0	0	0	0
First Outpatients	14,759	14,167	(592)	1,302	1,150	(152)
Follow Up Outpatients	15,020	14,900	(120)	1,313	1,264	(49)
High Cost Drugs	6,698	7,060	362	609	574	(35)
Private Patients	24	27	2		3	2
Other NHS Clinical	15,103	16,302	1,200	1,293	1,410	116
Other Clinical	120	118	(2)	11	2	(9)
Prior Month Adjustment	0	()	()	0	312	312
Total Corporate and SLA Income	137,845	136,859	(986)	12,016	11,546	(470)
All Other Income	1,777	2,079	302	164	183	19
Total Income	139,622	138,938	(684)	12,180	11,728	(452)
Expenditure						
Permanent Staff	(77,397)	(73,674)	3,722	(7,121)	(6,724)	398
Overtime	0	(1,573)	(1,573)	0	(141)	(141)
Waiting List Payments	(1,362)	(1,359)	4	(40)	(47)	(7)
Medical Locums/Short Sessions	(1,111)	(954)	157	(101)	(55)	46
Bank	(1,645)	(2,488)	(843)	(147)	(276)	(128)
Agency	(68)	(4,502)	(4,434)	28	(598)	(626)
Direct Engagement	(1,902)	(531)	1,371	(173)	66	239
Total Pay	(83,484)	(85,081)	(1,597)	(7,555)	(7,775)	(220)
Non Pay	(40,286)	(38,773)	1,513	(3,585)	(3,417)	168
Total Expenditure	(123,770)	(123,854)	(83)	(11,139)	(11,192)	(52)
Contribution	15,852	15,084	(768)	1,041	537	(504)

Below plan elective income is mostly due to underperformance in Orthopaedics, although £2.2m of this is as a direct result of the impact of the extended winter plans since December, with reduced surgical bed capacity and cancellations of non urgent surgical operations. The Division made plans to achieve the year end plan by outsourcing and using an external provider, however the tender process was delayed and the on-going winter impact now makes this look very unlikely.

Non-Elective income is above plan with high levels of Trauma & Vascular activity.

Outpatients performance is adverse year to date due to Ophthalmology (£408k) and Pre-Op Assessments (£166k). The CCG contracts for WAMD and new glaucoma were implemented in late December and are now fully operational. An insourcing contract commenced from Mid February for additional ophthalmology outpatient activity.

Other NHS Clinical Income is favourable mostly due to ITU (£1,188k).

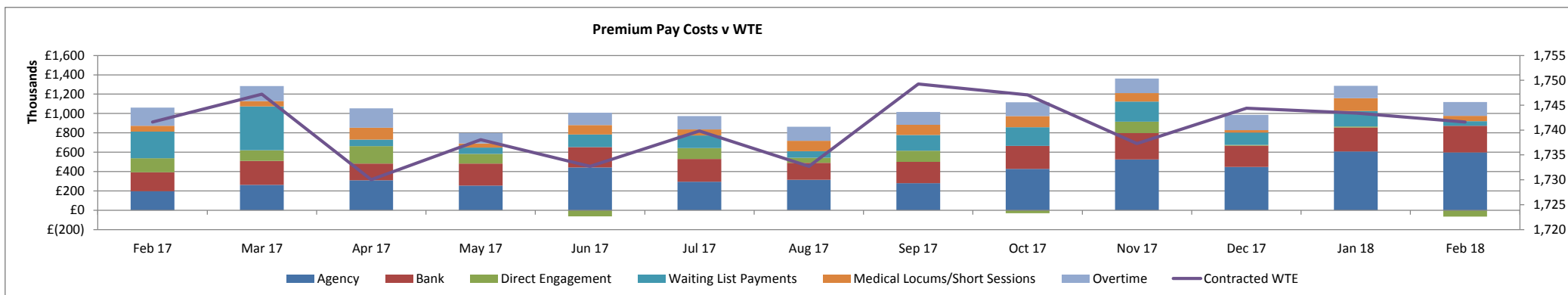
Other Income is favourable with the receipt of additional Winter Pressures funding.

Pay is adverse year to date, with new agency costs (£761k) incurred in relation to the Winter Plan as well as high agency costs for middle grade vacancies in General Surgery, Urology and Vascular. Interviews and appointments have been made. Nursing agency has not reduced as originally planned, in particular at WHH for ITU and bedding of patients overnight in the Day Surgery Unit.

Non Pay is favourable with underspends on Independent Sector (£1,217k) for Orthopaedic & Ophthalmology services, and Clinical Supplies (£553k).

Included in the above expenditure is approximately £2.7m for medical patient outliers with no additional income. This has equated to the loss on average of 46 Surgical beds per day. Also incurred is £0.9m supporting the Winter/ED plan with only £0.2m funding.

Overall the Division's financial performance has been adversely effected by £5.8m, with the additional



Clinical Support

Month 11 (February) 2017/18

Statement of Comprehensive Income

£000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
Income						
Electives	427	306	(120)	37	9	(28)
Non-Electives	131	13	(119)	12	0	(12)
Accident & Emergency	0	0	0	0	0	0
First Outpatients	1,762	1,695	(67)	154	107	(46)
Follow Up Outpatients	2,476	2,270	(206)	218	189	(30)
High Cost Drugs	14,171	14,133	(39)	1,288	1,258	(30)
Private Patients	183	87	(97)	2	8	6
Other NHS Clinical	29,668	31,081	1,413	2,633	2,712	78
Other Clinical	0	1	1	0	0	0
Prior Month Adjustment	0	0	0	0	66	66
Total Corporate and SLA Income	48,818	49,584	766	4,345	4,349	5
All Other Income	5,923	5,527	(396)	524	462	(61)
Total Income	54,741	55,111	370	4,868	4,812	(57)
Expenditure						
Permanent Staff	(51,838)	(48,986)	2,853	(4,870)	(4,478)	392
Overtime	0	(698)	(698)	0	(76)	(76)
Waiting List Payments	(144)	(162)	(18)	(13)	(11)	2
Medical Locums/Short Sessions	(57)	(6)	51	(5)	0	5
Bank	(46)	(232)	(185)	(3)	(30)	(27)
Agency	(1,007)	(2,305)	(1,298)	(18)	(335)	(317)
Direct Engagement	0	(182)	(182)	0	24	24
Total Pay	(53,093)	(52,570)	522	(4,909)	(4,906)	3
Non Pay	(41,285)	(41,351)	(66)	(3,744)	(3,693)	51
Total Expenditure	(94,378)	(93,921)	457	(8,653)	(8,600)	53
Contribution	(39,637)	(38,810)	827	(3,785)	(3,788)	(3)

The Clinical Support Division maintained its year to date surplus of £0.8m. 'Other' Income was again below plan in February and expenditure was underspent by almost the same amount.

Main patient care income met the plan overall although there were some variances in the departments. Radiology continued to over perform in MRI but was under in Ultrasound, CT and X-ray, this follows the trend for the year to date performance. Interventional Radiology income still appears to be coded to other Divisions in part (Vascular & Gynae). The team are looking into the issues with a view to revert to previous recording practises. A wider team, including finance is supporting IR reviewing its activity and coding practices to ensure that all activity is appropriately billed to the commissioners.

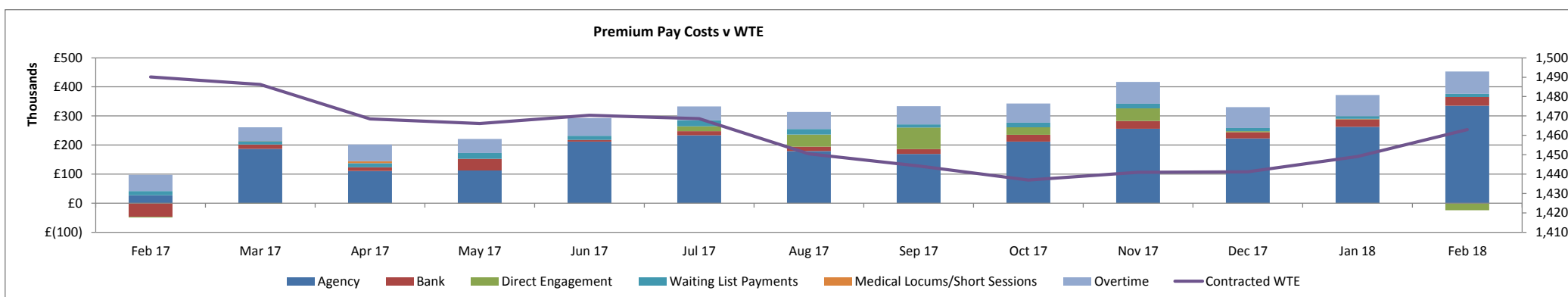
Therapies activity was below plan - Physiotherapy was a continuation of trend but Occupational Therapy was uncharacteristically below on First attendances in month. The new Head of Therapy services is committed to resolve the activity issues which will improve in the new financial year. Although February was a short month, there was also some activity lost at the end of the month due to the severe weather conditions.

Pay costs were on par with last month although agency costs rose, particularly on Radiology Medical staff. WTE increased in the Division in February by 14 WTE. These was mainly in Pathology and Outpatients.

The non-pay expenditure run rate reduced this month and was lower in 4 out of 5 Departments, Outpatients and Therapies, again this would be expected due to the shorter month. Outsourced MRI reporting of the increased demand continues to be a cost pressure for the Radiology department, however there was a reduction in CT outsourcing costs.

The Division exceeded its CIP plan and forecasting to achieve c£1.3m I&E surplus position at the end of the year.

Negative Bank spend in February '17 relate to recharges to other Divisions of Adhoc Outpatient clinics. The costs relate to both Substantive and Bank pay but credits were only charged to Bank.



Specialist Services

Month 11 (February) 2017/18

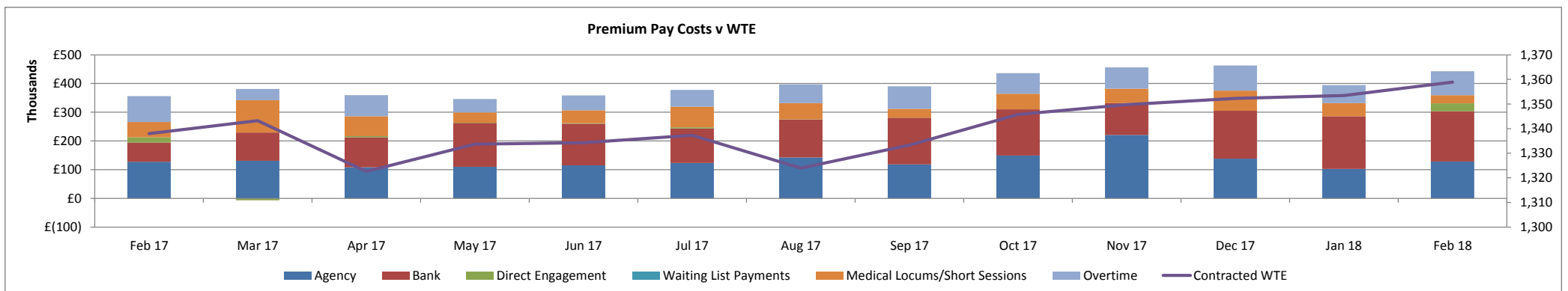
Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
£000						
Income						
Electives	11,654	11,419	(235)	1,045	1,062	17
Non-Electives	28,848	30,097	1,249	2,556	2,452	(104)
Accident & Emergency	0	0	0	0	0	0
First Outpatients	7,513	7,662	149	657	602	(55)
Follow Up Outpatients	10,998	10,903	(95)	992	889	(103)
High Cost Drugs	24,943	24,351	(592)	2,268	2,215	(52)
Private Patients	62	42	(20)	1	4	4
Other NHS Clinical	42,985	44,274	1,289	3,650	3,838	188
Other Clinical	52	186	134	5	19	15
Prior Month Adjustment	0	0	0	0	65	65
Total Corporate and SLA Income	127,055	128,934	1,880	11,172	11,146	(26)
All Other Income	2,033	2,024	(9)	192	191	(1)
Total Income	129,087	130,958	1,871	11,364	11,336	(27)
Expenditure						
Permanent Staff	(55,960)	(55,524)	436	(5,114)	(5,160)	(46)
Overtime	0	(755)	(755)	0	(84)	(84)
Waiting List Payments	0	(1)	(1)	0	0	0
Medical Locums/Short Sessions	(606)	(558)	48	(54)	(28)	25
Bank	(579)	(1,611)	(1,032)	(52)	(176)	(124)
Agency	(662)	(1,455)	(794)	(27)	(128)	(101)
Direct Engagement	(239)	(37)	202	(22)	(27)	(5)
Total Pay	(58,045)	(59,941)	(1,896)	(5,268)	(5,603)	(336)
Non Pay	(35,518)	(35,342)	176	(3,211)	(3,116)	95
Total Expenditure	(93,563)	(95,283)	(1,720)	(8,478)	(8,719)	(241)
Contribution	35,524	35,675	151	2,885	2,617	(268)

Excluding rechargeable costs, the income position was £26k above plan in February. Whilst there was over performance in NICU/SCBU and Paediatric Best Practice Diabetes, the overall income run rate for the Division was significantly lower than previous months. Up until month 10, over performance was averaging £180k a month so February's income represents a notable adverse swing and a continuation of an adverse trend seen since December. The most notable falls were seen in paediatric non-elective and obstetric non-elective income. Despite this, the average monthly income run rate in 2017/18 is £215k higher than 2016/17, with over £3m more income earned compared to the same period last year.

Overall pay costs were overspent by £340k in February due to NICU/SCBU nursing and Gynaecology medical overspends and higher agency usage than planned. A general increase in recruitment, unachieved savings (together with a pay savings target phased more heavily in the second half of the year), outturn funding and a shift from agency to bank, as well as increased bank fill rates are also key drivers behind the increase/variance. Bank expenditure is £95k higher than the average per month in 16/17, predominantly in Dermatology, Midwifery and Child Health. Overall temporary pay costs are increasing and continue to be an area of focus. Temporary pay reviews have taken place in Paediatrics and Women's Health to gain assurance and offer support regarding controls, sickness management and recruitment. These are continuing on a quarterly basis. Overall, the average monthly pay run rate in 2017/18 is £170k higher than 2016/17.

When the pass through cost variance is excluded, non pay budgets were underspent by £65k in month, but overspent by £400k year to date. Non rechargeable drugs is the main factor (£60k overspent in month and £280k overspent year to date). Consumables and medical equipment were only £4k overspent in month, but £425k overspent year to date. This is partly activity driven, but also linked to rechargeable insulin pump and consumables (£180k overspent YTD). The overall non-pay run rate is £60k lower than the 2016/17 average. This is predominantly due to a fall in high cost rechargeable drug expenditure (also reflected in income), but also due to reductions in the use of the private sector.

Overall, the average monthly I&E contribution run rate so far this year is £100k higher than in 2016/17.



Strategic Development and Capital Planning

Month 11 (February) 2017/18

Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
£000						
Income						
Electives	0	0	0	0	0	0
Non-Electives	0	0	0	0	0	0
Accident & Emergency	0	0	0	0	0	0
First Outpatients	0	0	0	0	0	0
Follow Up Outpatients	0	0	0	0	0	0
High Cost Drugs	0	0	0	0	0	0
Private Patients	0	0	0	0	0	0
Other NHS Clinical	0	0	0	0	0	0
Other Clinical	0	0	0	0	0	0
Prior Month Adjustment	0	0	0	0	0	0
Total Corporate and SLA Income						
All Other Income	10,248	8,253	(1,995)	926	718	(208)
Total Income	10,248	8,253	(1,995)	926	718	(208)
Expenditure						
Permanent Staff	(11,789)	(10,587)	1,202	(1,099)	(958)	142
Overtime	0	(146)	(146)	0	(12)	(12)
Waiting List Payments	0	0	0	0	0	0
Medical Locums/Short Sessions	0	0	0	0	0	0
Bank	(241)	(389)	(147)	(27)	(50)	(22)
Agency	(155)	(183)	(28)	(14)	(10)	4
Direct Engagement	0	()	()	0	0	0
Total Pay	(12,185)	(11,304)	881	(1,141)	(1,030)	111
Non Pay	(34,105)	(31,912)	2,193	(3,008)	(3,047)	(39)
Total Expenditure	(46,290)	(43,216)	3,074	(4,148)	(4,076)	72
Contribution	(36,042)	(34,963)	1,080	(3,222)	(3,358)	(136)

The position as at Month 11 is £1.08m favourable YTD. The income/expenditure positions are showing large variances due to the SaCP project being behind original plan, which net off. Income performance (excluding SaCP) is £394k favourable. Pay £881k favourable and Non Pay (excluding SaCP) £(195)k adverse.

Income is favourable YTD £394k (excl SACP). The majority can be broken down as follows:

- Car parking income £118k YTD approx 50% due to parking control notices,
- EKLS for additional activity for Berkeley Homes £51k YTD, some pay & consumables expenditure to be offset.
- Staff recharges to Medway for work on the vascular plan £61k YTD,
- Utilities services provided to external organisations £71k YTD,
- Logistics/Waste/ATM & Other Facilities income £45k YTD.

Pay is favourable £881k YTD. The Division currently has a vacancy rate (comparing contracted/budgeted WTE) of just over 13.5%, which is slightly above compared to previous months. Agency & Bank staff expenditure is mostly within EKLS and Procurement both of these areas of expenditure are supported by increased income/delivery of the Trusts savings plan. All vacancies being reviewed and looked at recurrently for potential savings for 18/19.

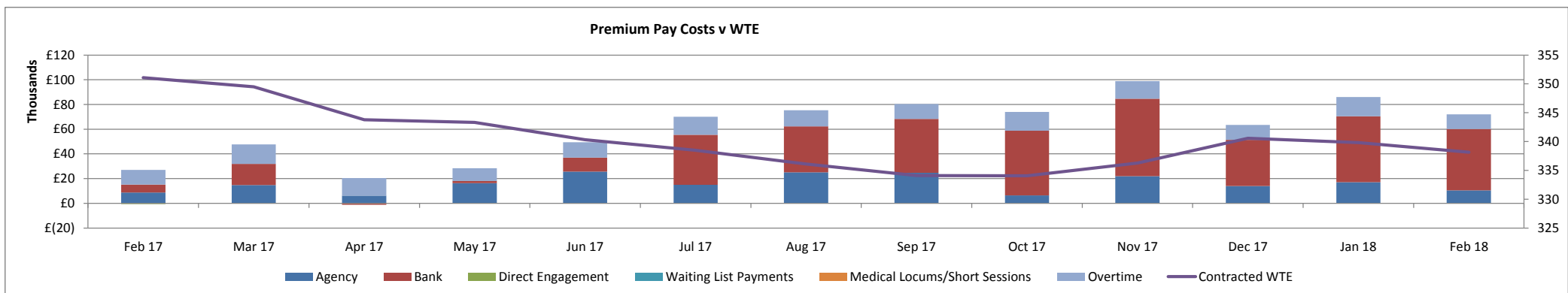
Non Pay is adverse YTD (excluding SaCP) £(195)k. This is an adverse swing of £(278)k compared to Month 10, this can be broken down as follows:

Estates day to day budgets are adverse £(177)k YTD, this is an adverse swing of £(81)k compared to previous month, most of which is attributable to the WHH site. This is to be reviewed with the department as part of budget setting and cost pressure discussions.

Utilities £26k favourable YTD, this is an adverse swing of £(39)k YTD. This is mainly due to KCH electricity adverse swing of £(104)k YTD (under-accrued in previous month) which is partly offset by QEQM water credit due to incorrect meter reading in previous month provided.

Other overspends include: accommodation adverse £(52)k YTD and waste £(42)k YTD.

Savings are £384k favourable YTD mainly due to non-recurrent pay savings in Month 10. All of the schemes are continually being monitored working alongside the PMO and the forecast total for 17/18 is £1.7m against a plan of £1.2m.



Corporate

Month 11 (February) 2017/18

Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
£000						
Income						
Electives	0	0	0	0	0	0
Non-Electives	0	0	0	0	0	0
Accident & Emergency	0	0	0	0	0	0
First Outpatients	0	0	0	0	0	0
Follow Up Outpatients	0	0	0	0	0	0
High Cost Drugs	0	0	0	0	0	0
Private Patients	0	0	0	0	0	0
Other NHS Clinical	0	0	0	0	0	0
Other Clinical	0	0	0	0	0	0
Prior Month Adjustment	0	0	0	0	0	0
Total Corporate and SLA Income						
All Other Income	16,770	16,977	207	1,378	1,378	
Total Income	16,770	16,977	207	1,378	1,378	
Expenditure						
Permanent Staff	(18,911)	(17,771)	1,139	(1,809)	(1,722)	87
Overtime	0	(142)	(142)	0	(11)	(11)
Waiting List Payments	0	0	0	0	0	0
Medical Locums/Short Sessions	0	(33)	(33)	0	0	0
Bank	(65)	(206)	(141)	(6)	(21)	(15)
Agency	(110)	(142)	(32)	(5)	(35)	(30)
Direct Engagement	0	0	0	0	0	0
Total Pay	(19,086)	(18,295)	791	(1,820)	(1,790)	30
Non Pay	(27,912)	(28,236)	(323)	(2,486)	(2,554)	(68)
Total Expenditure	(46,998)	(46,531)	467	(4,306)	(4,343)	(37)
Contribution	(30,228)	(29,554)	675	(2,927)	(2,965)	(37)

The position is £675k favourable YTD, this is an adverse swing of £(37)k compared to Month 10.

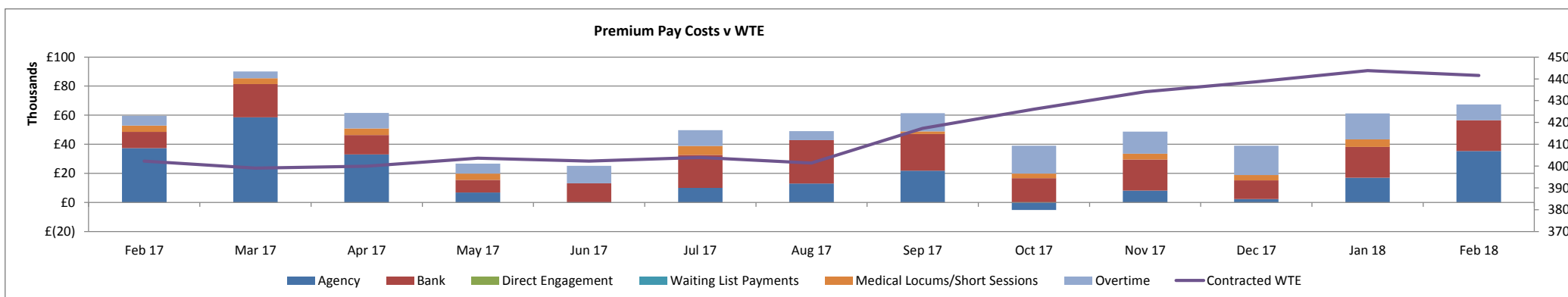
Income is favourable £207k YTD. The position YTD is due to the £200k of income for the 20/20 consultancy work in Month 9, which nets off against expenditure. Favourable variances include Chaplaincy Income £23k YTD and Resourcing Income in Month 10 re 17/18 SEAT Mgt Fee £17k YTD.

Pay is £791k favourable position YTD due to vacancies approx 42 WTE. The percentage vacancy rates, budgeted against contracted, are on average under 9.50% in each CQ&PS, HR and Finance. The premium pay costs shown below are attributable to the high level of vacancies and this is being kept to a minimum and below the contracted establishment in each area being incurred. Recruitment plans are being reviewed as part of expenditure control plans in conjunction with ensuring operational delivery of the finance and workforce plan.

Non pay is £(323)k adverse YTD, this is a deterioration of £(67)k compared to Month 10. This is mainly due to the 20/20 consultancy work and , as mentioned before , partly offset by the income over performance. In total for 20/20 there is spend £294k spend against £200k income YTD.

Other overspends include: Legal costs £(24)k adverse YTD mainly due to death inquest costs and 3rd party damages, HR permits adverse £(87)k YTD and settlement discount under-achieved £(15)k YTD.

Excluding 20/20 expenditure the position is £29k favourable due to various underspends in Finance £81k YTD and HR £16k YTD, CQ&PS £4k. These offset an overspend on Trust Board, mainly recruitment costs.



Income Metrics

Month 11 (February) 2017/18

£ Thousands	2016/17	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18
Average Income per spell/attendance															
Day Cases	0.63	0.65	0.66	0.67	0.64	0.63	0.65	0.64	0.66	0.68	0.67	0.68	0.65	0.69	0.67
Elective Inpatients	2.73	3.12	2.63	2.68	2.85	2.81	2.73	2.64	2.79	2.63	2.58	2.74	2.66	2.07	2.40
Non-Elective	1.76	1.75	1.98	1.71	1.91	1.92	1.92	1.92	2.02	2.01	1.99	2.04	2.13	2.15	2.09
Outpatients	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Critical Care	0.85	0.84	0.86	0.85	0.83	0.88	0.82	0.91	0.86	0.84	0.88	0.86	0.86	0.90	0.85
A&E	0.11	0.12	0.12	0.10	0.12	0.12	0.12	0.12	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Specialist Care	0.14	0.15	0.15	0.14	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.14	0.15	0.15
Other Income	0.03	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.03	0.03	0.02	0.02	0.03	0.02	0.02
Average Income per Working/Calendar Day															
Day Cases (w)	193.35	188.68	190.34	208.41	170.34	174.77	195.16	186.40	175.02	200.81	197.43	209.46	171.01	196.99	198.24
Elective Inpatients (w)	163.55	190.60	151.73	164.54	154.19	146.87	160.90	165.40	151.63	158.99	161.60	172.75	156.95	94.26	132.65
Non-Elective (c)	402.38	413.25	437.97	414.70	424.76	447.13	444.02	406.54	420.41	437.93	428.60	450.97	447.78	478.33	454.47
Outpatients (w)	301.57	306.08	296.85	309.58	278.44	286.87	304.04	305.63	279.63	297.58	316.49	334.42	267.32	292.75	289.40
Critical Care (c)	50.29	48.76	52.46	49.49	51.24	50.69	48.97	59.14	52.36	53.36	50.10	53.56	53.32	51.42	55.86
A&E (c)	63.78	71.49	70.59	59.83	70.40	71.84	71.80	73.10	71.41	72.27	70.30	71.64	70.54	71.68	72.32
Specialist Care (c)	39.90	39.31	39.64	40.48	38.32	39.47	40.55	38.43	40.55	39.12	39.44	41.43	39.48	39.27	39.18
Other Income (c)	387.01	376.27	380.29	359.84	361.37	363.04	383.61	374.93	396.49	397.02	377.21	401.82	362.93	394.39	390.83
Working Days				23	20	23	22	21	23	21	22	22	21	23	20
Calendar Days				31	30	31	30	31	31	30	31	30	31	31	28
Favourable															
On Target															
Adverse															

Expenditure Metrics

Month 11 (February) 2017/18

£ Millions	2014/15	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18
Income & Expenditure															
Clinical Income	42.68	43.53	43.82	45.11	40.34	42.91	44.38	43.86	44.02	44.17	44.54	46.06	43.62	45.22	41.57
Other Income	3.90	4.87	4.14	1.43	4.18	3.76	4.63	4.67	4.28	4.13	4.79	5.11	5.52	3.82	3.38
Total Income	46.58	48.41	47.96	46.54	44.52	46.67	49.00	48.53	48.30	48.29	49.33	51.17	49.14	49.04	44.95
Pay	(28.24)	(28.50)	(29.10)	(28.91)	(28.06)	(28.52)	(28.70)	(28.52)	(28.68)	(29.02)	(29.23)	(30.33)	(29.07)	(30.19)	(30.02)
Non-Pay	(18.17)	(18.01)	(18.60)	(17.81)	(17.00)	(17.80)	(18.80)	(18.62)	(19.37)	(18.10)	(18.27)	(18.86)	(20.02)	(19.46)	(19.11)
Total Operating Expenditure	(46.40)	(46.51)	(47.70)	(46.72)	(45.06)	(46.31)	(47.49)	(47.14)	(48.05)	(47.12)	(47.50)	(49.20)	(49.09)	(49.65)	(49.13)
Non Operating Expenditure	(2.79)	(2.35)	(2.65)	(8.57)	(2.24)	(2.14)	(2.19)	(1.90)	(2.13)	(2.03)	(2.07)	(2.25)	(2.06)	(2.10)	(2.11)
Total Expenditure	(49.20)	(48.86)	(50.35)	(55.29)	(47.30)	(48.45)	(49.68)	(49.04)	(50.18)	(49.15)	(49.57)	(51.45)	(51.15)	(51.75)	(51.24)
Surplus/(Deficit)	(2.62)	(0.46)	(2.40)	(8.75)	(2.78)	(1.78)	(0.68)	(0.52)	(1.88)	(0.85)	(0.23)	(0.28)	(2.00)	(2.71)	(6.29)
Pay as % of Income	60.63%	58.87%	60.69%	62.13%	63.01%	61.10%	58.56%	58.78%	59.37%	60.09%	59.24%	59.28%	59.15%	61.56%	66.79%
Non-Pay as % of Income	39.00%	37.22%	38.79%	38.26%	38.19%	38.14%	38.36%	38.37%	40.10%	37.48%	37.04%	36.87%	40.74%	39.68%	42.52%
Financing as % of Income	6.00%	4.86%	5.52%	18.42%	5.04%	4.58%	4.47%	3.91%	4.41%	4.20%	4.20%	4.40%	4.18%	4.28%	4.69%
Total % of Income	105.62%	100.94%	105.00%	118.80%	106.24%	103.82%	101.39%	101.07%	103.88%	101.77%	100.48%	100.54%	104.07%	105.52%	114.00%

↑ Run Rate Increase Green Favourable to Budget
 ↔ Run Rate Steady Red Adverse to Budget
 ↓ Run Rate Decrease Amber On Plan

Workforce Metrics

Month 11 (February) 2017/18

£ Thousands	2014/15	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18
Contracted Pay per WTE															
Medical and Dental	(7.88)	(7.61)	(8.00) ❌	(8.09)	(7.67)	(8.15)	(7.97)	(7.72)	(8.13)	(8.03)	(7.99)	(8.13)	(8.13)	(7.96)	(8.10)
Nurses and Midwives	(3.50)	(3.22)	(3.56) ❌	(3.47)	(3.57)	(3.56)	(3.55)	(3.52)	(3.54)	(3.56)	(3.57)	(3.57)	(3.59)	(3.67)	(3.57)
Scientific, Therapeutic and Technical	(3.05)	(2.94)	(3.11) ❌	(3.05)	(3.11)	(3.12)	(3.09)	(3.17)	(2.99)	(3.11)	(3.13)	(3.18)	(3.14)	(3.13)	(3.13)
Admin and Clerical	(1.97)	(1.77)	(2.02) ❌	(1.98)	(2.03)	(2.03)	(2.02)	(2.03)	(2.04)	(2.02)	(2.05)	(2.04)	(1.92)	(2.03)	(2.01)
Other Pay	(2.62)	(2.42)	(2.71) ❌	(2.56)	(2.73)	(2.77)	(2.78)	(2.71)	(2.73)	(2.73)	(2.71)	(2.74)	(2.50)	(2.80)	(2.75)
Average Contracted Pay per WTE	(3.80)	(3.59)	(3.88) ❌	(3.83)	(3.82)	(3.92)	(3.88)	(3.83)	(3.89)	(3.89)	(3.89)	(3.93)	(3.86)	(3.92)	(3.91)
Contracted Pay as % of Total															
Medical and Dental	26%	29%	26%	27%	26%	27%	26%	26%	26%	26%	26%	25%	27%	25%	26%
Nurses and Midwives	27%	26%	25%	25%	26%	26%	26%	25%	25%	26%	25%	24%	26%	25%	25%
Scientific, Therapeutic and Technical	14%	15%	14%	14%	15%	15%	14%	15%	14%	14%	14%	14%	14%	14%	14%
Admin and Clerical	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Other Pay	12%	13%	13%	12%	13%	13%	13%	13%	13%	13%	13%	13%	12%	13%	13%
Non Contracted Pay	11%	8%	13%	13%	10%	10%	11%	12%	12%	13%	13%	15%	13%	14%	14%
Contracted & Bank Pay per WTE															
Medical and Dental	(7.89)	(7.76)	(8.45) ❌	(8.20)	(7.93)	(9.00)	(8.62)	(8.15)	(8.71)	(8.56)	(8.33)	(8.71)	(8.65)	(8.35)	(8.20)
Nurses and Midwives	(3.59)	(3.31)	(3.68) ❌	(3.56)	(3.68)	(3.66)	(3.66)	(3.66)	(3.66)	(3.68)	(3.68)	(3.67)	(3.72)	(3.83)	(3.72)
Scientific, Therapeutic and Technical	(3.05)	(2.94)	(3.12) ❌	(3.05)	(3.13)	(3.11)	(3.10)	(3.17)	(3.00)	(3.11)	(3.14)	(3.20)	(3.14)	(3.14)	(3.15)
Admin and Clerical	(2.02)	(1.82)	(2.09) ❌	(2.06)	(2.08)	(2.06)	(2.07)	(2.11)	(2.12)	(2.09)	(2.14)	(2.14)	(1.99)	(2.12)	(2.09)
Other Pay	(2.81)	(2.58)	(2.93) ❌	(2.92)	(2.96)	(2.86)	(3.02)	(2.91)	(2.97)	(2.95)	(2.97)	(2.92)	(2.67)	(3.01)	(2.97)
Average Contracted & Bank Pay per WTE	(7.89)	(7.76)	(8.45) ❌	(8.20)	(7.93)	(9.00)	(8.62)	(8.15)	(8.71)	(8.56)	(8.33)	(8.71)	(8.65)	(8.35)	(8.20)
Agency Pay per Vacant WTE															
Medical and Dental	(4.14)		(7.33)	(4.13)	(3.37)	(1.36)	(6.42)	(5.79)	(5.33)	(6.71)	(8.87)	(12.32)	(11.97)	(8.64)	(12.30)
Nurses and Midwives	(1.69)		(2.15)	(1.22)	(1.66)	(1.53)	(1.68)	(1.96)	(1.92)	(2.08)	(2.37)	(2.27)	(2.24)	(3.43)	(4.02)
Scientific, Therapeutic and Technical	(5.65)		(1.70)	17.14	(0.64)	(0.60)	(0.87)	(1.73)	(2.05)	(2.08)	(1.52)	(3.00)	(1.99)	(3.03)	(2.17)
Admin and Clerical	(0.15)		(0.07)	(0.23)	(0.06)	(0.06)	(0.11)	(0.06)	(0.07)	(0.05)	0.03	(0.11)	(0.05)	(0.06)	(0.04)
Other Pay	(0.73)		(0.50)	(0.80)	(0.50)	(0.31)	(0.10)	(0.14)	(0.22)	(0.30)	(0.06)	(0.04)	(0.09)	(1.79)	(1.83)
Average Agency Pay per Vacant WTE	(2.47)		(2.35)	2.15	(1.25)	(0.77)	(1.84)	(1.93)	(1.92)	(2.24)	(2.56)	(3.55)	(3.27)	(3.39)	(4.07)
Vacancy = Budgeted WTE - Contracted WTE															
Agency Spend as % of Pay															
Medical and Dental	1%	3%	3%	1%	1%	1%	3%	3%	3%	4%	4%	6%	6%	4%	5%
Nurses and Midwives	2%	2%	2%	1%	2%	1%	2%	2%	2%	2%	2%	2%	2%	3%	3%
Scientific, Therapeutic and Technical	1%	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	0%	1%	1%
Admin and Clerical	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Pay	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%
Contract and Bank	96%	94%	94%	96%	97%	98%	95%	95%	95%	94%	93%	92%	92%	92%	90%

Efficiency Metrics

Month 11 (February) 2017/18

	2015/16	Rolling Average		Actuals												
	Thousands	Monthly Average	Plan	Actual	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18
Efficiency Calculation																
Inpatient Admissions	14.89	14.82	14.24	❌	16.10	13.08	14.79	14.80	14.04	13.75	14.03	14.52	14.81	13.32	14.55	13.13
Inpatient Income	19,986.52	20,802.26	20,755.89	❌	21,433.36	19,233.47	21,258.43	21,153.98	19,990.61	20,545.78	20,693.61	21,185.39	21,937.62	20,768.40	21,527.11	19,342.93
Outpatient Income	6,348.75	6,417.99	6,243.28	❌	6,915.67	5,382.24	6,382.52	6,469.55	6,207.82	6,216.93	6,046.85	6,726.19	7,118.17	5,414.87	6,472.74	5,565.86
Adjusted Admissions D.1	19.62	19.40	18.53	❌	21.29	16.74	19.23	19.32	18.40	17.92	18.13	19.13	19.61	16.79	18.93	16.90
Operational Expenditure	(46,404.92)	(46,511.76)	(47,704.52)	❌	(46,721.02)	(45,058.68)	(46,314.02)	(47,493.63)	(47,144.41)	(48,047.07)	(47,116.82)	(47,496.42)	(49,195.23)	(49,090.17)	(49,646.04)	(49,130.71)
Income Per Admission	1.34	1.40	1.46	✅	1.33	1.47	1.44	1.43	1.42	1.49	1.48	1.46	1.48	1.56	1.48	1.47
Expenditure per Admission	(2.37)	(2.40)	(2.57)	❌	(2.19)	(2.69)	(2.41)	(2.46)	(2.56)	(2.68)	(2.60)	(2.48)	(2.51)	(2.92)	(2.62)	(2.91)
Efficiency Metric	(1.02)	(0.99)	(1.12)	❌	(0.86)	(1.22)	(0.97)	(1.03)	(1.14)	(1.19)	(1.12)	(1.02)	(1.03)	(1.36)	(1.14)	(1.43)

Table 1

		Financial criteria	Weight (%)	Metric	Rating categories			
					1 ²	2	3	4
No change	Continuity of Service	Balance sheet sustainability	25	Capital Service Capacity (times)	Less than 1.25x	1.25x - 1.75x	1.75x- 2.5x	Greater than 2.5x
		Liquidity	25	Liquidity (days)	Worse than (14) days	(14)-(7) days	(7)-0 days	Greater than 0 days
New triggers	Financial efficiency	Underlying performance	25	I&E margin ¹ (%)	Worse than (1)%	(1)-0%	0-1%	Greater than 1%
		Variance from plan	25	<div> <div>15</div> <div>Variance in I&E margin as a % of income¹</div> <div>10</div> <div>Variance in capital expenditure</div> </div>	<div> <div>Worse than (2)%</div> <div>Greater than 25%</div> </div>	<div> <div>(2)-(1)%</div> <div>25-20%</div> </div>	<div> <div>(1) - 0%</div> <div>20-10%</div> </div>	<div> <div>Greater than 0%</div> <div>10%</div> </div>

¹ calculated as I&E operating surplus(deficit) / total operating income

² scoring a '1' on any metric except variance in capital expenditure will cap the weighted rating to 2, leading to potential investigation

Table 2

Sustainability and financial performance risk rating	Description	Regulatory activity
4	No evident concerns	None
3	Emerging or minor concern potentially requiring scrutiny	Potential improvement support
2	Material risk	Likely investigation Potential improvement support
1	Significant risk	Investigation (in all but exceptional circumstances) Potential improvement support

1. Adjusted Admissions - Is defined as an increase of Inpatient Admissions based on Outpatient Income as a percentage of Inpatient Income.

2. CRS - Commissioner Requested Service.

3. FSRR - Financial Sustainability Risk Rating and describes the risk of a provider of CRS ceasing to be a going concern and its overall financial efficiency. This rating represents Monitor's view of the likelihood that a licence holder is, will be or could be in breach of the CoS licence Condition 3 and/or the provisions of the NHS foundation licence Condition 4 (governance) which relate to finance.

4. Liquidity - days of operating costs held in cash or cash-equivalent forms, including wholly committed lines of credit available for drawdown.

5. Capital Servicing Capacity - the degree to which the organisation's generated income covers its financing obligations.

6. Income and Expenditure (I&E) Margin - the degree to which the organisation is operating at a surplus/deficit.

7. Variance from plan in relation to I&E margin - variance between a foundation trust's planned I&E margin in its annual forward plan and its actual I&E margin within the year.

8. PDC - Public Dividend Capital.

9. Target Contribution - The contribution required for the Trust to breakeven.

10. Direct Costs - These relate directly to the delivery of patient care. These costs can be directly linked to the delivery of patient care and costs are caused/arise as a result of individual patient episodes of care.

11. Indirect Costs - These are indirectly related to the delivery of patient care, but cannot always be specifically identified to individual patients.

12. Normalised - Reflects the underlying position after the exclusion of one-offs and non-recurrent items.