

# Finance Performance Report 2017/18

## March 2018

Director of Finance and Performance Management  
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Month 12 (March) 2017/18

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# Executive Summary

## Month 12 (March) 2017/18

### Executive Summary

The Trust has generated a consolidated deficit for the full year of £20.8m which is £15.4m behind plan. The variance is driven by the underachievement of STF funding of £3.4m, 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 (£9.6m) and losses from Income determination of £3.2m. £4.2m of additional bonus STF was awarded to the Trust in Month 12 which improved the position. 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 March (month 12) was £4m (consolidated position excluding Sustainability and Transformation Funds, including Spencer Wing, and after technical adjustments) against a planned profit of £0.5m ( £4.4m adverse to plan).

The year to date I&E deficit after adjustments is £29.9m which is £11m behind plan. A reconciliation of the various adjustments is presented below. After allowing for £3.2m of potential determinations losses and a gain of £1.8m for additional CQUIN money the Trust has delivered £1.4m better than forecast.

£'000	This Month			Year to Date		
	Plan	Actual	Variance	Plan	Actual	Variance
EKHUFT Income (inc STF)	52,145	55,867	3,722	584,133	584,809	676
EKHUFT Pay	(28,544)	(31,373)	(2,829)	(344,356)	(351,694)	(7,339)
EKHUFT Non-Pay	(21,511)	(25,499)	(3,988)	(245,334)	(254,121)	(8,787)
<b>EKHUFT Financial Position (inc STF)</b>	<b>2,090</b>	<b>(1,005)</b>	<b>(3,095)</b>	<b>(5,557)</b>	<b>(21,006)</b>	<b>(15,449)</b>
Spencer Unit Financial Position	7	15	8	187	192	5
<b>Consolidated I&amp;E Position (inc STF)</b>	<b>2,097</b>	<b>(990)</b>	<b>(3,087)</b>	<b>(5,370)</b>	<b>(20,814)</b>	<b>(15,444)</b>
Impairments Adjustment	62	1,252	1,190	925	2,045	1,120
STF Funding	(1,695)	(4,232)	(2,537)	(14,537)	(11,174)	3,363
<b>Consolidated I&amp;E Position (exc STF)</b>	<b>464</b>	<b>(3,970)</b>	<b>(4,434)</b>	<b>(18,982)</b>	<b>(29,943)</b>	<b>(10,961)</b>

Trust unconsolidated pay costs in the month of £31.4m were £1.4m more than February and £2.8m over plan. The over spend is driven by A&E/Winter pressures. Permanent staff costs (including Overtime) were £0.5m higher than February. Bank usage increased by £0.6m and agency/locum staff increased £0.2m. All temporary staff (agency, bank, locum, overtime) increased by £0.8m to £5.3m in month. Waiting list payments increased by £0.1m in month. Pay is now £7.3m worse than plan year to date. The main driver for the pay overspend against plan remains the inability to close beds driven by A&E/Winter activity which has also resulted in increased pay spend in ED to maintain patient safety.

Clinical income was £2.3m behind plan in month. This is driven by low elective work, due to bed pressures, which have extended longer than originally predicted and provisions for income reductions driven by CCG Challenges. This is offset somewhat by strong non-elective activity and the non planned Health and Social Village bed income. Clinical income is £1.4m behind plan in year. Other income is £6m better than plan in month driven by additional education and training income and donation funding along with additional bonus STF awarded to the Trust by NHSi at the year end. Year to date other income is £2.2m behind plan as lost STF income is offset by over recovery of R&D and education income.

Against the full year £32.3m CIPS target, including income, the Trust has achieved £33.1m, £0.8m over plan. Of the reported position 14% is non recurrent.

The cash balance as at the end of the year was £7.2m, £4.2m above plan. The Trusts total cash borrowing is now £46.2m.

### Income and Expenditure

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In March the Trust reported a consolidated I&E deficit of £1m (before any adjustments) compared to a planned surplus of £2.1m. The reasons for the underperformance are as follows:-

- Lower than planned other income driven by provisions for income losses from determination and loss of elective work due to bed pressures.
- Higher than planned temporary staffing costs, driven by A&E/Winter pressures
- High non pay, driven mainly by unbudgeted Health and Social Care Village costs (offset by income), stock adjustments, outsourcing service costs and SACP expenses.

After adjustments the Trust is £11.0m behind plan YTD. This means the Trust has performed a little better than forecast after allowing for additional bonus STF and CQUIN income received and after absorbing the impact of some determination provisions. Of all the divisions the U&LTC division is under the most significant pressure resulting in its contribution for the full year being £6.6m worse than plan, driven mainly by temporary staff costs.

### Cash

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The Trust's cash balance at the end of March was £7.2m which was £4.2m above plan. The main drivers are:

- NHS income is £3.5m above plan driven by activity and other income is £2.5m over plan as education and R&D over performed.
- STF income is £7.6m behind plan due to A&E performance and missing the Q4 control total.
- Payroll expenditure is £6m below plan due to vacancies, offset with agency (see below).
- PDC payments are below plan £1m as cash is more favourable than expected
- Loans drawn are £19m over plan
- All other payments (including Agency, non pay and capital) are £20.3m over plan

£14.4m was borrowed in month to cover unpaid STF and overall the Trust has borrowings of £46.2m. The interest payments YTD in relation to these loans are £1m.

### Capital Programme

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The Trust has performed well on capital which is only 1% over plan at the year end after allowance for NHSi in year capital investments. 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.

### Cost Improvement Programme

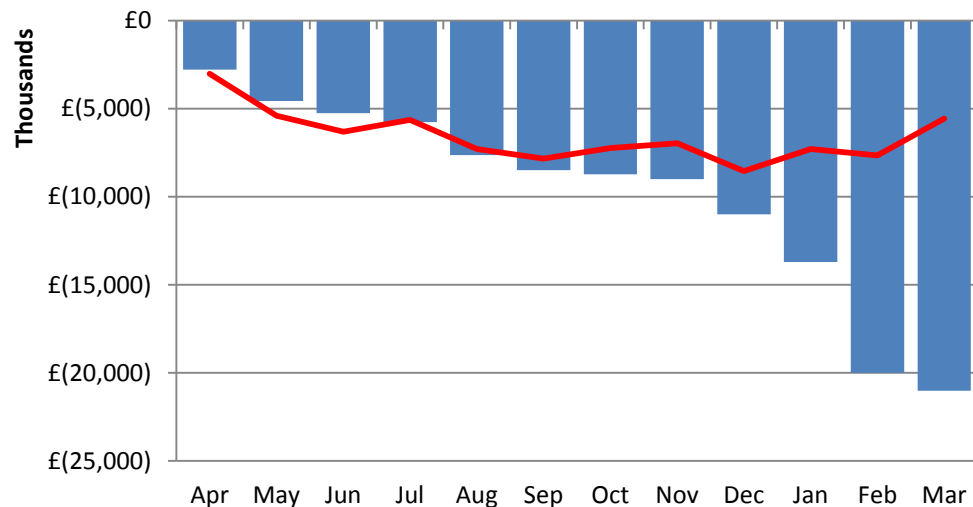
G

Net CIPs in month were £0.6m ahead of plan due largely to over performance in workforce and Divisional schemes. The full year position is £0.8m ahead of plan. Month 12 CIP delivery increased by £0.8m when compared to Month 11 as workforce, Agency and divisional schemes all increased in value. Non recurrent savings now stand at £4.8m and will be partially offset in 18/19 using the full year effect of 17/18 schemes.

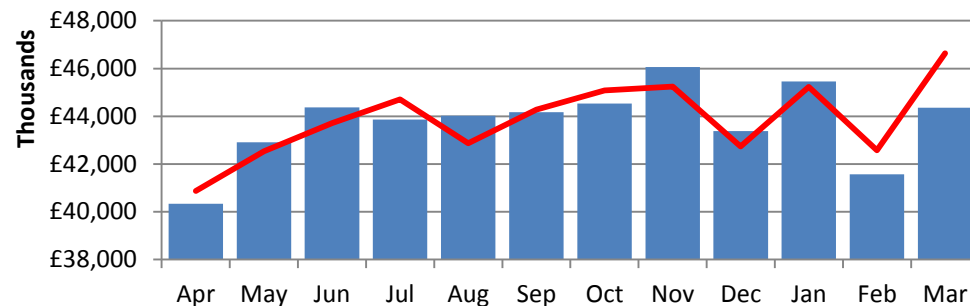
# Financial Dashboard

## Month 12 (March) 2017/18

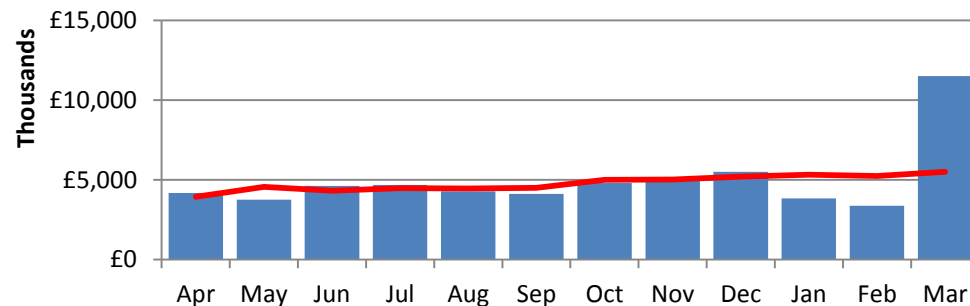
**YTD NET RETAINED SURPLUS/(DEFICIT): Plan v. Actual**



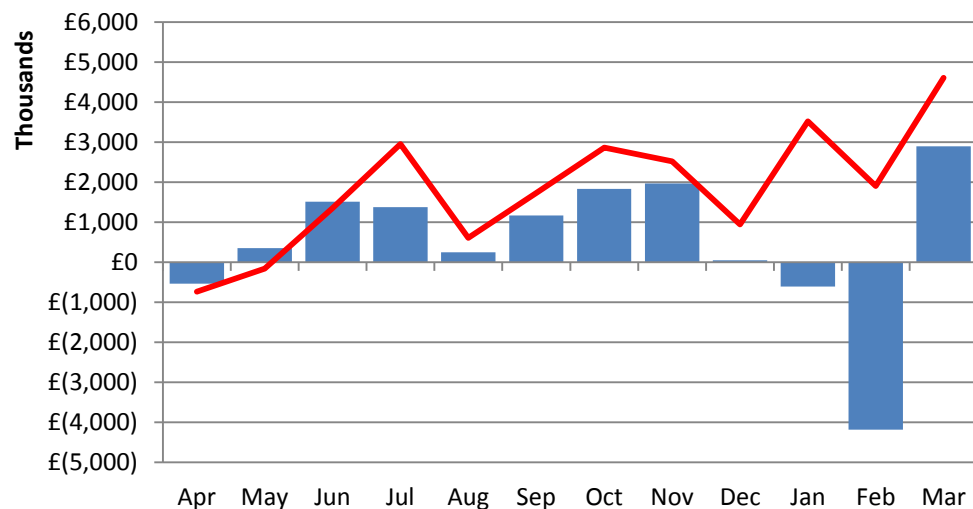
**TOTAL CORPORATE AND SLA INCOME: Plan v. Actual**



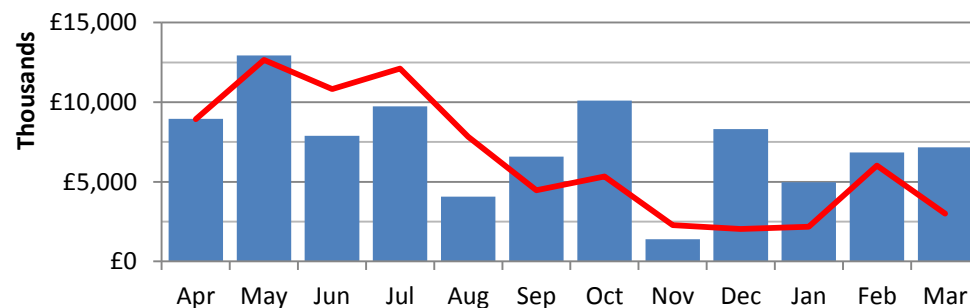
**ALL OTHER INCOME: Plan v. Actual**



**YTD EBITDA: Plan v. Actual**



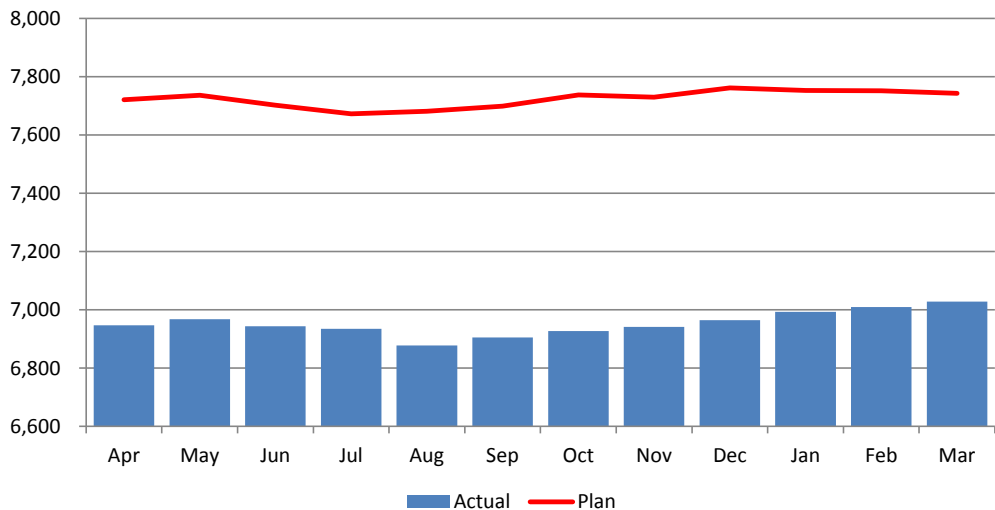
**Cash: Plan v Actual**



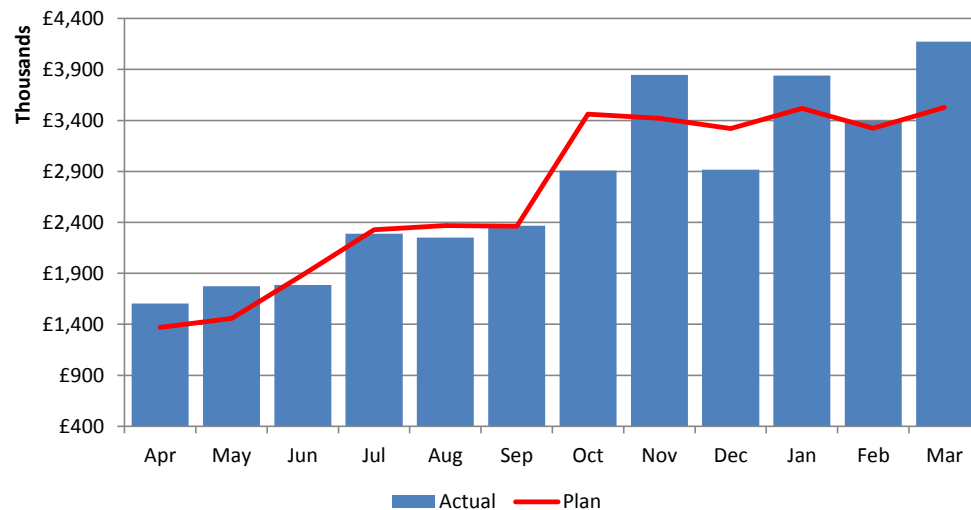
# Financial Dashboard

## Month 12 (March) 2017/18

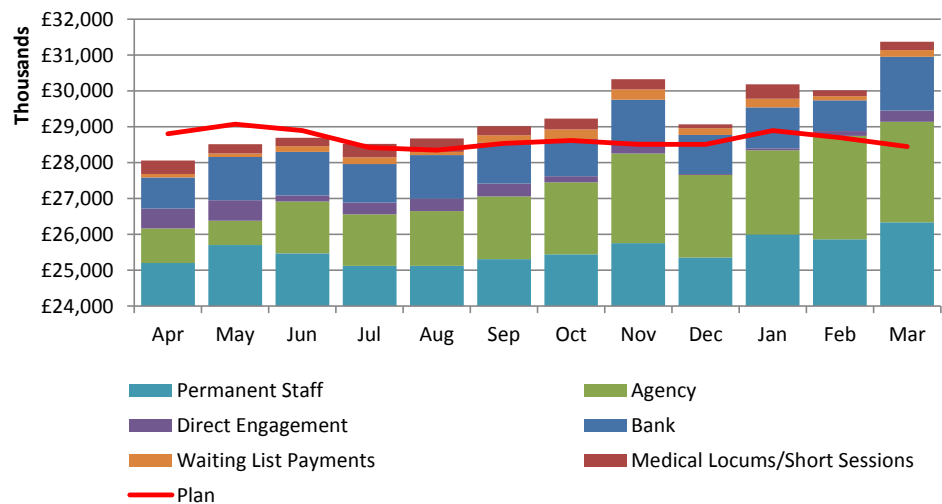
WTE: Plan v Actual



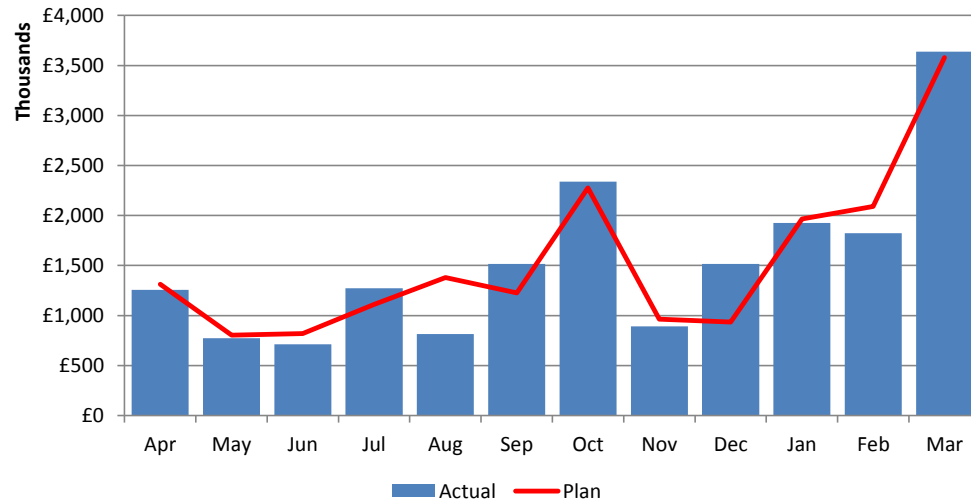
CIPs: Plan v Actual



Pay: Plan v Actual



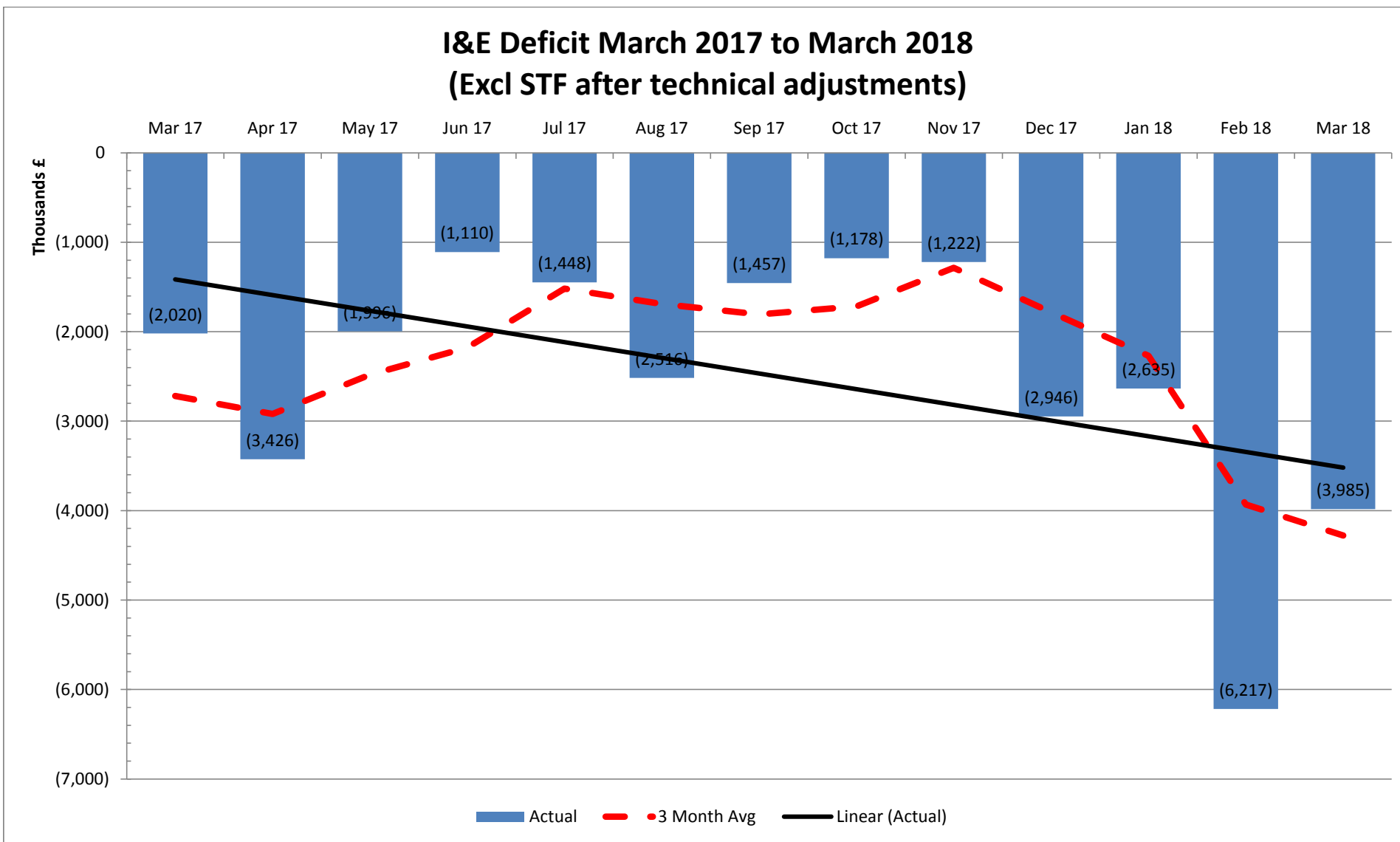
CAPITAL: Plan v. Actual



# KPIs

## Month 12 (March) 2017/18

		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	44,960
	Variance	63	-526	726	-819	976	-121	-623	849	822	557	-1,422	-2,457
	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	44,489
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	11,345
	Variance	-307	307	311	384	-278	-304	-178	208	420	-1,767	-2,142	5,991
	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	5,902
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	-31,963
	Variance	734	568	204	-97	-325	-508	-525	-1,751	-448	-1,209	-1,259	-3,074
	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	-30,966
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	-23,752
	Variance	131	46	-1,100	-827	-744	366	301	105	-1,708	-1,733	-1,274	-4,508
	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	-20,811
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	-1,580
	Variance	69	177	78	376	138	239	202	26	461	174	156	961
	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	-1,940
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	-3,346
	Variance	-40	189	-238	-590	-785	-919	-1,045	-1,845	-1,144	-1,529	-1,899	-2,088
	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	-3,110
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	4,173
	Variance	236	315	-99	-40	-117	7	-554	425	-404	321	69	646
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	7,157
	Variance		285	546	-2,359	-3,777	2,103	4,765	-884	6,262	2,780	826	4,152



# Income and Expenditure Summary

## Month 12 (March) 2017/18

Unconsolidated £000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>Income</b>						
Electives	100,038	87,471	(12,567)	9,489	6,782	(2,707)
Non-Electives	153,125	161,538	8,413	13,318	14,589	1,271
Accident and Emergency	26,602	26,301	(301)	2,447	2,398	(49)
Outpatients	80,322	76,602	(3,720)	7,273	6,192	(1,081)
High Cost Drugs	57,684	55,661	(2,023)	4,807	4,923	116
Private Patients	436	261	(175)	36	26	(10)
Other NHS Clinical Income	106,272	115,473	9,201	9,097	9,356	260
Other Clinical Income	2,022	1,704	(318)	168	90	(78)
<b>Total Corporate and SLA Income</b>	<b>526,501</b>	<b>525,010</b>	<b>(1,491)</b>	<b>46,635</b>	<b>44,356</b>	<b>(2,279)</b>
All Other Income	57,632	59,799	2,167	5,510	11,511	6,001
<b>Total Income</b>	<b>584,133</b>	<b>584,809</b>	<b>676</b>	<b>52,145</b>	<b>55,867</b>	<b>3,722</b>
<b>Expenditure</b>						
Permanent Staff	(315,295)	(301,588)	13,707	(26,308)	(25,875)	432
Overtime		(5,128)	(5,128)		(475)	(475)
Waiting List Payments	(1,144)	(2,132)	(989)	(95)	(191)	(96)
Medical Locums/Short Sessions	(1,950)	(3,350)	(1,400)	(163)	(229)	(67)
Bank	(8,509)	(13,452)	(4,943)	(720)	(1,485)	(765)
Agency	(13,650)	(22,660)	(9,010)	(984)	(2,804)	(1,820)
Direct Engagement	(3,808)	(3,383)	425	(274)	(313)	(39)
<b>Total Pay</b>	<b>(344,356)</b>	<b>(351,694)</b>	<b>(7,339)</b>	<b>(28,544)</b>	<b>(31,373)</b>	<b>(2,829)</b>
Non Pay	(217,641)	(227,003)	(9,362)	(18,986)	(21,591)	(2,605)
<b>Total Expenditure</b>	<b>(561,996)</b>	<b>(578,697)</b>	<b>(16,701)</b>	<b>(47,530)</b>	<b>(52,964)</b>	<b>(5,434)</b>
Non-Operating Expenses	(27,693)	(27,118)	575	(2,525)	(3,908)	(1,383)
<b>Income and Expenditure Surplus/(Deficit)</b>	<b>(5,557)</b>	<b>(21,006)</b>	<b>(15,449)</b>	<b>2,090</b>	<b>(1,005)</b>	<b>(3,095)</b>

Consolidated £000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>Income</b>						
Clinical Income	535,849	533,505	(2,344)	47,417	44,960	(2,457)
Non Clinical Income	55,807	58,285	2,478	5,354	11,345	5,991
<b>Total Income</b>	<b>591,656</b>	<b>591,790</b>	<b>134</b>	<b>52,771</b>	<b>56,305</b>	<b>3,534</b>
<b>Expenditure</b>						
Pay	(348,414)	(356,104)	(7,690)	(28,889)	(31,963)	(3,074)
Non Pay	(220,720)	(231,551)	(10,831)	(19,244)	(23,752)	(4,508)
<b>Total Expenditure</b>	<b>(569,134)</b>	<b>(587,655)</b>	<b>(18,521)</b>	<b>(48,133)</b>	<b>(55,715)</b>	<b>(7,582)</b>
Non-Operating Expenses	(27,892)	(24,949)	2,943	(2,541)	(1,580)	961
<b>Income and Expenditure Surplus/(Deficit)</b>	<b>(5,370)</b>	<b>(20,814)</b>	<b>(15,444)</b>	<b>2,097</b>	<b>(990)</b>	<b>(3,087)</b>

### Corporate and SLA Income

East Kent CCGs income under performed against plan by £3.5 in month. The majority of this adverse position is driven by the low activity in elective care due to high levels of planned operations being cancelled along with provisions included for the results of the expert determination. A richer than planned case mix in Non-Electives and funding for the HSCV beds (£3.5m YTD) which is not in our current contract goes some way to offset this. The financial impact in 2017-18 of the Expert Determination exercise is not yet fully quantified as further work is required on 2 challenges but is estimated at £3.2m. However, the majority of the challenges will not have a financial impact in year.

NHSE Contracts are above plan in month by £838k. Rechargeable expenditure such as high cost drugs, devices and haemophilia blood products under performed by £36k 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 did not deliver, however, the risk against non achievement remained with the commissioner.

### Other Income and Expenditure

Non clinical income is favourable to plan at year end by £2.2m (3.8%), an improvement in month of £8.1m. Overperformance against plan on Sustainability and Transformation funding is £2.5m in March due to bonus STF received in Month 12 from NHSI. For the full year STF is £3.4m less than plan due to STF withheld for A&E performance and missing Q4 control total. The position is improved by Winter and ED Improvement funding totalling £1.7m and favourable performances against plan on education and training and research and innovation projects totalling £3.4m. Income CIP schemes are showing a favourable performance against plan of £0.7m. Income and expenditure on the SaCP project has slipped by £1.6m ytd with £1m of project income and expenditure realised in March.

Total expenditure is £16.7m adverse to plan for the year (3%) including £7.4m for the A&E Improvement Plan. Pay expenditure is adverse to plan by £7.3m for the full year and the main drivers for the adverse position continue to be temporary staffing costs and unachieved CIP schemes. Provisions have also been made in March to account for arrears of £0.6m relating to consultant job planning. Non pay expenditure is adverse to plan by £9.4m ytd, mainly relating to previously reported expenditure on the purchase of additional capacity in the independent sector, offset by an underspend on drugs.

The expenditure run rate has increased by £3.9m in March, an increase of £1.4m in pay and £2.5m in non pay. The medical staffing provision detailed above and increased temporary staffing costs and waiting list payments account for the increased pay spend in March. Increased expenditure on drugs and clinical supplies accounts for £1.4m of the movement on non pay and is partly due to an adverse year-end stock adjustment of £0.6m. SaCP spend on IT software in March accounts for a further £1.1m



# Subjective Expenditure

## Month 12 (March) 2017/18

Trustwide Subjective Expenditure £000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
<b>Income</b>													
Electives	6,424	7,271	8,017	7,414	7,453	7,737	7,923	8,351	6,796	6,629	6,673	6,782	87,471
Non-Electives	12,862	13,522	13,494	12,782	12,913	13,320	13,071	13,489	13,457	15,369	12,670	14,589	161,538
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	2,398	26,301
Outpatients	5,474	6,519	6,709	6,518	6,651	6,074	7,030	7,431	5,350	6,766	5,885	6,192	76,602
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	4,923	55,661
Private Patients	42	6	73	(40)	16	23	28	24	16	31	17	26	261
Other NHS Clinical Income	9,059	8,851	9,110	10,121	9,667	10,088	9,925	10,062	10,515	8,918	9,800	9,356	115,473
Other Clinical Income	124	187	137	117	154	187	176	166	119	169	78	90	1,704
<b>Total Corporate and SLA Income</b>	<b>40,334</b>	<b>42,910</b>	<b>44,380</b>	<b>43,843</b>	<b>44,025</b>	<b>44,168</b>	<b>44,529</b>	<b>46,067</b>	<b>43,625</b>	<b>45,204</b>	<b>41,568</b>	<b>44,356</b>	525,010
All Other Income	4,191	3,758	4,624	4,682	4,276	4,123	4,803	5,103	5,518	3,833	3,378	11,511	59,799
<b>Total Income</b>	<b>44,525</b>	<b>46,668</b>	<b>49,005</b>	<b>48,525</b>	<b>48,301</b>	<b>48,291</b>	<b>49,332</b>	<b>51,170</b>	<b>49,143</b>	<b>49,038</b>	<b>44,946</b>	<b>55,867</b>	584,809
<b>Expenditure</b>													
Permanent Staff	(24,695)	(25,381)	(25,087)	(24,738)	(24,728)	(24,884)	(25,012)	(25,301)	(24,875)	(25,598)	(25,415)	(25,875)	(301,588)
Overtime	(507)	(322)	(381)	(390)	(401)	(423)	(434)	(462)	(484)	(403)	(447)	(475)	(5,128)
Waiting List Payments	(100)	(101)	(159)	(186)	(96)	(211)	(262)	(281)	(188)	(240)	(116)	(191)	(2,132)
Medical Locums/Short Sessions	(368)	(260)	(236)	(372)	(372)	(254)	(301)	(290)	(104)	(404)	(161)	(229)	(3,350)
Bank	(866)	(1,199)	(1,213)	(1,069)	(1,208)	(1,132)	(1,041)	(1,150)	(1,086)	(1,142)	(864)	(1,485)	(13,452)
Agency	(966)	(685)	(1,454)	(1,433)	(1,527)	(1,751)	(2,003)	(2,495)	(2,303)	(2,349)	(2,890)	(2,804)	(22,660)
Direct Engagement	(555)	(568)	(165)	(337)	(346)	(363)	(173)	(353)	(28)	(54)	(127)	(313)	(3,383)
<b>Total Pay</b>	<b>(28,057)</b>	<b>(28,516)</b>	<b>(28,696)</b>	<b>(28,525)</b>	<b>(28,677)</b>	<b>(29,018)</b>	<b>(29,226)</b>	<b>(30,331)</b>	<b>(29,068)</b>	<b>(30,189)</b>	<b>(30,019)</b>	<b>(31,373)</b>	(351,694)
<b>Non-Pay</b>													
Drugs	(5,493)	(5,627)	(5,479)	(5,750)	(6,110)	(5,307)	(5,157)	(5,355)	(5,960)	(6,044)	(5,399)	(6,038)	(67,718)
Clinical Supplies	(5,481)	(5,113)	(6,050)	(5,681)	(6,160)	(5,502)	(5,713)	(6,054)	(5,863)	(6,064)	(5,819)	(6,499)	(69,999)
Non-Clinical Supplies	(444)	(928)	(1,126)	(1,097)	(881)	(953)	(1,038)	(1,129)	(1,061)	(786)	(1,169)	(2,185)	(12,797)
Facilities Management	(1,437)	(1,261)	(1,313)	(1,292)	(1,253)	(1,435)	(1,342)	(1,439)	(1,365)	(1,339)	(1,350)	(1,470)	(16,295)
NHS Supplies and Services	(187)	(290)	(385)	(285)	(177)	(356)	(251)	(105)	(270)	(328)	(200)	(280)	(3,112)
Cost of Secondary Commissioning of mandatory Services	(504)	(568)	(744)	(674)	(607)	(654)	(752)	(603)	(808)	(822)	(903)	(1,128)	(8,766)
Education & Training	(95)	(278)	(201)	(79)	(349)	(222)	(159)	(303)	(195)	(275)	(220)	526	(1,851)
Consultancy	(38)	(34)	(76)	(123)	(40)	(7)	(127)	()	(48)	(119)	(33)	(48)	(693)
Premises	(855)	(928)	(827)	(893)	(895)	(875)	(938)	(959)	(927)	(1,040)	(1,004)	(762)	(10,905)
Clinical Negligence	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,803)	(1,676)	(1,787)	(1,892)	(1,798)	(1,798)	(21,570)
Printing and Stationary	(66)	(104)	(101)	(78)	(134)	(54)	(86)	(86)	(75)	(71)	(101)	(141)	(1,098)
Postage	(66)	(226)	20	(72)	(116)	(85)	(91)	(91)	(107)	(84)	(86)	(119)	(1,123)
Telephones	(62)	(55)	(65)	(76)	(61)	(107)	(45)	(38)	(38)	(37)	(36)	(50)	(670)
Staff Travel	(158)	(112)	(136)	(192)	(99)	(139)	(167)	(144)	(190)	(148)	(127)	(159)	(1,770)
Transport Hire/Lease	(36)	(45)	(39)	(46)	(75)	(42)	(59)	(55)	(47)	(42)	(40)	(81)	(606)
Cleaning Materials	(22)	(26)	(12)	(19)	(23)	(24)	(108)	(31)	(27)	18	(25)	(24)	(323)
Office Equipment and Consumables	(7)	(1)	(15)	56	(58)	(22)	(1)	(41)	7	(15)	(7)	(74)	(179)
Misc Other Operating Expenses	(245)	(401)	(445)	(517)	(530)	(510)	(435)	(754)	(1,261)	(371)	(797)	(1,262)	(7,528)
<b>Total Non Pay</b>	<b>(17,002)</b>	<b>(17,798)</b>	<b>(18,798)</b>	<b>(18,619)</b>	<b>(19,370)</b>	<b>(18,099)</b>	<b>(18,270)</b>	<b>(18,864)</b>	<b>(20,022)</b>	<b>(19,458)</b>	<b>(19,112)</b>	<b>(21,591)</b>	(227,003)
<b>Total Expenditure</b>	<b>(45,059)</b>	<b>(46,314)</b>	<b>(47,494)</b>	<b>(47,144)</b>	<b>(48,047)</b>	<b>(47,117)</b>	<b>(47,496)</b>	<b>(49,195)</b>	<b>(49,090)</b>	<b>(49,646)</b>	<b>(49,131)</b>	<b>(52,964)</b>	(578,697)
<b>EBITDA</b>	<b>(534)</b>	<b>354</b>	<b>1,511</b>	<b>1,381</b>	<b>254</b>	<b>1,174</b>	<b>1,835</b>	<b>1,974</b>	<b>53</b>	<b>(609)</b>	<b>(4,185)</b>	<b>2,903</b>	<b>6,112</b>
Financing	(2,243)	(2,137)	(2,191)	(1,898)	(2,129)	(2,029)	(2,070)	(2,253)	(2,055)	(2,100)	(2,106)	(3,908)	(27,118)
<b>Income and Expenditure Surplus/(Deficit)</b>	<b>(2,777)</b>	<b>(1,783)</b>	<b>(680)</b>	<b>(517)</b>	<b>(1,875)</b>	<b>(855)</b>	<b>(235)</b>	<b>(279)</b>	<b>(2,002)</b>	<b>(2,709)</b>	<b>(6,291)</b>	<b>(1,005)</b>	<b>(21,006)</b>

# Clinical Income

## Month 12 (March) 2017/18

	Annual	Year to Date				This Month				
£000	Plan	Plan	Actual	Variance		Plan	Actual	Variance		
Electives	99,575	99,575	87,471	(12,104)	(12.2%)	9,413	6,681	(2,732)	(29.0%)	
Non-Electives	152,199	152,199	161,538	9,338	6.1%	13,246	14,382	1,136	8.6%	
Accident and Emergency	26,611	26,611	26,301	(310)	(1.2%)	2,448	2,385	(62)	(2.5%)	
First Outpatients	39,624	39,624	36,999	(2,625)	(6.6%)	3,567	2,849	(718)	(20.1%)	
Follow Up Outpatients	40,553	40,553	39,603	(950)	(2.3%)	3,677	3,194	(483)	(13.1%)	
High Cost Drugs	57,684	57,684	55,661	(2,023)	(3.5%)	4,807	4,896	89	1.8%	
Private Patients	433	433	256	(177)	(40.8%)	27	25	(2)	(6.4%)	
Other NHS Clinical	108,030	108,030	115,455	7,426	6.9%	9,284	8,311	(973)	(10.5%)	
Other Clinical	1,766	1,766	1,759	(7)	(0.4%)	165	92	(73)	(44.3%)	
Prior Month Adjustment					0.0%		1,548	1,548	0.0%	
Total	526,475	526,475	525,043	(1,432)	(0.3%)	46,634	44,364	(2,270)	(4.9%)	

Adverse

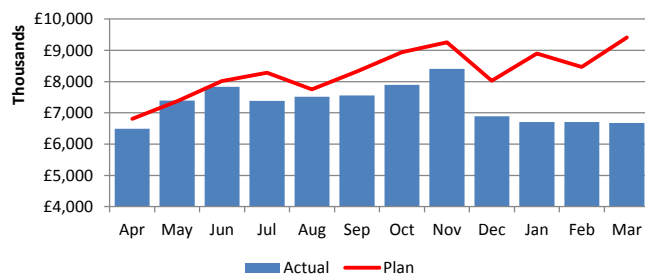
Adverse

Income has performed under plan in March, 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 of Non\_Electives are T&O, Healthcare of the Elderly, Cardiology, Gastroenterology and Respiratory Medicine. Outpatient activity has seen a large under performance in month. The biggest under-performing areas are T&O, Ophthalmology, Rheumatology and Physiotherapy. H&SCV beds unplanned income has been accrued in month as the system continues to utilise these beds.

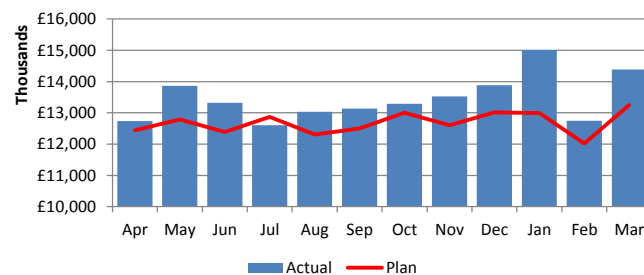
The Trust is reducing its reliance on the Independent Sector. In sourcing for Endoscopy day cases will continue and JAG accreditation for the WHH site has been achieved since November, with Best Practice being paid at the full rate from this month onwards and partial achievement being backdated to June. 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 £36k behind plan. This does not impact the bottom line as there is a corresponding decrease in expenditure.

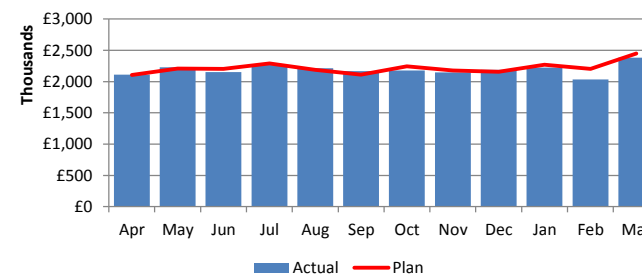
### Electives Plan v Actual



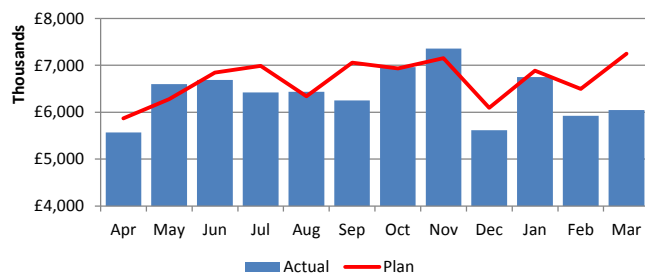
### Non-Electives: Plan v Actual



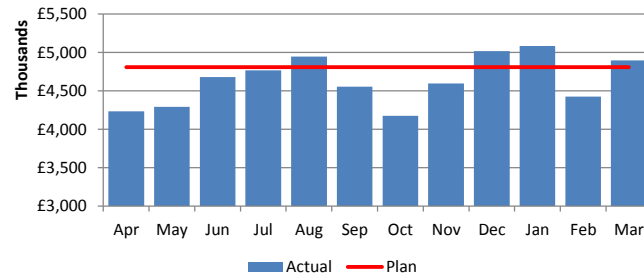
### Accident & Emergency: Plan v Actual



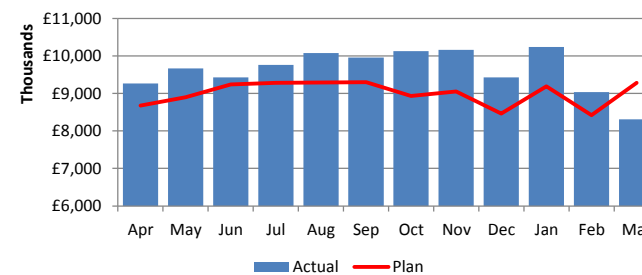
### Outpatients: Plan v Actual



### High Cost Drugs: Plan v Actual



### Other NHS Clinical: Plan v Actual



# Clinical Activity

## Month 12 (March) 2017/18

	Annual	Year to Date			This Month				
Activity Units	Plan	Plan	Actual	Variance		Plan	Actual	Variance	
Electives	90,641	90,641	88,927	(1,714)	(1.9%)	8,188	7,281	(907)	(11.1%)
Non-Electives	86,516	86,516	80,286	(6,230)	(7.2%)	7,498	7,055	(443)	(5.9%)
Accident & Emergency	215,706	215,706	207,401	(8,305)	(3.9%)	19,164	18,267	(897)	(4.7%)
First Outpatients	246,433	246,433	234,997	(11,436)	(4.6%)	21,994	17,940	(4,054)	(18.4%)
Follow Up Outpatients	548,298	548,298	527,081	(21,217)	(3.9%)	49,437	42,540	(6,897)	(14.0%)
Other NHS Clinical	5,471,543	5,471,543	5,404,135	(67,408)	(1.2%)	485,061	445,694	(39,367)	(8.1%)
Total	1,187,594	1,187,594	1,138,692	(48,902)	(4.1%)	106,281	93,083	(13,198)	(12.4%)
					Adverse	Adverse			

Adverse

Adverse

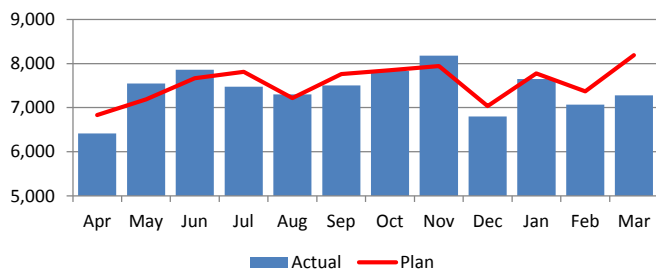
Activity under performed in month in all of our key delivery areas.

Elective Inpatient activity was 22% under plan largely due to T&O (by 199). Elective income also under performed in month significantly due to an £840k income CIP which was not achieved.

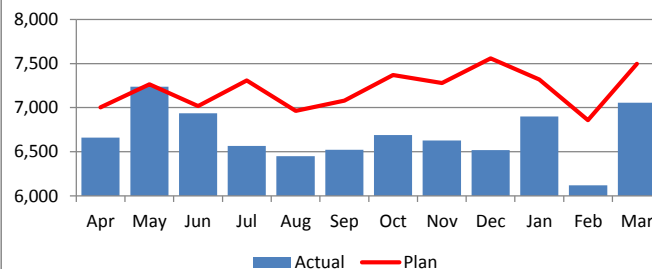
Day case activity was 13.4% under plan (General Medicine 240, T&O 199, Urology 82 and ENT 73). Outpatient activity also under performed in month with an overall underperformance of 15.5% across new and follow up attendances.

All divisions have signed off on their demand and capacity plans and have been funded to resource each speciality to a level that allows income and activity to meet plans. Some of the underperformance against 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.

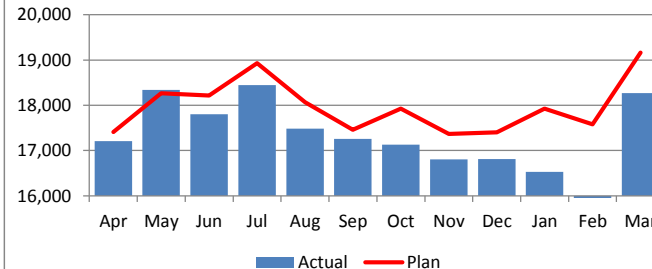
### Electives: Plan v Actual



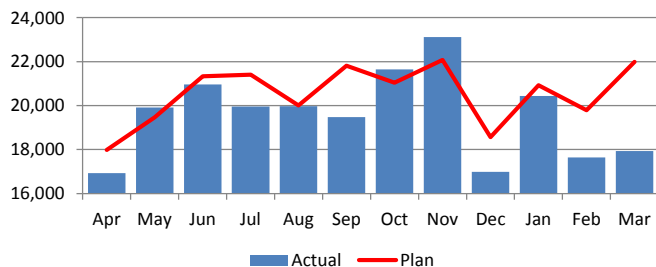
### Non-Electives: Plan v Actual



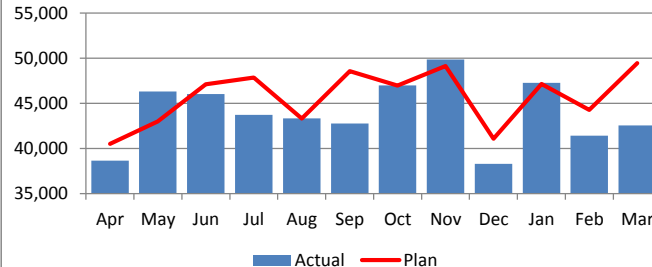
### Accident & Emergency: Plan v Actual



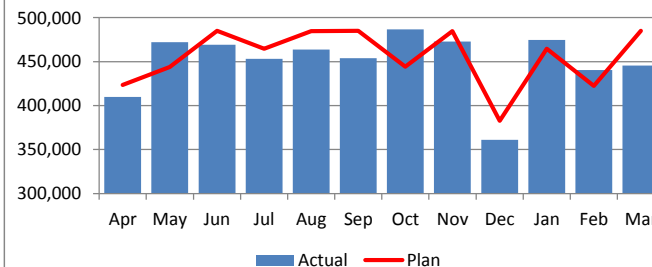
### First Outpatients: Plan v Actual



### Follow Up Outpatients: Plan v Actual



### Other NHS Clinical: Plan v Actual



# Clinical Income - by Commissioner

Month 12 (March) 2017/18

Commissioner	Annual £000	Year to Date £000			This Month £000		
	Plan	Plan	Actual	Variance	Plan	Actual	Variance
NHS Ashford CCG	66,915	66,915	68,867	1,952	5,869	5,276	(593)
NHS Canterbury & Coastal CCG	112,807	112,807	114,509	1,701	9,905	8,651	(1,254)
NHS South Kent Coast CCG	126,788	126,788	129,199	2,411	11,146	10,069	(1,077)
NHS Thanet CCG	93,394	93,394	93,586	193	8,197	7,670	(527)
East Kent CCGs	399,905	399,905	406,162	6,257	35,117	31,666	(3,451)
NCA - England	4,803	4,803	4,689	(114)	379	265	(114)
NHS England - Armed Forces	156	156	157		14	11	(3)
NHS England - Specialised Services	77,358	77,358	80,751	3,393	6,568	7,353	784
NHS England - Health In Justice	26	26	128	102	2	9	6
NHS England - Secondary Dentistry	5,428	5,428	5,837	409	493	492	(1)
NHS England - Public Health	6,442	6,442	6,600	158	537	589	52
Kings	264	264	263	(1)	22	23	1
NCA - Wales	1	1	136	135		2	2
NCA - Northern Ireland			6	6			
NCA - Scotland			24	23		1	1
Other Trusts	2,410	2,410	2,319	(91)	201	207	6
East Kent Overseas			615	615	2	40	38
NHS Dartford, Gravesham & Swanley CCG	365	365	437	72	32	26	(5)
NHS Medway CCG	2,153	2,153	2,111	(42)	190	253	63
NHS Swale CCG	4,303	4,303	3,335	(968)	381	235	(146)
NHS West Kent CCG	5,221	5,221	5,430	208	461	514	54
Other Organisations	12,169	12,169	2,503	(9,667)	1,778	158	(1,620)
Cancer Drugs Fund	5,469	5,469	3,007	(2,462)	456	331	(125)
Adjust Prior Month Reported Position						1,548	1,548
Prior year Income			534	534		641	641
Total	526,475	526,475	525,043	(1,433)	46,634	44,364	(2,269)

Clinical income is £2.3m behind plan in month and £1.4m at year end. All Commissioner contracts are over performing at year end with the exception of The Cancer Drugs Fund, Medway and Swale CCGs.

Other organisations includes a £9.2m full year 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 12 (March) 2017/18

### Pay Expenditure

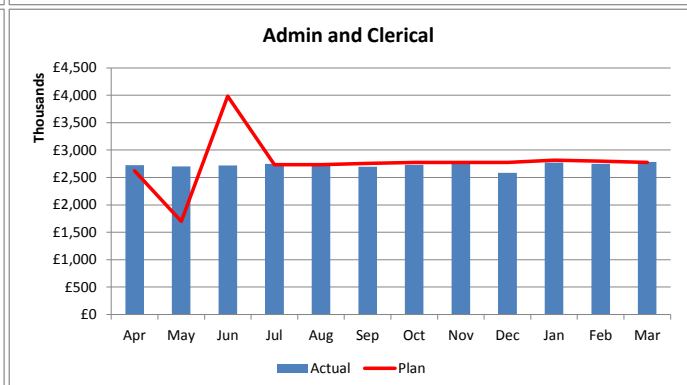
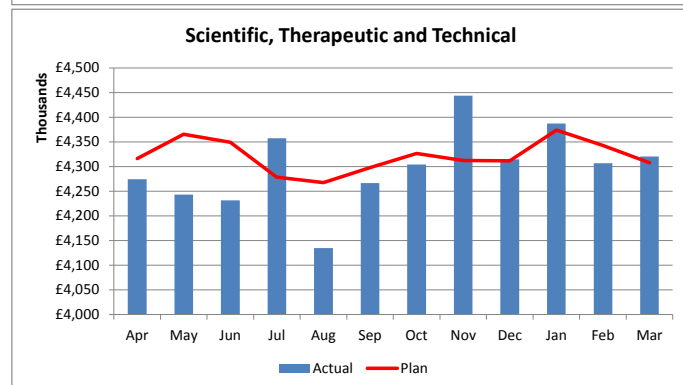
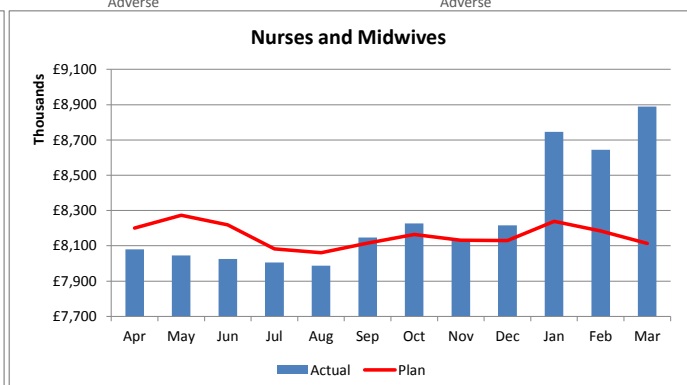
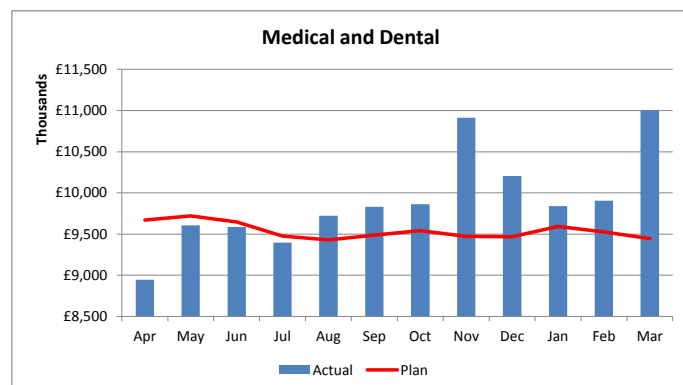
£000	Annual	Year to Date			This Month			Agency % of Total	
	Plan	Plan	Actual	Variance	Plan	Actual	Variance	YTD	%
Medical and Dental	(114,479)	(114,479)	(118,815)	(4,336)	(9,444)	(11,003)	(1,559)	(12,821)	10.79%
Nurses and Midwives	(97,915)	(97,915)	(99,150)	(1,235)	(8,113)	(8,889)	(776)	(7,254)	7.32%
Scientific, Therapeutic and Technical	(51,849)	(51,849)	(51,584)	265	(4,307)	(4,320)	(13)	(1,821)	3.53%
Admin and Clerical	(33,233)	(33,233)	(32,723)	510	(2,773)	(2,785)	(12)	(132)	0.40%
Other	(46,880)	(46,880)	(49,423)	(2,543)	(3,906)	(4,375)	(469)	(632)	1.28%
<b>Total</b>	<b>(344,356)</b>	<b>(344,356)</b>	<b>(351,694)</b>	<b>(7,339)</b>	<b>(28,544)</b>	<b>(31,373)</b>	<b>(2,829)</b>	<b>(22,660)</b>	<b>6.44%</b>

-2.13%

Adverse

-9.91%

Adverse



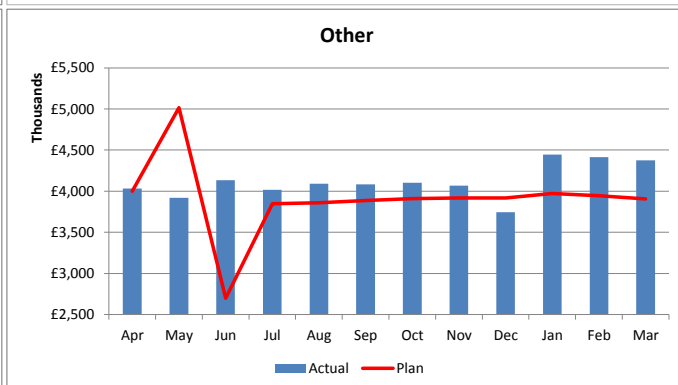
Pay performance is adverse to plan by £7.3m (2.1%) for the full year. Pay CIPs are adverse to plan by £1.1m.

Medical staffing spend in March is adverse to plan by £1.6m, bringing the full year overspend to £4.3m. This worsening trend is partially accounted for by provisions made relating to consultant job planning arrears costing £0.6m and recognising a further risk associated with outstanding prior months bank and agency shifts totalling £0.4m in March. Reliance on temporary staffing remains high and these staffing groups are £1.1m adverse to plan in March (including bank staff and unachieved CIPs but excluding the effect of the further risk of prior month accruals).

Expenditure on nursing staff is adverse to plan ytd by £1.2m, a further deterioration against plan of £0.8m in March. Use of TFS Healthcare agency nurses to ease pressures in EDs and to staff Winter pressure beds cost £0.7m in March and £1.7m for the full year.

Above plan expenditure on HCAs in UC&LTC of £1.9m for the year accounts for the majority of the overspend on Other staff. Expenditure on TFS agency HCAs stands at £0.1m in March and £0.4m for the year in UC&LTC and Surgical Services.

Total expenditure on pay in March was £31.4m, £1.4m higher than in February. Additional medical staffing costs detailed above account for £1.0m of the increase with higher costs also incurred on waiting list payments and non medical bank staff.



# Non-Pay

## Month 12 (March) 2017/18

£000	Annual	Year to Date	This Month				
	Plan	Plan	Actual	Var.	Plan	Actual	Var.
Drugs	(70,014)	(70,014)	(67,718)	2,296	(5,958)	(6,038)	(80)
Clinical Supplies	(69,612)	(69,612)	(69,999)	(387)	(6,117)	(6,499)	(382)
Non-Clinical Supplies	(10,070)	(10,070)	(12,797)	(2,727)	(603)	(2,185)	(1,582)
Facilities Management	(15,864)	(15,864)	(16,295)	(431)	(1,323)	(1,470)	(147)
NHS Supplies and Services	(2,448)	(2,448)	(3,112)	(664)	(264)	(280)	(16)
Cost of Secondary Commissioning of mandatory Services	(4,123)	(4,123)	(8,766)	(4,643)	(653)	(1,128)	(475)
Education & Training	(1,594)	(1,594)	(1,851)	(257)	(131)	526	657
Consultancy	(829)	(829)	(693)	136	(65)	(48)	16
Premises	(12,913)	(12,913)	(10,905)	2,009	(1,367)	(762)	605
Clinical Negligence	(21,637)	(21,637)	(21,570)	66	(1,804)	(1,798)	6
Printing and Stationary	(1,554)	(1,554)	(1,098)	456	(126)	(141)	(15)
Postage	(1,013)	(1,013)	(1,123)	(110)	(85)	(119)	(34)
Telephones	(719)	(719)	(670)	49	(62)	(50)	12
Staff Travel	(2,137)	(2,137)	(1,770)	367	(133)	(159)	(27)
Transport Hire/Lease	(725)	(725)	(606)	119	(80)	(81)	(1)
Cleaning Materials	(339)	(339)	(323)	16	(28)	(24)	4
Office Equipment and Consumables	(165)	(165)	(179)	(15)	(26)	(74)	(48)
Misc Other Operating Expenses	(1,884)	(1,884)	(7,528)	(5,644)	(160)	(1,262)	(1,102)
<b>Total Non-Pay Expenditure</b>	<b>(217,641)</b>	<b>(217,641)</b>	<b>(227,003)</b>	<b>(9,362)</b>	<b>(18,986)</b>	<b>(21,591)</b>	<b>(2,605)</b>
Depreciation & Amortisation-Owned Assets	(18,394)	(18,394)	(17,685)	709	(1,535)	(1,240)	295
Impairment Losses	(500)	(500)	(2,339)	(1,839)	(250)	(2,339)	(2,089)
Profit/Loss on Asset Disposals	(100)	(100)	42	142	(12)	(48)	(36)
PDC Dividend	(7,700)	(7,700)	(6,273)	1,427	(642)	(180)	462
Interest Receivable	36	36	110	74	3	21	18
Interest Payable	(1,035)	(1,035)	(965)	70	(89)	(121)	(32)
Other Non-Operating Expenses			(7)	(7)			
<b>Total Non-Operating Expenditure</b>	<b>(27,693)</b>	<b>(27,693)</b>	<b>(27,118)</b>	<b>575</b>	<b>(2,525)</b>	<b>(3,908)</b>	<b>(1,383)</b>
<b>Total Expenditure</b>	<b>(245,334)</b>	<b>(245,334)</b>	<b>(254,121)</b>	<b>(8,787)</b>	<b>(21,511)</b>	<b>(25,499)</b>	<b>(3,988)</b>

Non Pay expenditure is adverse to plan ytd by £9.4m (4.3%).

Drug expenditure is favourable to plan by £2.3m for the year. Pass-through drugs are favourable to plan by £0.9m full year, offset by an adverse position on clinical income. All other drugs are favourable to plan by £1.4m.

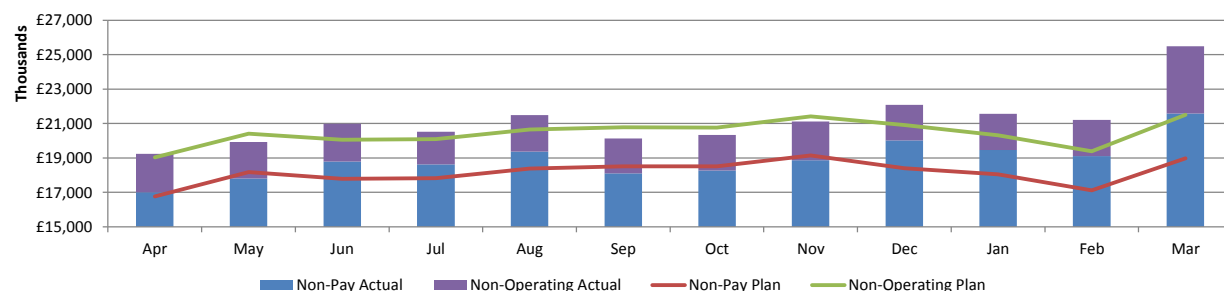
Expenditure on clinical supplies and services is adverse to plan in month and by £0.4m for the year, a deterioration in month of £0.4m. Medical equipment and disposables are adverse to plan by £0.6m in month predominantly due to an adverse stock adjustment, offset by a favourable performance against plan on CIP schemes of £0.2m. For the year the adverse variance on the purchase of medical equipment and disposables of £1.6m is offset by a favourable performance on CIP schemes of £1.2m. The annual underspend on NHS contracts (oncology and breast screening), rechargeable devices and externally referred diagnostics totalling £0.8m is offset by an overspend on scanning services of £0.7m.

Referrals to the independent sector are overspent £4.6m for the year. Expenditure on Health and Social Care Village beds and external support for Gastroenterology 18 week referrals totals £6.0m offset by below plan referrals to Spencer Wing and a favourable performance on CIP schemes totalling £1.6m.

Expenditure on non clinical supplies, general services and miscellaneous items is adverse to plan in total by £8.4m full year. This adverse variance is offset by a favourable position on premises expenditure of £2.0m, with slippage on the SaCP project standing at £1.6m after project income and expenditure of £1.0m was accounted for in March.

Expenditure on Education and Training is adverse to plan by £0.3m ytd and favourable to plan £0.7m in month following a review of accruals linked to HEE income.

**Non-Pay: Plan v Actual**



Non Operating Expenditure YTD is £0.6m below plan. The Trust incurred £965k interest charges in respect of the £22,736 facility utilised in 2016/17 and the £23.5m drawn in 2017/18.

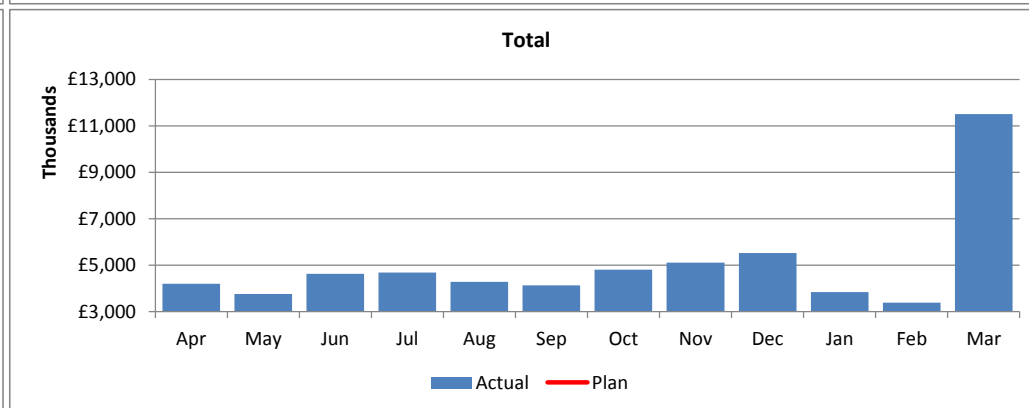
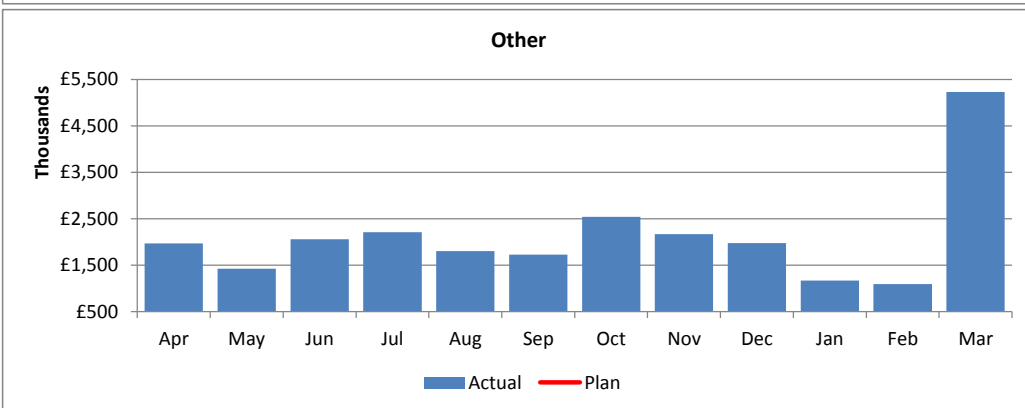
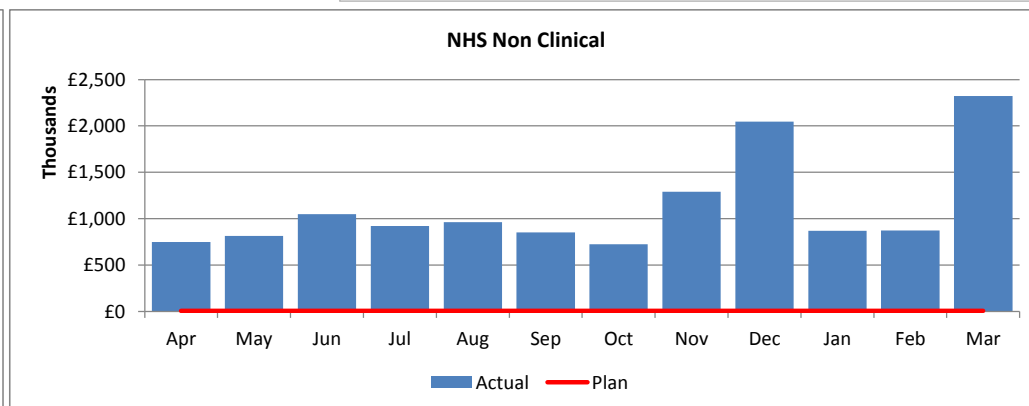
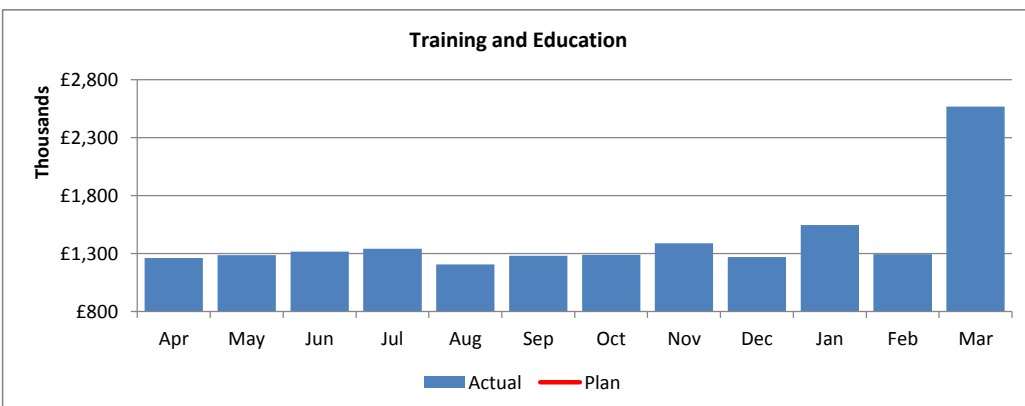
# Income Other

## Month 12 (March) 2017/18

### Income - Other

	Annual	Year to Date			This Month		
£000	Plan	Plan	Actual	Variance	Plan	Actual	Variance
Training and Education	13,799	13,799	17,041	3,242	1,150	2,567	1,417
Research and Development	2,468	2,468	2,673	205	202	172	(30)
NHS Non Clinical	11,065	11,065	13,478	2,412	920	2,323	1,403
Other	29,800	29,800	25,350	(4,450)	2,972	5,229	2,257
Donated Asset	500	500	1,258	758	265	1,219	954
<b>Total</b>	<b>57,632</b>	<b>57,632</b>	<b>59,799</b>	<b>2,167</b>	<b>5,510</b>	<b>11,511</b>	<b>6,001</b>
				3.76%			108.92%
				Favourable			Favourable

Non clinical income is favourable to plan at year end by £2.2m (3.8%), an improvement in month of £8.1m. Overperformance against plan on Sustainability and Transformation funding is £2.5m in March due to bonus STF received in Month 12 from NHSi. For the full year STF is £3.4m less than plan due to STF withheld for A&E performance and missing Q4 control total. The position is improved by Winter and ED Improvement funding totalling £1.7m and favourable performances against plan on education and training and research and innovation projects totalling £3.4m. Income CIP schemes are showing a favourable performance against plan of £0.7m. Income and expenditure on the SaCP project has slipped by £1.6m ytd with £1m of project income and expenditure realised in March.



# Cost Improvement Summary

## Month 12 (March) 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	4,666	3,621	(1,045)	526	502	(24)	3,621	(1,045)
Diagnostic Demand Reduction	-	-	-	-	-	-	-	-
Agency	5,882	4,521	(1,361)	590	611	21	4,521	(1,361)
Workforce *	5,114	7,636	2,522	469	615	145	7,636	2,522
Procurement	2,087	2,465	378	118	254	135	2,465	378
Medicine Optimisation	891	990	100	503	117	(386)	990	100
Division Schemes **	9,258	11,091	1,833	926	1,359	433	11,091	1,833
<b>Sub-total</b>	<b>27,898</b>	<b>30,325</b>	<b>2,427</b>	<b>3,133</b>	<b>3,457</b>	<b>324</b>	<b>30,325</b>	<b>2,427</b>
Central	4,438	2,817	(1,622)	394	716	322	2,817	(1,622)
<b>Grand Total</b>	<b>32,336</b>	<b>33,141</b>	<b>805</b>	<b>3,527</b>	<b>4,173</b>	<b>646</b>	<b>33,141</b>	<b>805</b>

\* 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	4,173
<b>*excl Income Completeness</b>	<b>32,336</b>	<b>33,141</b>

102.5%

### CIPs

The CIPs Plan is £32m, net of the cost of delivery. CIPs achieved in M12 were £4.2m against a plan of £3.5m. Achievement for the Year £33.1m against plan of £32.3m. The major areas of CIP achievement in M12 were Divisional schemes £1.4m, Agency £0.6m, Workforce £0.6m and Central £0.7m offset by shortfalls in Medicines Optimisation £(0.4m). The Medicines Optimisation variance in March relates to phasing in the plan and has over performed by £0.1m for the year. CIPs in March amounted to £3.9m recurrent and £0.3m on a non-recurrent basis. Year to date the recurrent/non-recurrent split is £28.3m and £4.8m respectively.



# Cost Improvement Summary

Month 12 (March) 2017/18

## Planned Summary

Programme Divisions £000	2017 - 2018		Target Variance		
	Draft Target	Gross	Achieved	vs. Gross	vs. Achieved
Clinical Support	2,092	2,046	3,807	(46)	1,715
Specialist	3,149	3,249	3,443	100	293
Surgery	6,433	6,433	7,308	-	875
UC&LTC	6,769	6,771	8,190	2	1,420
Corporate - Other	808	808	926	-	118
SD&CP	1,212	1,218	1,743	6	531
Procurement	2,087	2,087	2,758	-	671
Medicine Optimisation	776	776	830	(0)	55
Outpatients	-	-	-	-	-
Workforce	-	-	-	-	-
<b>Sub-total</b>	<b>23,326</b>	<b>23,388</b>	<b>29,005</b>	<b>62</b>	<b>5,679</b>
Central	9,010	8,948	4,136	(62)	(4,874)
<b>Grand Total</b>	<b>32,336</b>	<b>32,336</b>	<b>33,141</b>	<b>(0)</b>	<b>805</b>

## Planned Summary

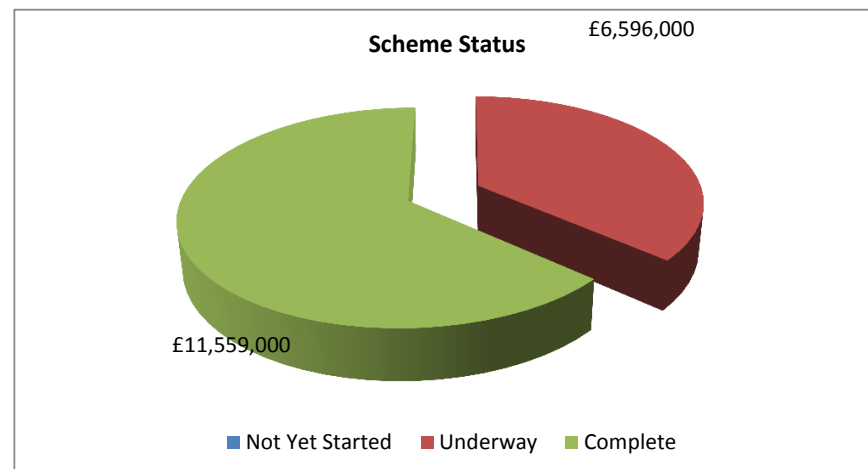
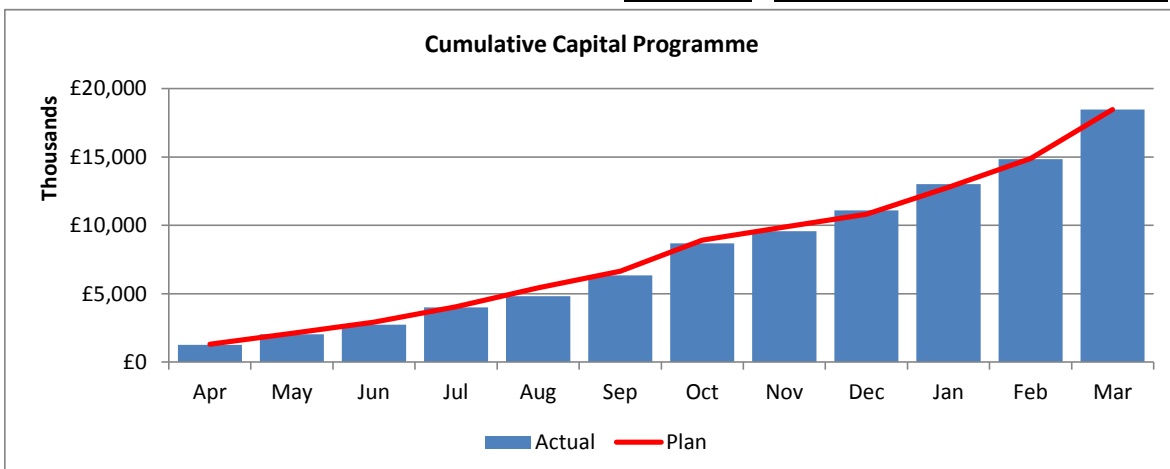
Programme Themes £000	2017 - 2018		Target Variance		
	Draft Target	Gross	Achieved	vs. Gross	vs. Achieved
Theatres	-	-	-	-	-
Outpatients	-	-	-	-	-
Patient Flow/LOS	4,666	4,666	3,621	-	(1,045)
Diagnostic Demand Reduction	-	-	-	-	-
Agency	5,882	5,882	4,521	0	(1,361)
Workforce *	4,631	5,114	7,636	483	3,005
Procurement	2,087	2,087	2,465	-	378
Medicine Optimisation	891	891	990	(0)	100
Division Schemes **	9,679	9,258	11,091	(421)	1,411
<b>Sub-total</b>	<b>27,836</b>	<b>27,898</b>	<b>30,325</b>	<b>62</b>	<b>2,489</b>
Central	4,500	4,438	2,817	(62)	(1,684)
<b>Grand Total</b>	<b>32,336</b>	<b>32,336</b>	<b>33,141</b>	<b>-</b>	<b>805</b>

## Capital Expenditure Month 12 (March) 2017/18

### Capital Programme

£000	Annual	To Date		
	Plan	Plan	Actual	Variance
WHH Orthopaedic Outpatients	1,446	1,446	1,344	102
Clinical Strategy Plans	200	200	209	(9)
Electronic Health Records	1,240	1,240	1,273	(33)
CT/CT SPECT Replacement	80	80	9	71
KCH MRI Replacement	3,671	3,671	3,616	55
QEQM Cardiac Catheter Lab				
CCU Move to Arundel Unit	2,886	2,886	3,036	(150)
Invest To Save Schemes	106	106	144	(38)
Replacement Medical Equipment	2,875	2,875	3,160	(285)
PEIC/H & S/CQC	2,208	2,208	2,268	(60)
IDG	1,660	1,660	1,679	(19)
Other Building Schemes	978	1,158	1,125	33
Other Equipment Schemes	550	550	490	60
Other IT Schemes			376	(376)
All Other	255	555	119	436
Adjustment to balance to NHSI Plan Profile				
<b>Total</b>	<b>18,155</b>	<b>18,635</b>	<b>18,847</b>	<b>(212)</b>

- Total YTD expenditure for 2017/18 met the NHSI plan (within acceptable tolerance) as amended for additional DH granted PDC for Ambulatory care as part of the A&E improvement plan.
- The largest build scheme at £2.9m , the CCU move to the refurbished Arundel Unit (renamed Bartholomew Suite) completed in March 2018 on budget.
- KCH MRI replacement at £3.7m was the largest equipment purchase



# Working Capital

## Month 12 (March) 2017/18

Invoiced creditors have increased by £2.4m from the opening position to £33.5m. 67% relates to current invoices (M11 49%) with 10% or £3.4m (M11 £4m) over 90 days.

Over 90 days NHS creditors decreased by £1m in the month

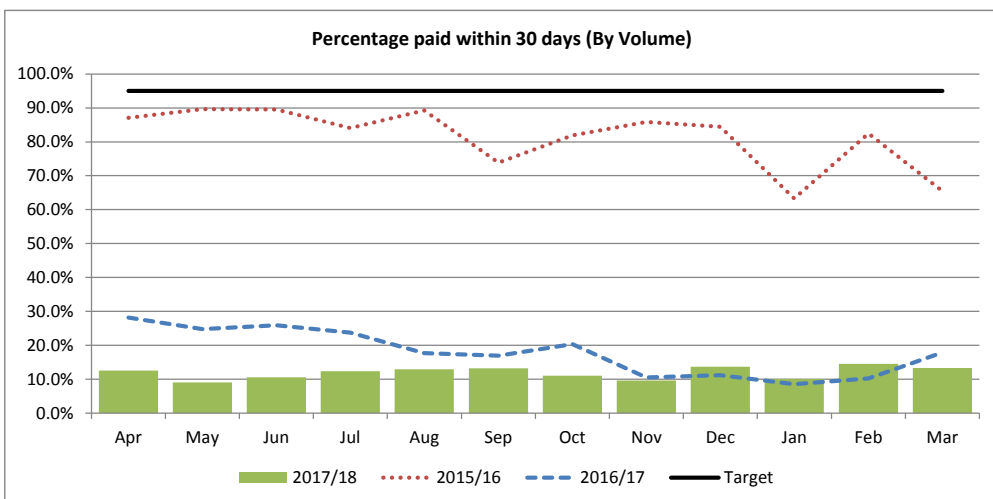
- Maidstone & Tunbridge Wells NHS Trust - £(736)k
- Medway NHS Foundation Trust - £(287)k

Total invoiced debtors have increased from the opening position of £19.2m by £9.6m to £28.7m.

At the close of M12 there were 7 debtors owing over £1m. South Kent Coast CCG £5.3m, Canterbury & Coastal CCG £4.4m, Ashford CCG £4.4m and Thanet CCG £1.9m, all with outstanding invoices for 1718 overperformance. Maidstone & Tunbridge Wells owes £1.0m, East Kent Medical Services owe £1.1m and NHS England South East Commissioning Hub owes £1.6m.

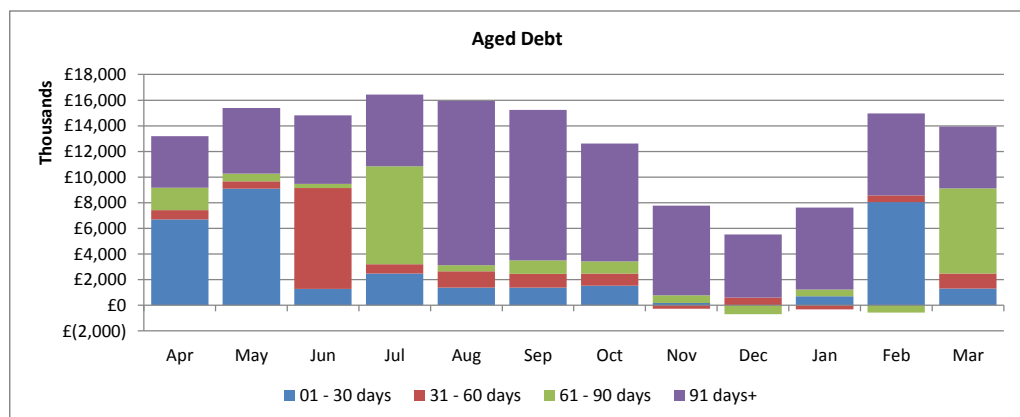
The debtors team are focussing on collection of all other debt to support the Trust cash position.

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	(159,359)	(23,652)	(25,543)	(89)
30+ days	(192,095)	(12,991)	(21,744)	(3,257)
By Volume				
0 - 30 days	12,799	196	1,693	37
30+ days	94,093	2,859	10,825	454
% by Value £	45.3%	64.5%	54.0%	2.7%
% by Volume	12.0%	6.4%	13.5%	7.5%
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	3,232	8,060	512	(576)	6,404	14,400
Mar	14,725	1,317	1,156	6,637	4,837	13,948
		9%	8%	48%	35%	



# Debtor Balances

## Month 12 (March) 2017/18

Debtor	Debtor balances over £200k outstanding as at 31/03/2018						Creditor	Notes
	Current	1-30 Days	31-60 Days	61-90 Days	Over 90	Total	balance as at 31/03/2018	
62003-NHS SOUTH KENT COAST CCG	3,011,028.37	11,087.59	0.00	2,277,943.50	23,136.67	5,323,196.13	99,968.00	£5.3m invoices for 1718 overperformance
61865-NHS CANTERBURY AND COASTAL CCG	2,736,393.39	9,064.02	118.89	1,578,651.25	30,499.98	4,354,727.53	80,426.00	£4.3m invoices for 1718 overperformance
61818-NHS ASHFORD CCG	2,386,139.47	6,535.70	25,862.00	1,948,010.75	72,199.26	4,438,747.18	57,352.00	£4.3m invoices for 1718 overperformance
62033-NHS THANET CCG	1,505,725.68	10,348.59	24.00	361,862.00	47,341.39	1,925,301.66	80,522.00	£1.8m invoices for 1718 overperformance
62138-NHS ENGLAND SOUTH EAST COMMISSIONING HUB (14G)	988,610.45	557,853.17	73,900.17	0.00	0.00	1,620,363.79	0.00	£1.5m invoices for 1718 overperformance
51136-EAST KENT MEDICAL SERVICES	164,255.11	189,141.53	17,028.36	104,028.69	662,058.25	1,136,511.94	1,100,295.32	Reciprocal payment arrangement in place with EKMS
50010-MAIDSTONE AND TUNBRIDGE WELLS NHS TRUST	239,753.50	(116,932.87)	90,080.57	71,768.02	768,837.76	1,053,506.98	1,476,211.33	Reciprocal payment arrangement with MTW. Payments totalling £1.2m made in M12, reducing the MTW creditor balance
62048 - NHS WEST KENT CCG	494,267.51	9,972.84	0.00	1,802.50	220,757.00	726,799.85	0.00	£0.5m invoices for 1718 overperformance
69345 - WESSEX SPECIALISED COMMISSIONING HUB 13N	639,161.20	0.00	0.00	0.00	0.00	639,161.20	0.00	Remaining 1718 CDF invoices
95741 - KENT COMMUNITY HEALTH NHS FOUNDATION TRUST	638,706.93	0.00	(506.28)	0.00	0.00	638,200.65	203,960.81	Current invoices
51708-MEDWAY NHS FOUNDATION TRUST	87,660.90	24,267.07	85,978.69	3,003.69	270,952.66	471,863.01	666,095.58	Reciprocal payment arrangement in place with Medway FT
59742-HEALTHEX	12,186.77	12,186.78	12,186.78	12,186.78	402,163.11	450,910.22	0.00	Healthex Loan Interest
50235 - KINGS COLLEGE HOSPITAL NHS FOUNDATION TRUST	21,800.04	36,271.08	9,969.06	0.00	167,384.22	235,424.40	88,061.22	Over 90 days invoices for disputed Cystic Fibrosis charges
Other Govn.	757,177.25	213,395.72	484,658.71	135,487.22	1,141,738.89	2,732,457.79		
Other Non Govn.	1,041,955.07	354,159.79	357,027.80	142,531.57	1,029,507.12	2,925,181.35		
	14,724,821.64	1,317,351.01	1,156,328.75	6,637,275.97	4,836,576.31	28,672,353.68	3,852,892.26	

# Statement of Financial Position

Month 12 (March) 2017/18

£000	Opening	To Date	Movement
<b>Non-Current Assets</b>	<b>271,469</b>	<b>270,767</b>	<b>(703) ▼</b>
<b>Current Assets</b>			
Inventories	9,744	8,949	(795) ▼
Trade and Other Receivables	31,436	38,366	6,930 ▲
Assets Held For Sale			-
Cash and Cash Equivalents	5,083	7,157	2,074 ▲
<b>Total Current Assets</b>	<b>46,263</b>	<b>54,472</b>	<b>8,209 ▲</b>
<b>Current Liabilities</b>			
Payables	(35,732)	(39,536)	(3,804) ▲
Accruals and Deferred Income	(27,706)	(26,715)	990 ▼
Provisions	(341)	(884)	(542) ▲
<b>Net Current Assets</b>	<b>(17,516)</b>	<b>(12,664)</b>	<b>4,853 ▲</b>
<b>Non Current Liabilities</b>			
Provisions	(2,967)	(3,203)	(236) ▲
Long Term Debt	(22,736)	(46,228)	(23,492) ▲
<b>Total Assets Employed</b>	<b>228,250</b>	<b>208,672</b>	<b>(19,578) ▼</b>
<b>Financed by Taxpayers Equity</b>			
Public Dividend Capital	190,259	191,687	1,428 ▲
Retained Earnings	(21,592)	(42,537)	(20,946) ▼
Revaluation Reserve	59,583	59,523	(60) ▼
<b>Total Taxpayers' Equity</b>	<b>228,250</b>	<b>208,672</b>	<b>(19,578) ▼</b>

Non Current asset values reflect in year additions of £19.5m (including donated assets) less depreciation charges of £17.7m and impairment of £2.3m resulting from a high value, long life equipment valuation. The balance of movements relates to fluctuations in the level of RTA income recognised for new claims

Trust closing cash balances for March was £7.2m, £4.2m above the revised plan. See cash report for further details.

Trade and other receivables have increased from the 2017/18 opening position by £6.9m. Invoiced debtors have increased from the opening position of £19.2m by £9.6m to £28.7m at the end of March (Feb £17.6m), primarily due overperformance for 2017/18 being invoiced to EK CCGS

Accruals and Deferred Income have decreased by £1.0m since the opening position. Of the £26.7m balance, £20.1m relates to Accruals and £6.6m is Deferred Income.

The long term debt entry reflects drawings against working capital facilities. The Trust drew £22.7m in 16/17 and £23.5m in 2017/18 to bring total borrowings to £46.2m

Retained earnings reflects the deficit for the year.

# A. Key Highlights

## Month 12 (March) 2017/18

### CLINICAL INCOME

Clinical income is under plan in in March by £2.3m. A large number of planned Elective cancellations have occurred due to high levels of Non-Elective work over the winter 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, Stroke Medicine and Gastroenterology.

### ACTIVITY

A&E demand has increased when compared with previous months and it the second busiest month of the year. However it 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 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 activity 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. Outpatient activity was also cancelled in expectation of PAS implementation which has now been delayed until later in the year.

### COMMISSIONER ANALYSIS

Activity plans reflected CCG QIPP schemes to the value of £2.0m 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 5.4% under plan in March. 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 risen compared to previous months but activity is still 4.7% 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 £9.4m, a deterioration in month of £4.0m. Clinical Income streams a re favourable to plan ytd by £8.0m, and adverse to plan in month by £0.4m. Non clinical income is favourable to plan in month by £0.1m and £1.4m 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 £9.5m offsets an overspend against plan ytd on expenditure of £18.9m, and an overspend in month of £3.7m. The in month overspend follows the trend in previous months and relates predominantly to pay, where expenditure on agency and bank staff is above plan by £2.9m inclusive of A&E improvement plan spend and additional staffing for Winter pressures, offset by underspends on substantive staff and internal locum sessions totalling £0.4m. The main overspend in month on non pay again relates to the purchase of Healthcare Village beds and Gastroenterology 18 week referrals which are adverse to Divisional plans by £0.5m. Drugs and clinical supplies are overspent in March by a total of £0.6m.

### CIPS

The Trust overachieved its CIP target for the year of £32.3m by £0.8m. The governance arrangements included the Finance Director having weekly sessions with Divisional Finance Leads to ensure delivery, and the NHSI Financial Improvement Director maintaining fortnightly confirm and challenge meetings.

There is also a major focus on developing 18/19 schemes further to the NHSI FSM meetings, and at the month end we had a pipeline of approximately £20 schemes being worked up for 18/19, with a further £10m at earlier stages of identification and development.

### CAPITAL

Total YTD expenditure for Mth 12 2017/18 met the NHSI plan. within acceptable tolerance

### OTHER INCOME

Non clinical income is favourable to plan at year end by £2.2m (3.8%), an improvement in month of £8.1m. Overperformance against plan on Sustainability and Transformation funding is £2.5m in March due to bonus STF received in Month 12 from NHSi. For the full year STF is £3.4m less than plan due to STF withheld for A&E performance and missing Q4 control total. The position is improved by Winter and ED Improvement funding totalling £1.7m and favourable performances against plan on education and training and research and innovation projects totalling £3.4m. Income CIP schemes are showing a favourable performance against plan of £0.7m. Income and expenditure on the SaCP project has slipped by £1.6m ytd with £1m of project income and expenditure realised in March.

### PAY

Pay performance is adverse to plan full year by £7.3m (2.1%). Pay CIPs are adverse to plan by £1.8m for the year. In March, pay is adverse to plan overall by £2.8m, predominantly relating to agency and bank costs for medical and nursing staff.

Total expenditure on pay in March was £31.4m, £1.4m higher than in February. Additional medical staffing costs relating to provisions for consultant job planning arrears and accruals to mitigate risk from prior month unpaid bank and agency shifts account for £1.0m of the increase with higher costs also incurred on waiting list payments and other bank staff.

### NON-PAY

Non Pay expenditure is adverse to plan by £9.4m (4.3%) full year.

Health and Social Care Village beds and Gastroenterology 18 week referrals continued to drive the adverse position costing a total of £6.0m in year. These overspends are offset by a favourable variance on referrals to the Spencer Wing and over performance against CIP targets totalling £1.6m. Clinical supplies are now adverse to plan by £0.5m full year following an overspend in month of £0.4m driven by an adverse stock count of equipment and disposables at year end. Overspends on education and training, non clinical supplies and general services totalling £8.7m full year are offset by favourable performances on drugs and premises expenditure of £4.3m. IT software expenditure relating to the SaCP project of £1.1m was accounted for in March bringing slippage in 2017/18 on SaCP to £1.6m.

### CORPORATE/ESTATES AND FACILITIES

The Corporate and SD&CP Divisions are £4.5m favourable to plan in year (6.1%) and £2.7m favourable to plan in month. Other income is favourable to plan by £1.4m full year with slippage on SaCP project income offsetting favourable performances on post grad and SIFT income, parking and accommodation income. An underspend on pay accounts for a further £1.7m of the favourable position and slippage on non pay expenditure on the SaCP project stands at £1.6m for the year.

### CASH

The closing cash balance for the Trust as at 31st March was £7.2m.

### DEBT

Trade and other receivables have increased from the 2017/18 opening position by £5.5mm to £36.9m. Seven debtors owed over £1m at 31st March 2018 : South Kent Coast CCG £5.3m, Ashford CCG £4.4m, Canterbury & Coastal CCG £4.4m, Thanet CCG £1.9m, Maidstone and Tunbridge Wells NHS Trust £1.0m, NHS England £1.6m and East Kent Medical Services £1.1m. The EK CCG outstanding debt is primarily in respect of 1718 overperformance against contract.

### FINANCING

£965k of interest was incurred in respect of the drawings against working capital facilities in 2016/17 (£22.7m) and 2017/18 (a further £23.5m).

## B. Cash Flow

### Month 12 (March) 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	Actual
<b>5,084</b>	<b>Opening Bank Balance</b>	6,014	6,841	827	5,084	8,947	12,945	7,886	9,746	4,060	6,586	10,104	1,390	8,304	4,967	6,841
65,413	Ashford CCG	5,431	5,431		5,431	5,431	5,431	5,432	5,442	6,231	5,431	5,440	4,846	5,431	5,437	5,431
113,808	C4G	9,257	9,257		9,258	9,257	9,257	9,257	9,332	10,374	9,257	10,207	9,782	9,274	9,293	9,257
127,220	South Kent Coast CCG	10,424	10,463	39	10,318	10,425	10,481	10,475	10,434	10,924	10,424	10,424	11,995	10,426	10,429	10,463
90,865	Thanet CCG	7,717	7,993	276	7,717	7,718	7,728	7,720	7,718	8,516	7,718	7,727	7,217	5,376	7,717	7,993
	Additional Income															
552	Dartford, Gravesham & Swanley CCG	32	32		32	32	32	91	37	32	32	129	32	32	39	32
2,212	Medway CCG	164	535	371	164	177	164	165	170	167	172	165	167		164	535
4,232	Swale CCG	328	324	(4)	366	320	328	328	348	315	337	335	584	324	324	324
4,931	West Kent CCG	401	401		401	401	417	408	816	427	401	416		418	425	401
105,643	NHS England	7,859	9,389	1,529	11,528	11,048	8,516	8,248	7,883	8,148	8,119	7,725	9,402	7,730	7,909	9,389
33,296	All Other NHS Organisations	2,622	2,009	(613)	1,474	5,966	985	5,408	1,134	906	6,112	1,026	1,249	6,025	1,003	2,009
268	Capital Receipts				134	7	90		37							
29,243	All Other Receipts	2,185	2,975	790	2,571	2,015	1,909	1,109	3,273	1,442	3,628	1,685	3,558	2,809	2,269	2,975
6,941	S&T Fund	5,087	3,052	(2,035)						1,853			2,036			3,052
24,321	Loan		14,394	14,394						3,310	1,000		2,565		3,052	14,394
(829)	Loan Repayment														(829)	
<b>608,117</b>	<b>Total Receipts</b>	<b>51,507</b>	<b>66,256</b>	<b>14,748</b>	<b>49,394</b>	<b>52,798</b>	<b>45,338</b>	<b>48,642</b>	<b>46,625</b>	<b>52,645</b>	<b>52,631</b>	<b>45,279</b>	<b>53,433</b>	<b>47,014</b>	<b>48,061</b>	<b>66,256</b>
	<b>Payments</b>															
311,191	Monthly Payroll inc NI & Super	26,948	26,375	(573)	25,383	25,988	26,075	25,647	25,558	25,385	25,797	26,043	26,213	26,285	26,441	26,375
271,263	Creditor Payment Run	20,743	33,814	13,071	18,795	21,553	23,592	20,664	25,321	20,450	22,361	24,626	19,382	23,382	17,323	33,814
16,315	Capital Payments	2,664	2,057	(607)	1,353	1,259	730	471	1,432	702	956	3,323	924	684	2,424	2,057
6,418	PDC Dividend Payment	3,850	3,235	(615)						3,183						3,235
856	Interest Payments	312	457	145						399						457
<b>606,043</b>	<b>Total Payments</b>	<b>54,517</b>	<b>65,938</b>	<b>11,421</b>	<b>45,531</b>	<b>48,799</b>	<b>50,397</b>	<b>46,782</b>	<b>52,311</b>	<b>50,119</b>	<b>49,114</b>	<b>53,993</b>	<b>46,519</b>	<b>50,351</b>	<b>46,188</b>	<b>65,938</b>
<b>2,075</b>	<b>Total Movement In Bank Balance</b>	<b>(3,010)</b>	<b>318</b>	<b>3,327</b>	<b>3,863</b>	<b>3,998</b>	<b>(5,059)</b>	<b>1,860</b>	<b>(5,686)</b>	<b>2,527</b>	<b>3,517</b>	<b>(8,714)</b>	<b>6,914</b>	<b>(3,337)</b>	<b>1,873</b>	<b>318</b>
<b>7,157</b>	<b>Closing Bank Balance</b>	<b>3,005</b>	<b>7,157</b>	<b>4,153</b>	<b>8,947</b>	<b>12,945</b>	<b>7,886</b>	<b>9,746</b>	<b>4,060</b>	<b>6,586</b>	<b>10,104</b>	<b>1,390</b>	<b>8,304</b>	<b>4,967</b>	<b>6,841</b>	<b>7,157</b>
	<b>Plan</b>				8,936	12,660	10,827	12,105	7,837	4,480	5,335	2,270	2,042	2,187	6,014	3,005
	<b>Variance</b>				11	285	(2,941)	(2,359)	(3,777)	2,107	4,769	(880)	6,262	2,780	826	4,152

## B. Cash Flow

### Month 12 (March) 2017/18

**Unconsolidated Cash balance was £7.2m at the end of March 2018, £4.2m above the plan revised 19 May 2017.**

**Total receipts in March 2018 were £14.7m above the revised plan**

- STF income is £2.0m below plan
- Loan £14.4m above plan
- Other NHS Receipts £1.6m above plan
- All Other income £0.7m above plan

**Total Payments in March 2018 were £11.4m above the revised plan**

- Creditor payments incl capital were £12.6m above plan
- Payroll (inc Tax/NIC/Pensions) were £0.6m below plan
- PDC Dividend payment was £0.6m below plan

**YTD position is £4.2m above the revised plan**

- EK CCG income (inc 2016/17 overperformance) is £3.5m above plan
- STF income is £7.6m below plan (15% of Q1 not achieved, 30% of Q2 not achieved, 30% of Q3 not achieved and 100% fail of Q4)
- Working capital facility drawn is £19.0m above plan
- All other income is £2.5m above plan
- Payroll expenditure is £6.0m below plan
- PDC Payment was £1.0m below plan
- All other payments are £20.3m over plan

#### 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), Q2 STF £2.0m (70% of £2.9m) on 27th December and Q3 STF £3m (70% of £4.4m) on 12th March. No Q4 STF was awarded and in cash terms this was 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 (received)	3,052	ISUCL	18/08/2021	3.50%	323
March 2018 (received)	14,394	ISUCL	18/03/2021	3.50%	1,521

- The Trust received £14.4m deficit funding in March 2018
- £23.5m deficit funding has been drawn to the end of March. (February loan of £3m received in advance of Q3 STF 'rebadged' as additional deficit funding by NHSi)

#### Creditor Management

Creditor management continued to be applied throughout March 18, although additional deficit funding was received in month which enabled the Trust to reduce the levels of outstanding creditors and bring down creditor days to 50. (Calculated as invoiced creditors at 31st March/ Forecast non pay expenditure, x 365)

Creditor payments will remain restricted moving into the new financial year.

#### 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



## C. Subjective Analysis

### Month 12 (March) 2017/18

#### Statement of Comprehensive Income £000

Prior Year to Date		Year to Date				This Month	
Actual		Plan	Actual	Variance	Variance %	Variance	Year on Year
	<b>Income</b>						
93,070	Electives	100,038	87,471	(12,567)	(12.56%)	(2,707)	(5,599)
146,768	Non-Electives	153,125	161,538	8,413	5.49%	1,271	14,770
23,280	Accident and Emergency	26,602	26,301	(301)	(1.13%)	(49)	3,020
78,642	Outpatients	80,322	76,602	(3,720)	(4.63%)	(1,081)	(2,040)
33,407	High Cost Drugs	57,684	55,661	(2,023)	(3.51%)	116	22,254
433	Private Patients	436	261	(175)	(40.09%)	(10)	(172)
134,338	Other NHS Clinical Income	106,272	115,473	9,201	8.66%	260	(18,866)
2,253	Other Clinical Income	2,022	1,704	(318)	(15.72%)	(78)	(548)
<b>512,191</b>	<b>Total Corporate and SLA Income</b>	<b>526,501</b>	<b>525,010</b>	<b>(1,491)</b>	<b>(0.28%)</b>	<b>(2,279)</b>	<b>12,819</b>
46,769	Other Income	57,632	59,799	2,167	3.76%	6,001	13,030
<b>558,961</b>	<b>Total Income</b>	<b>584,133</b>	<b>584,809</b>	<b>676</b>	<b>0.12%</b>	<b>(2,279)</b>	<b>25,849</b>
	<b>Expenditure</b>						
(296,959)	Permanent Staff	(315,295)	(301,588)	13,707	4.35%	432	(4,629)
(4,641)	Overtime	0	(5,128)	(5,128)	-	(475)	(488)
(4,134)	Waiting List Payments	(1,144)	(2,132)	(989)	(86.42%)	(96)	2,002
(3,701)	Medical Locums/Short Sessions	(1,950)	(3,350)	(1,400)	(71.79%)	(67)	351
(6,278)	Bank	(8,509)	(13,452)	(4,943)	(58.10%)	(765)	(7,174)
(13,661)	Agency	(13,650)	(22,660)	(9,010)	(66.01%)	(1,820)	(8,998)
(9,503)	Direct Engagement	(3,808)	(3,383)	425	11.16%	(39)	6,119
<b>(338,878)</b>	<b>Total Pay</b>	<b>(344,356)</b>	<b>(351,694)</b>	<b>(7,339)</b>	<b>(2.13%)</b>	<b>(2,829)</b>	<b>(12,817)</b>
	<b>Non-Pay</b>						
(63,519)	Drugs	(70,014)	(67,718)	2,296	3.28%	(80)	(4,199)
(72,376)	Clinical Supplies	(69,612)	(69,999)	(387)	(0.56%)	(382)	2,377
(11,112)	Non-Clinical Supplies	(10,070)	(12,797)	(2,727)	(27.08%)	(1,582)	(1,685)
(15,662)	Facilities Management	(15,864)	(16,295)	(431)	(2.72%)	(147)	(633)
(2,414)	NHS Supplies and Services	(2,448)	(3,112)	(664)	(27.15%)	(16)	(698)
(9,138)	Cost of Secondary Commissioning of mandatory Services	(4,123)	(8,766)	(4,643)	(112.59%)	(475)	372
(1,485)	Education & Training	(1,594)	(1,851)	(257)	(16.10%)	657	(366)
(1,247)	Consultancy	(829)	(693)	136	16.40%	16	554
(10,312)	Premises	(12,913)	(10,905)	2,009	15.56%	605	(593)
(18,297)	Clinical Negligence	(21,637)	(21,570)	66	0.31%	6	(3,274)
(1,356)	Printing and Stationary	(1,554)	(1,098)	456	29.36%	(15)	259
(961)	Postage	(1,013)	(1,123)	(110)	(10.83%)	(34)	(162)
(944)	Telephones	(719)	(670)	49	6.88%	12	274
(1,677)	Staff Travel	(2,137)	(1,770)	367	17.18%	(27)	(93)
(571)	Transport Hire/Lease	(725)	(606)	119	16.41%	()	(35)
(467)	Cleaning Materials	(339)	(323)	16	4.72%	4	145
(310)	Office Equipment and Consumables	(165)	(179)	(15)	(9.08%)	(48)	131
(6,133)	Misc Other Operating Expenses	(1,884)	(7,528)	(5,644)	(299.53%)	(1,102)	(1,395)
<b>(217,981)</b>	<b>Total Non-Pay</b>	<b>(217,641)</b>	<b>(227,003)</b>	<b>(9,362)</b>	<b>(4.30%)</b>	<b>(2,605)</b>	<b>(9,022)</b>
<b>(556,859)</b>	<b>Total Expenditure</b>	<b>(561,996)</b>	<b>(578,697)</b>	<b>(16,701)</b>	<b>(2.97%)</b>	<b>(5,434)</b>	<b>(21,838)</b>
2,102	EBITDA	22,136	6,112	(16,025)	(72.39%)	(7,713)	4,010
(33,531)	Non-Operating Expenses	(27,693)	(27,118)	575	2.08%	(1,383)	6,413
<b>(31,429)</b>	<b>Income and Expenditure Surplus/(Deficit)</b>	<b>(5,557)</b>	<b>(21,006)</b>	<b>(15,449)</b>	<b>(278.04%)</b>	<b>(9,096)</b>	<b>10,423</b>

## D. Pay Analysis: Permanent, Overtime, WLI, Bank Month 12 (March) 2017/18

This Month				Annual £000	Year to Date £000			
Planned WTE	Contracted WTE	Worked WTE	Category	Plan	Plan	Actual	Variance	Variance %
2,301.95	2,070.86	2,076.60	Nurses and Midwives	(92,558)	(92,558)	(91,896)	662	0.72%
1,385.42	1,312.85	1,297.62	Scientific, Therapeutic and Technical	(50,138)	(50,138)	(49,763)	376	0.75%
1,514.48	1,318.65	1,303.63	Admin and Clerical	(33,077)	(33,077)	(32,591)	486	1.47%
1,526.07	1,428.83	1,427.00	Other Pay	(46,461)	(46,461)	(48,791)	(2,330)	(5.02%)
1,092.69	972.95	995.00	Medical and Dental	(102,713)	(102,713)	(99,260)	3,453	3.36%
<b>7,820.61</b>	<b>7,104.14</b>	<b>7,099.85</b>	<b>Total</b>	<b>(324,948)</b>	<b>(324,948)</b>	<b>(322,301)</b>	<b>2,646</b>	<b>0.81%</b>

This Month				Annual £000	Year to Date £000			
Planned WTE	Contracted WTE	Worked WTE	Directorate	Plan	Plan	Actual	Variance	Variance %
421.50	366.02	362.33	Specialty Medicine	(19,996)	(19,996)	(19,327)	669	3.34%
273.85	248.70	248.55	HCOOP	(11,125)	(11,125)	(11,230)	(105)	(0.94%)
705.63	617.01	619.45	Acute Medicine	(25,795)	(25,795)	(26,195)	(400)	(1.55%)
485.19	391.32	396.69	Emergency Medicine	(17,815)	(17,815)	(21,520)	(3,705)	(20.80%)
163.46	146.65	148.37	Vascular, Inter Radiology & Urology	(8,169)	(8,169)	(7,544)	625	7.65%
79.13	66.92	68.35	UC&LTC Divisional Support	(3,628)	(3,628)	(3,701)	(74)	(2.03%)
134.85	100.38	97.63	Surgical Division Management	(1,081)	(1,081)	(4,395)	(3,314)	(306.48%)
287.79	263.07	265.53	General Surgery	(13,621)	(13,621)	(12,491)	1,129	8.29%
233.38	211.97	215.36	Head & Neck	(12,594)	(12,594)	(12,028)	566	4.49%
315.43	289.31	286.18	Trauma & Orthopaedics	(15,678)	(15,678)	(13,954)	1,724	11.00%
755.31	727.27	749.42	Anaesthetics	(36,875)	(36,875)	(36,301)	575	1.56%
21.80	19.80	19.37	Specialist Services Divisional Management	(241)	(241)	(1,111)	(870)	(361.74%)
451.93	437.64	425.88	Child Health	(20,657)	(20,657)	(20,697)	(40)	(0.19%)
495.92	451.63	453.61	Womens Health	(21,889)	(21,889)	(22,432)	(543)	(2.48%)
328.63	315.55	312.33	Pathology	(13,161)	(13,161)	(12,864)	297	2.25%
481.29	432.96	427.88	Radiological Sciences	(21,383)	(21,383)	(20,750)	633	2.96%
273.09	251.90	245.22	Therapies	(8,668)	(8,668)	(8,666)	2	0.02%
179.01	164.30	163.83	Pharmacy	(5,329)	(5,329)	(5,395)	(67)	(1.25%)
194.26	186.41	186.44	Cancer, Clinical Haematology and Haemophilia	(7,390)	(7,390)	(7,308)	82	1.11%
-0.53	14.64	14.06	Clinical Support Divisional Management and Infection Control	(1,962)	(1,962)	(712)	1,250	63.70%
308.06	293.87	288.09	Outpatient Services	(6,384)	(6,384)	(6,328)	55	0.86%
46.91	41.86	39.48	Dermatology	(1,817)	(1,817)	(2,040)	(223)	(12.28%)
244.29	229.88	234.44	Renal	(9,652)	(9,652)	(9,701)	(50)	(0.51%)
118.18	107.98	106.92	Directorate of Clinical Quality, Patient Safety and Operations	(5,169)	(5,169)	(4,921)	248	4.80%
109.83	97.96	97.59	Human Resources Directorate	(5,062)	(5,062)	(4,568)	494	9.76%
111.14	100.83	100.42	Facilities	(3,024)	(3,024)	(2,917)	107	3.53%
129.59	119.11	115.93	Finance and Performance Management	(5,167)	(5,167)	(5,014)	153	2.96%
36.87	31.55	30.25	Trust Board	(1,428)	(1,428)	(1,486)	(59)	(4.12%)
17.98	14.25	14.25	Strategic Development	(1,230)	(1,230)	(1,100)	129	10.52%
107.36	91.11	96.44	Information Technology	(3,853)	(3,853)	(3,499)	355	9.20%
3.00	3.00	3.00	Strategic Estates	(68)	(68)	(126)	(57)	(83.95%)
28.50	25.50	26.22	Hospital Management - WHH	(1,014)	(1,014)	(946)	68	6.68%
30.00	25.00	25.42	Hospital Management - QMH	(1,017)	(1,017)	(979)	38	3.76%
32.50	24.00	23.87	Hospital Management - KCH	(1,038)	(1,038)	(903)	135	13.00%
56.28	47.44	46.16	Procurement	(1,719)	(1,719)	(1,507)	212	12.35%
0.00	0.00	0.00	Central Budgets	(2,468)	(2,468)	108	2,576	104.37%
43.64	44.08	43.38	PGME/Library	(2,002)	(2,002)	(1,979)	22	1.12%
47.00	42.03	40.85	Research & Development	(1,776)	(1,776)	(1,776)		0.01%
68.50	61.24	60.66	Recharges	(4,007)	(4,007)	(3,997)	10	0.24%
<b>7,820.55</b>	<b>7,104.14</b>	<b>7,099.85</b>	<b>Total</b>	<b>(324,948)</b>	<b>(324,948)</b>	<b>(322,301)</b>	<b>2,646</b>	<b>0.81%</b>

## D. Pay Analysis Year to Date £000

### Month 12 (March) 2017/18

#### Pay Analysis Year to Date £000

Directorate	Contracted	%	Overtime	%	Bank	%	Temporary	%	Temporary Plan	Temporary Var.
Specialty Medicine	(18,469)	80.9%	(167)	0.7%	(691)	3.0%	(3,515)	15.4%	(2,264)	(1,251)
HCOOP	(10,044)	75.4%	(196)	1.5%	(990)	7.4%	(2,090)	15.7%	(1,206)	(884)
Acute Medicine	(23,913)	75.2%	(390)	1.2%	(1,892)	5.9%	(5,604)	17.6%	(2,387)	(3,217)
Emergency Medicine	(16,585)	58.7%	(650)	2.3%	(4,285)	15.2%	(6,728)	23.8%	(5,928)	(801)
Vascular, Inter Radiology & Urology	(7,225)	79.2%	(88)	1.0%	(231)	2.5%	(1,573)	17.3%	(47)	(1,526)
UC&LTC Divisional Support	(3,607)	95.3%	(52)	1.4%	(42)	1.1%	(85)	2.3%	1,476	(1,561)
Surgical Division Management	(4,237)	96.4%	(33)	0.8%	(124)	2.8%	0	0.0%	(2,928)	2,928
General Surgery	(11,806)	81.8%	(224)	1.6%	(462)	3.2%	(1,946)	13.5%	(86)	(1,860)
Head & Neck	(11,660)	94.3%	(130)	1.0%	(239)	1.9%	(334)	2.7%	(26)	(308)
Trauma & Orthopaedics	(13,204)	88.2%	(133)	0.9%	(618)	4.1%	(1,019)	6.8%	(144)	(875)
Anaesthetics	(34,031)	89.5%	(1,109)	2.9%	(1,160)	3.1%	(1,708)	4.5%	(97)	(1,611)
Specialist Services Divisional Management	(1,100)	99.0%	(3)	0.2%	(8)	0.7%	0	0.0%	664	(664)
Child Health	(20,157)	91.6%	(194)	0.9%	(346)	1.6%	(1,319)	6.0%	(879)	(440)
Womens Health	(21,308)	91.8%	(348)	1.5%	(776)	3.3%	(783)	3.4%	(615)	(169)
Pathology	(12,676)	94.8%	(125)	0.9%	(63)	0.5%	(503)	3.8%	(201)	(303)
Radiological Sciences	(20,249)	89.3%	(404)	1.8%	(97)	0.4%	(1,919)	8.5%	(977)	(943)
Therapies	(8,524)	96.5%	(117)	1.3%	(24)	0.3%	(167)	1.9%	(78)	(88)
Pharmacy	(5,300)	93.9%	(29)	0.5%	(66)	1.2%	(251)	4.4%	(166)	(85)
Cancer, Clinical Haematology and Haemophilia	(7,119)	97.4%	(49)	0.7%	(140)	1.9%	2	0.0%	(277)	279
Clinical Support Divisional Management and Infection Control	(711)	99.8%	(1)	0.2%	0	0.0%	0	0.0%	347	(347)
Outpatient Services	(6,218)	98.2%	(98)	1.6%	(12)	0.2%	(2)	0.0%	0	(2)
Dermatology	(1,610)	77.9%	(13)	0.6%	(417)	20.2%	(26)	1.3%	(346)	320
Renal	(9,346)	95.4%	(231)	2.4%	(124)	1.3%	(92)	0.9%	(177)	85
Directorate of Clinical Quality, Patient Safety and Operations	(4,797)	97.5%	(54)	1.1%	(70)	1.4%	()	0.0%	0	()
Human Resources Directorate	(4,533)	97.0%	(17)	0.4%	(17)	0.4%	(103)	2.2%	0	(103)
Facilities	(2,509)	83.0%	(77)	2.5%	(332)	11.0%	(105)	3.5%	(95)	(10)
Finance and Performance Management	(4,806)	94.5%	(80)	1.6%	(127)	2.5%	(70)	1.4%	(115)	45
Trust Board	(1,486)	100.0%	()	0.0%	0	0.0%	0	0.0%	0	0
Strategic Development	(1,015)	92.3%	(2)	0.2%	(83)	7.5%	()	0.0%	0	()
Information Technology	(3,485)	99.6%	(7)	0.2%	(8)	0.2%	0	0.0%	0	0
Strategic Estates	(126)	100.0%	0	0.0%	0	0.0%	0	0.0%	(50)	50
Hospital Management - WHH	(915)	96.6%	(29)	3.1%	(2)	0.2%	()	0.0%	0	()
Hospital Management - QMH	(951)	97.2%	(25)	2.6%	(2)	0.2%	0	0.0%	0	0
Hospital Management - KCH	(888)	98.4%	(16)	1.7%	1	-0.1%	0	0.0%	(24)	24
Procurement	(1,488)	93.3%	(4)	0.3%	(14)	0.9%	(88)	5.5%	0	(88)
Central Budgets	84	10.9%	()	0.0%	25	3.2%	660	85.9%	(2,784)	3,444
PGME/Library	(1,968)	98.3%	()	0.0%	(11)	0.5%	(22)	1.1%	()	(22)
Research & Development	(1,764)	99.4%	(5)	0.3%	(7)	0.4%	0	0.0%	0	0
Recharges	(3,971)	99.3%	(27)	0.7%	0	0.0%	0	0.0%	0	0
<b>Total</b>	<b>(303,721)</b>	<b>86.4%</b>	<b>(5,128)</b>	<b>1.5%</b>	<b>(13,452)</b>	<b>3.8%</b>	<b>(29,393)</b>	<b>8.4%</b>	<b>(19,408)</b>	<b>(9,985)</b>

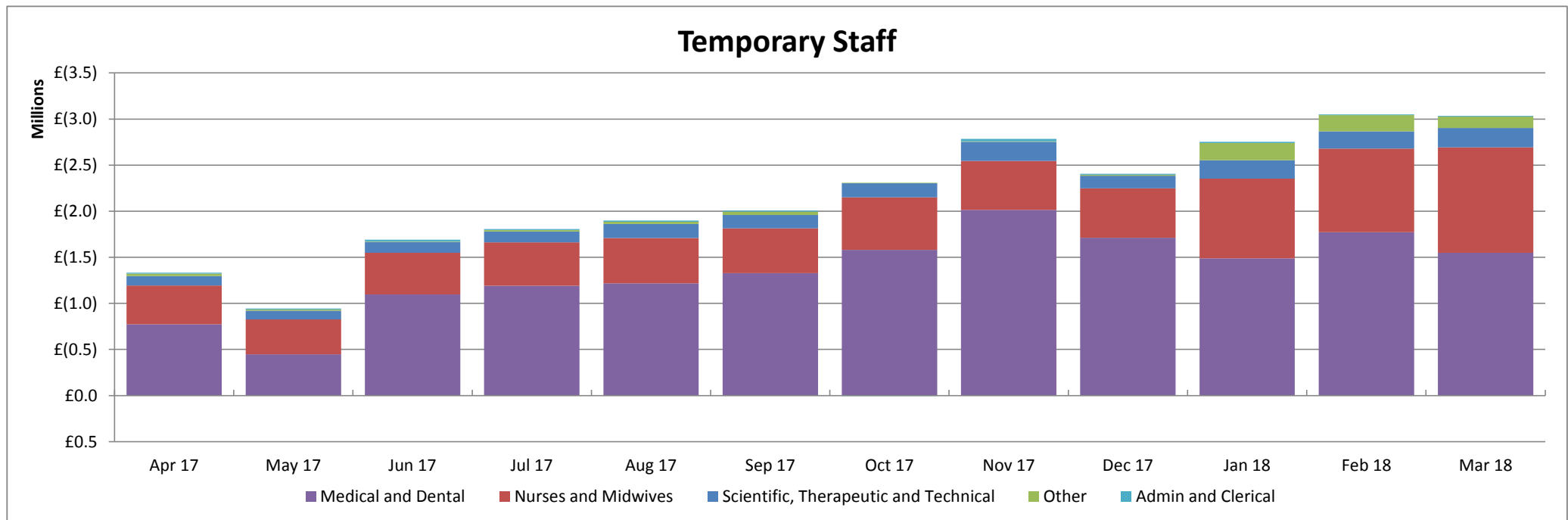
The temporary staffing spend (agency, direct engagement, medical locums) in emergency, acute and speciality medicine remains largely static at 56.8% of the total spend. Pressures remain in EDs and in covering additional winter pressure beds.

The percentage of the total temporary staffing cost spent on Medical and Nursing YTD is 67% and 25% of the total respectively. This reflects a marginal increase in nursing agency usage.

## E. Pay Analysis - Temporary Staff

Month 12 (March) 2017/18

In Month £000	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Medical and Dental</b>	<b>(774)</b>	<b>(448)</b>	<b>(1,096)</b>	<b>(1,190)</b>	<b>(1,218)</b>	<b>(1,329)</b>	<b>(1,579)</b>	<b>(2,013)</b>	<b>(1,713)</b>	<b>(1,489)</b>	<b>(1,773)</b>	<b>(1,549)</b>
Agency	(405)	(189)	(860)	(818)	(847)	(1,075)	(1,278)	(1,723)	(1,609)	(1,085)	(1,613)	(1,320)
Medical Locum and Short Session STAFFflow	(368)	(260)	(236)	(372)	(372)	(254)	(301)	(290)	(104)	(404)	(161)	(229)
<b>Scientific, Therapeutic and Technical</b>	<b>(101)</b>	<b>(96)</b>	<b>(119)</b>	<b>(117)</b>	<b>(151)</b>	<b>(145)</b>	<b>(152)</b>	<b>(208)</b>	<b>(137)</b>	<b>(199)</b>	<b>(185)</b>	<b>(209)</b>
Agency	(101)	(96)	(119)	(117)	(151)	(145)	(152)	(208)	(137)	(199)	(185)	(209)
<b>Nurses and Midwives</b>	<b>(421)</b>	<b>(376)</b>	<b>(451)</b>	<b>(473)</b>	<b>(491)</b>	<b>(485)</b>	<b>(571)</b>	<b>(533)</b>	<b>(535)</b>	<b>(865)</b>	<b>(907)</b>	<b>(1,144)</b>
Agency	(421)	(376)	(451)	(473)	(491)	(485)	(571)	(533)	(535)	(865)	(907)	(1,144)
<b>Admin and Clerical</b>	<b>(12)</b>	<b>(10)</b>	<b>(19)</b>	<b>(10)</b>	<b>(13)</b>	<b>(10)</b>	<b>5</b>	<b>(25)</b>	<b>(10)</b>	<b>(13)</b>	<b>(8)</b>	<b>(6)</b>
Agency	(12)	(10)	(19)	(10)	(13)	(10)	5	(25)	(10)	(13)	(8)	(6)
<b>Other</b>	<b>(26)</b>	<b>(14)</b>	<b>(5)</b>	<b>(15)</b>	<b>(25)</b>	<b>(37)</b>	<b>(7)</b>	<b>(5)</b>	<b>(11)</b>	<b>(186)</b>	<b>(177)</b>	<b>(125)</b>
Agency	(26)	(14)	(5)	(15)	(25)	(37)	(7)	(5)	(11)	(186)	(177)	(125)
<b>Total</b>	<b>(1,334)</b>	<b>(934)</b>	<b>(1,672)</b>	<b>(1,795)</b>	<b>(1,885)</b>	<b>(1,996)</b>	<b>(2,310)</b>	<b>(2,759)</b>	<b>(2,396)</b>	<b>(2,739)</b>	<b>(3,042)</b>	<b>(3,027)</b>



## E. Pay Analysis - Temporary Staff

Month 12 (March) 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	1.00	0.87	0.04	0.07	1.98	0.48	0.60
Surgical Services	0.36	0.21	0.01	0.02	0.59	0.04	0.09
Clinical Support Services	0.20		0.15		0.35	0.11	0.19
Specialist Services	0.12	0.05			0.17	(0.02)	(0.04)
Strategic Development and Capital Planning				0.01	0.01	(0.01)	(0.02)
Corporate				0.02	0.02		(0.02)
Central	0.19	0.01	0.02		0.22	0.28	0.30
<b>Total</b>	<b>1.87</b>	<b>1.14</b>	<b>0.22</b>	<b>0.12</b>	<b>3.35</b>	<b>0.88</b>	<b>1.10</b>
<b>Variance v 2017/18 average</b>	0.23	0.54	0.06	0.07	0.90		
<b>Variance v 2016/17 average</b>	0.36	0.62	0.07	0.06	1.11		

Temporary Staff Year to Date £m	M & D	N & M	PAMS	A&C Other	Total	Average per Month
Urgent Care & LongTerm Conditions	11.98	5.19	0.53	0.33	18.02	1.50
Surgical Services	4.66	1.60	0.22	0.11	6.58	0.55
Clinical Support Services	1.75		1.09		2.84	0.24
Specialist Services	1.66	0.55			2.22	0.19
Strategic Development and Capital Planning				0.19	0.19	0.02
Corporate	0.06			0.14	0.20	0.02
Central	(0.55)	(0.09)	(0.01)		(0.66)	(0.06)
<b>Total</b>	<b>19.56</b>	<b>7.25</b>	<b>1.83</b>	<b>0.77</b>	<b>29.41</b>	<b>2.46</b>
<b>Average per month</b>	1.63	0.60	0.15	0.06	2.45	

## F. Trust Statement of Comprehensive Income by Division

Month 12 (March) 2017/18

	Electives	Non-Electives	Accident & Emergency	Outpatients	High Cost Drugs	Private Patients	Other Clinical	All Other Income	Pay	Non Pay	Net Position
<b>Year to Date Actual £000</b>											
Urgent Care and Long Term Conditions	20,930	90,683	26,301	20,473	5,308	88	15,002	2,005	(99,996)	(32,309)	48,483
Surgical Services	53,640	37,816	0	31,589	7,570	29	17,692	2,230	(93,294)	(42,458)	14,815
Clinical Support Services	318	18	0	4,280	15,480	92	33,853	6,034	(57,558)	(45,439)	(42,921)
Specialist Services	12,582	32,920	0	20,260	26,976	49	48,502	2,177	(65,507)	(38,973)	38,985
<b>Clinical Divisions Total</b>	<b>87,471</b>	<b>161,438</b>	<b>26,301</b>	<b>76,602</b>	<b>55,335</b>	<b>257</b>	<b>115,048</b>	<b>12,446</b>	<b>(316,355)</b>	<b>(159,178)</b>	<b>59,363</b>
Strategic Development and Capital Planning	0	0	0	0	0	0	0	10,034	(12,170)	(36,294)	(38,429)
Corporate	0	0	0	0	0	0	0	19,711	(19,940)	(29,737)	(29,966)
<b>Divisional Total</b>	<b>87,471</b>	<b>161,438</b>	<b>26,301</b>	<b>76,602</b>	<b>55,335</b>	<b>257</b>	<b>115,048</b>	<b>42,192</b>	<b>(348,465)</b>	<b>(225,210)</b>	<b>(9,033)</b>
Central	0	100	0	0	326	(1)	2,166	17,607	(3,229)	(1,793)	15,178
<b>EBITDA</b>											<b>6,145</b>
Capital Charges and Interest										(27,118)	(27,118)
<b>Income and Expenditure Surplus/(Deficit)</b>											<b>(20,973)</b>

	Electives	Non-Electives	Accident & Emergency	Outpatients	High Cost Drugs	Private Patients	Other Clinical	All Other Income	Pay	Non Pay	Net Position
<b>Year to Date Variance to Plan £000</b>											
Urgent Care and Long Term Conditions	1,098	5,472	191	(1,025)	(563)	(58)	3,018	1,543	(11,329)	(4,943)	(6,597)
Surgical Services	(6,661)	3,439	0	(1,183)	263	3	1,055	292	(1,949)	1,580	(3,160)
Clinical Support Services	(149)	(125)	0	(389)	21	(104)	1,421	(397)	402	(194)	485
Specialist Services	(166)	1,262	0	(26)	(235)	(17)	1,483	(6)	(2,233)	(188)	(125)
<b>Clinical Divisions Total</b>	<b>(5,877)</b>	<b>10,048</b>	<b>191</b>	<b>(2,623)</b>				<b>1,431</b>	<b>(15,108)</b>	<b>(3,745)</b>	<b>(9,397)</b>
Strategic Development and Capital Planning	0	0	0	0	0	0	0	(1,097)	962	1,495	1,360
Corporate	0	0	0	0	0	0	0	2,531	778	(204)	3,105
<b>Divisional Total</b>	<b>(5,877)</b>	<b>10,048</b>	<b>191</b>	<b>(2,623)</b>				<b>2,866</b>	<b>(13,368)</b>	<b>(2,454)</b>	<b>(4,932)</b>
Central	(6,227)	(710)	(501)	(952)	(1,510)	(1)	443	(699)	6,030	(6,908)	(11,034)
<b>EBITDA</b>											<b>(15,966)</b>
Capital Charges and Interest										575	575
<b>Income and Expenditure Surplus/(Deficit)</b>											<b>(15,390)</b>

## G. Cost Improvement Phasing

### Month 12 (March) 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&LTC	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
<b>Sub-total</b>	<b>1,048</b>	<b>1,494</b>	<b>1,520</b>	<b>1,984</b>	<b>2,439</b>	<b>2,588</b>	<b>2,687</b>	<b>2,767</b>	<b>2,785</b>	<b>2,759</b>	<b>2,693</b>	<b>3,133</b>	<b>27,898</b>
Central	321	(36)	365	343	(72)	(227)	773	653	534	760	631	394	4,438
<b>Grand Total</b>	<b>1,369</b>	<b>1,458</b>	<b>1,885</b>	<b>2,327</b>	<b>2,367</b>	<b>2,361</b>	<b>3,460</b>	<b>3,420</b>	<b>3,319</b>	<b>3,519</b>	<b>3,324</b>	<b>3,527</b>	<b>32,336</b>

Workstream Achieved £'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	502	3,621
Diagnostic Demand Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency	365	413	200	269	328	276	534	331	377	376	442	611	4,521
Workforce	551	690	583	642	680	572	537	508	588	937	734	615	7,636
Procurement	126	197	178	181	185	219	212	231	187	317	178	254	2,465
Medicine Optimisation	29	56	55	51	73	61	84	121	120	134	90	117	990
Clinical Support	38	260	53	62	82	174	124	183	144	153	220	265	1,758
Specialist	16	35	159	114	189	253	238	347	303	246	254	299	2,453
Surgery	212	212	215	353	271	305	287	260	284	254	280	198	3,130
UC&LTC	-	43	90	114	103	121	196	785	150	319	273	522	2,715
Corporate - Other	-	-	-	-	-	-	-	142	-	-	-	-	142
SD&CP	34	44	60	46	46	46	241	75	75	75	75	75	893
<b>Sub-total</b>	<b>1,371</b>	<b>1,969</b>	<b>1,764</b>	<b>2,035</b>	<b>2,173</b>	<b>2,292</b>	<b>2,716</b>	<b>3,211</b>	<b>2,675</b>	<b>3,614</b>	<b>3,047</b>	<b>3,457</b>	<b>30,325</b>
Central	238	(194)	22	252	80	80	164	635	240	225	358	716	2,816
<b>Grand Total</b>	<b>1,609</b>	<b>1,774</b>	<b>1,786</b>	<b>2,287</b>	<b>2,253</b>	<b>2,372</b>	<b>2,880</b>	<b>3,845</b>	<b>2,915</b>	<b>3,840</b>	<b>3,406</b>	<b>4,173</b>	<b>33,141</b>

## H. Urgent Care and Long Term Conditions

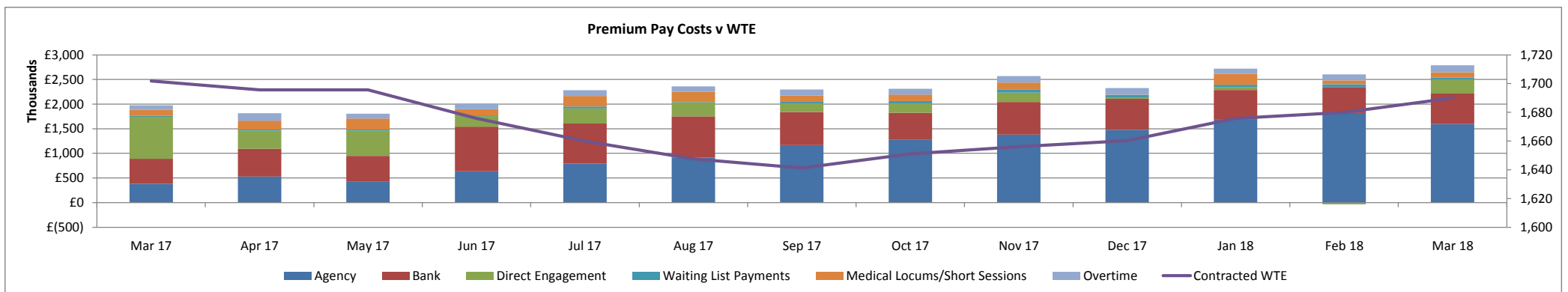
### Month 12 (March) 2017/18

Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>£000</b>						
<b>Income</b>						
Electives	19,833	20,930	1,098	1,803	1,730	(73)
Non-Electives	85,212	90,683	5,472	7,293	8,124	832
Accident & Emergency	26,110	26,301	191	2,320	2,385	66
First Outpatients	12,292	11,494	(798)	1,069	903	(166)
Follow Up Outpatients	9,205	8,979	(226)	835	725	(110)
High Cost Drugs	5,870	5,308	(563)	489	406	(83)
Private Patients	146	88	(58)	9	11	2
Other NHS Clinical	10,214	13,612	3,398	872	1,118	245
Other Clinical	1,770	1,390	(380)	148	76	(72)
Prior Month Adjustment	0			0	766	766
<b>Total Corporate and SLA Income</b>	<b>170,651</b>	<b>178,784</b>	<b>8,132</b>	<b>14,837</b>	<b>16,245</b>	<b>1,408</b>
All Other Income	462	2,005	1,543	30	173	143
<b>Total Income</b>	<b>171,113</b>	<b>180,788</b>	<b>9,675</b>	<b>14,868</b>	<b>16,418</b>	<b>1,550</b>
<b>Expenditure</b>						
Permanent Staff	(75,097)	(72,146)	2,950	(6,556)	(6,375)	181
Overtime	0	(1,455)	(1,455)	0	(140)	(140)
Waiting List Payments	(106)	(472)	(367)	(7)	(45)	(38)
Medical Locums/Short Sessions	(2,000)	(1,763)	238	(168)	(104)	64
Bank	(3,156)	(7,899)	(4,743)	(258)	(618)	(360)
Agency	(3,504)	(13,701)	(10,197)	(131)	(1,596)	(1,465)
Direct Engagement	(4,803)	(2,559)	2,244	(408)	(281)	127
<b>Total Pay</b>	<b>(88,666)</b>	<b>(99,996)</b>	<b>(11,329)</b>	<b>(7,529)</b>	<b>(9,159)</b>	<b>(1,630)</b>
Non Pay	(27,366)	(32,309)	(4,943)	(2,329)	(3,192)	(864)
<b>Total Expenditure</b>	<b>(116,032)</b>	<b>(132,305)</b>	<b>(16,273)</b>	<b>(9,857)</b>	<b>(12,351)</b>	<b>(2,494)</b>
<b>Contribution</b>	<b>55,081</b>	<b>48,483</b>	<b>(6,597)</b>	<b>5,010</b>	<b>4,067</b>	<b>(944)</b>

Activity performance this month delivered £1.4m favourable to plan, NEL income over-performed by £1.1m following the rebasing of beds between Divisions (which has caused adverse income performance in Surgical) and continued opening of additional temporary beds. Following underperformance and a drop in average tariff in February, A&E is above plan for March by £0.1m. Despite implementing a number of Production Planning schemes, OPD activity is below plan by £0.2m (£1.0m ytd) due partly to the continued cancellations of clinics to focus on inpatient activity. 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 (£6m ytd) as a consequence of the ED recovery plan / Winter, of which £0.9m this month is Agency. Total Agency costs increased by £0.2m to £2.2m particularly in Nursing where we received late notification of February and prior months charges; costs are over twice the pre-winter monthly average due to escalated rates are 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 and convert the remainder to substantive capacity through the Business Case route. Consultant Agency costs increased in ED, Gastro and Respiratory. Non-Consultant costs reduced due to re-evaluating shifts over 3 months old and due to ongoing ED Middle Grade recruitment particularly at WHH. 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 increased by £0.3m compared to February as a result of Consultant PA job planning arrears.

Non pay adverse variance includes expenditure on trend for Endoscopy 18 Weeks, RMO and H&SCV beds. Drug costs (rechargeable and non-rechargeable) costs increased by £0.15m compared to February.





## H. Surgical Services

### Month 12 (March) 2017/18

#### Statement of Comprehensive Income

£000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>Income</b>						
Electives	60,301	53,640	(6,661)	5,639	3,770	(1,868)
Non-Electives	34,376	37,816	3,439	2,918	3,372	454
Accident & Emergency	0	0	0	0	0	0
First Outpatients	16,245	15,326	(919)	1,486	1,155	(331)
Follow Up Outpatients	16,528	16,263	(265)	1,508	1,296	(211)
High Cost Drugs	7,307	7,570	263	609	511	(98)
Private Patients	26	29	3	2	2	1
Other NHS Clinical	16,505	17,571	1,065	1,403	1,504	101
Other Clinical	131	121	(10)	11	3	(8)
Prior Month Adjustment	0	()	()	0	(136)	(136)
<b>Total Corporate and SLA Income</b>	<b>151,419</b>	<b>148,336</b>	<b>(3,083)</b>	<b>13,574</b>	<b>11,477</b>	<b>(2,097)</b>
All Other Income	1,938	2,230	292	161	151	(10)
<b>Total Income</b>	<b>153,358</b>	<b>150,566</b>	<b>(2,791)</b>	<b>13,735</b>	<b>11,628</b>	<b>(2,107)</b>
<b>Expenditure</b>						
Permanent Staff	(84,734)	(80,662)	4,071	(7,337)	(6,988)	349
Overtime	0	(1,717)	(1,717)	0	(143)	(143)
Waiting List Payments	(1,494)	(1,502)	(7)	(132)	(143)	(11)
Medical Locums/Short Sessions	(1,212)	(1,005)	208	(101)	(50)	51
Bank	(1,790)	(2,833)	(1,043)	(145)	(345)	(200)
Agency	(41)	(4,921)	(4,880)	27	(419)	(446)
Direct Engagement	(2,075)	(655)	1,420	(173)	(124)	49
<b>Total Pay</b>	<b>(91,345)</b>	<b>(93,294)</b>	<b>(1,949)</b>	<b>(7,861)</b>	<b>(8,213)</b>	<b>(352)</b>
Non Pay	(44,037)	(42,458)	1,580	(3,751)	(3,685)	66
<b>Total Expenditure</b>	<b>(135,383)</b>	<b>(135,752)</b>	<b>(369)</b>	<b>(11,612)</b>	<b>(11,898)</b>	<b>(286)</b>
<b>Contribution</b>	<b>17,975</b>	<b>14,815</b>	<b>(3,160)</b>	<b>2,123</b>	<b>(269)</b>	<b>(2,392)</b>

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).

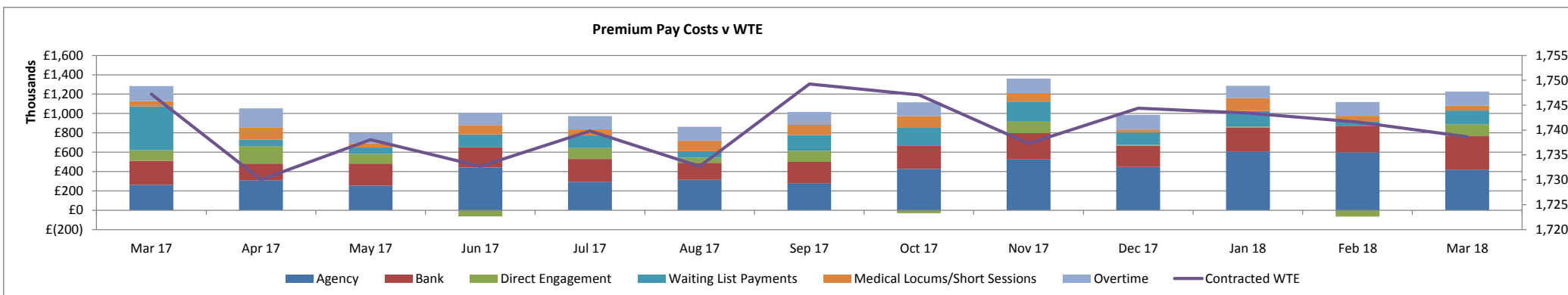
Other Income is favourable with the receipt of additional Winter Pressures funding.

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 expenditure and lost income of the winter impact and outliers.



## H. Clinical Support

### Month 12 (March) 2017/18

#### Statement of Comprehensive Income

£000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>Income</b>						
Electives	467	318	(149)	40	11	(29)
Non-Electives	143	18	(125)	12	5	(7)
Accident & Emergency	0	0	0	0	0	0
First Outpatients	1,936	1,826	(110)	174	113	(61)
Follow Up Outpatients	2,734	2,454	(279)	258	180	(78)
High Cost Drugs	15,460	15,480	21	1,288	1,350	61
Private Patients	196	92	(104)	12	5	(7)
Other NHS Clinical	32,432	33,852	1,420	2,765	2,802	38
Other Clinical	0	1	1	0	0	0
Prior Month Adjustment	0	0	0	0	(10)	(10)
<b>Total Corporate and SLA Income</b>	<b>53,367</b>	<b>54,041</b>	<b>674</b>	<b>4,549</b>	<b>4,457</b>	<b>(92)</b>
All Other Income	6,432	6,034	(397)	523	522	(1)
<b>Total Income</b>	<b>59,799</b>	<b>60,076</b>	<b>277</b>	<b>5,072</b>	<b>4,979</b>	<b>(93)</b>
<b>Expenditure</b>						
Permanent Staff	(56,679)	(53,514)	3,165	(4,841)	(4,528)	313
Overtime	0	(775)	(775)	0	(77)	(77)
Waiting List Payments	(157)	(164)	(7)	(13)	(2)	11
Medical Locums/Short Sessions	(62)	(6)	56	(5)	(1)	5
Bank	(49)	(262)	(213)	(3)	(30)	(27)
Agency	(1,012)	(2,499)	(1,487)	(6)	(194)	(189)
Direct Engagement	0	(337)	(337)	0	(155)	(155)
<b>Total Pay</b>	<b>(57,960)</b>	<b>(57,558)</b>	<b>402</b>	<b>(4,868)</b>	<b>(4,988)</b>	<b>(120)</b>
Non Pay	(45,245)	(45,439)	(194)	(3,959)	(4,088)	(129)
<b>Total Expenditure</b>	<b>(103,205)</b>	<b>(102,997)</b>	<b>208</b>	<b>(8,827)</b>	<b>(9,075)</b>	<b>(249)</b>
<b>Contribution</b>	<b>(43,406)</b>	<b>(42,921)</b>	<b>485</b>	<b>(3,755)</b>	<b>(4,096)</b>	<b>(341)</b>

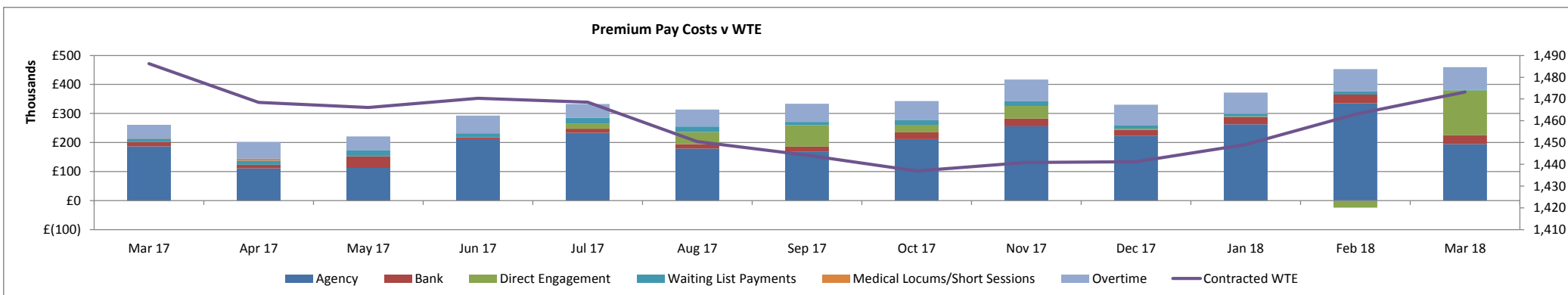
The Clinical Support Division is reporting a Surplus of £0.48M for FY18. March saw a deficit performance against plan due to (under) estimated income and increased Pay expenditure.

Main patient care income met the plan overall although there were some variances in the departments. Radiology overperformed in 17-18 with MRI Direct access and unbundled income exceeding plan. This offset underperformance in Interventional Radiology and Nuclear Medicine. Therapies Income position deteriorated further in March, particularly in Physiotherapy. The Pathology direct access position is understated by £0.1m in March as the activity was estimated, this would had been surplus to plan.

Pay costs increased in March overall but it was only the Pathology department which saw a marked increase in Pay cost. This was in relation to medical agency spend which was necessary to cover a 25% vacancy factor in the Histopathology medical workforce. The Department are working hard to improve its recruitment package to attract applicants to the vacancies. In the meantime, it is acknowledge there will be a continued cost pressure in this area.

The non-pay expenditure run rate reduced overall this month, after normalising for the Homecare Drugs expenditure. Cost increases were seen in pathology consumables, maintenance contracts and EME equipment repairs.

The Division exceeded its CIP plan and delivered £4.6M in FY18.



## H. Specialist Services

### Month 12 (March) 2017/18

#### Statement of Comprehensive Income

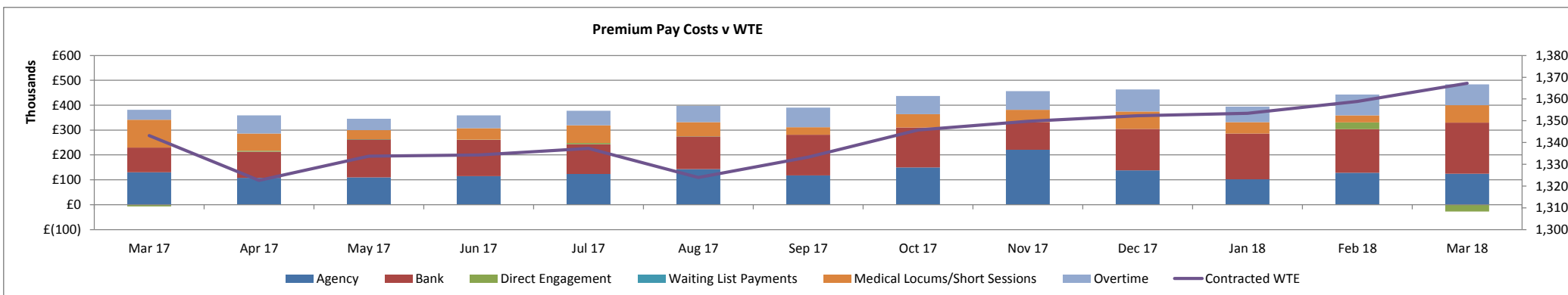
£000	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>Income</b>						
Electives	12,748	12,582	(166)	1,094	1,169	75
Non-Electives	31,658	32,920	1,262	2,811	2,780	(30)
Accident & Emergency	0	0	0	0	0	0
First Outpatients	8,231	8,353	122	718	679	(40)
Follow Up Outpatients	12,055	11,907	(148)	1,057	994	(63)
High Cost Drugs	27,211	26,976	(235)	2,268	2,603	335
Private Patients	66	49	(17)	4	7	3
Other NHS Clinical	46,962	48,305	1,343	3,976	3,948	(29)
Other Clinical	57	197	140	5	11	6
Prior Month Adjustment	0			0	165	165
<b>Total Corporate and SLA Income</b>	<b>138,988</b>	<b>141,289</b>	<b>2,301</b>	<b>11,933</b>	<b>12,355</b>	<b>422</b>
All Other Income	2,183	2,177	(6)	160	162	2
<b>Total Income</b>	<b>141,170</b>	<b>143,466</b>	<b>2,295</b>	<b>12,093</b>	<b>12,517</b>	<b>424</b>
<b>Expenditure</b>						
Permanent Staff	(61,015)	(60,639)	375	(5,054)	(5,115)	(61)
Overtime	0	(838)	(838)	0	(84)	(84)
Waiting List Payments	0	(1)	(1)	0	0	0
Medical Locums/Short Sessions	(659)	(628)	31	(54)	(70)	(17)
Bank	(630)	(1,811)	(1,180)	(52)	(200)	(148)
Agency	(709)	(1,580)	(871)	(48)	(125)	(77)
Direct Engagement	(261)	(10)	251	(22)	27	49
<b>Total Pay</b>	<b>(63,275)</b>	<b>(65,507)</b>	<b>(2,233)</b>	<b>(5,229)</b>	<b>(5,566)</b>	<b>(337)</b>
Non Pay	(38,786)	(38,973)	(188)	(3,268)	(3,631)	(363)
<b>Total Expenditure</b>	<b>(102,060)</b>	<b>(104,480)</b>	<b>(2,420)</b>	<b>(8,497)</b>	<b>(9,197)</b>	<b>(700)</b>
<b>Contribution</b>	<b>39,110</b>	<b>38,985</b>	<b>(125)</b>	<b>3,596</b>	<b>3,320</b>	<b>(276)</b>

Excluding rechargeable costs, the income position was £60k above plan in March. Whilst there were pockets of over performance in the division, the overall rate of over performance was significantly lower than previous months. Up until month 11, over performance was averaging £225k a month so March's income represents a notable adverse swing and the continuation of a trend seen since December. The most notable falls were seen in outpatients, obstetric non-elective and NICU/SCBU income. Despite this, over £3.2m more income was earned in 2017/18, compared to 2016/17.

Overall pay costs were overspent by £340k in March 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 £100k 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 concern and 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. However, further work will be necessary to address this trend. Overall, pay was £2.2m higher in 2017/18, compared to 2016/17.

When the pass through cost variance is excluded, non pay budgets were overspent by £80k in month, and £500k year to date. Non rechargeable drugs is the main factor (£5k overspent in month and £285k overspent across the year. Consumables were £50k overspent in month and £410k overspent cumulatively. This is partly activity driven, but also linked to rechargeable insulin pump and consumables (£180k overspent or the year). Overall non-pay is £0.3m lower than in 2016/17. 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 I&E contribution run rate this year was £1.3M higher than in 2016/17.



## H. Strategic Development and Capital Planning

### Month 12 (March) 2017/18

Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>£000</b>						
<b>Income</b>						
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
<b>Total Corporate and SLA Income</b>						
All Other Income	11,131	10,034	(1,097)	883	1,781	898
<b>Total Income</b>	<b>11,131</b>	<b>10,034</b>	<b>(1,097)</b>	<b>883</b>	<b>1,781</b>	<b>898</b>
<b>Expenditure</b>						
Permanent Staff	(12,692)	(11,377)	1,315	(903)	(790)	113
Overtime	0	(159)	(159)	0	(14)	(14)
Waiting List Payments	0	0	0	0	0	0
Medical Locums/Short Sessions	0	0	0	0	0	0
Bank	(271)	(440)	(169)	(30)	(51)	(22)
Agency	(169)	(193)	(24)	(14)	(10)	4
Direct Engagement	0	( )	( )	0	0	0
<b>Total Pay</b>	<b>(13,132)</b>	<b>(12,170)</b>	<b>962</b>	<b>(947)</b>	<b>(866)</b>	<b>81</b>
Non Pay	(37,789)	(36,294)	1,495	(3,684)	(4,383)	(699)
<b>Total Expenditure</b>	<b>(50,921)</b>	<b>(48,464)</b>	<b>2,457</b>	<b>(4,631)</b>	<b>(5,248)</b>	<b>(618)</b>
<b>Contribution</b>	<b>(39,790)</b>	<b>(38,429)</b>	<b>1,360</b>	<b>(3,747)</b>	<b>(3,467)</b>	<b>280</b>

The position as at Month 12 is £1.36m 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 £507k favourable. Pay £961k favourable and Non Pay (excluding SaCP) £(110)k adverse.

Income is favourable YTD £507k (excl SaCP). The majority can be broken down as follows:

Car parking income £134k YTD approx 50% due to parking control notices, EKLS for additional activity for Berkeley Homes £51k YTD, some pay & consumables expenditure to be offset.

Accommodation income over achievement £114k

Staff recharges to Medway for work on the vascular plan £64k YTD,

Utilities services provided to external organisations £64k YTD

Pay is favourable £962k YTD. The Division currently has a vacancy rate (comparing contracted/budgeted WTE) of just over 14%, 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.

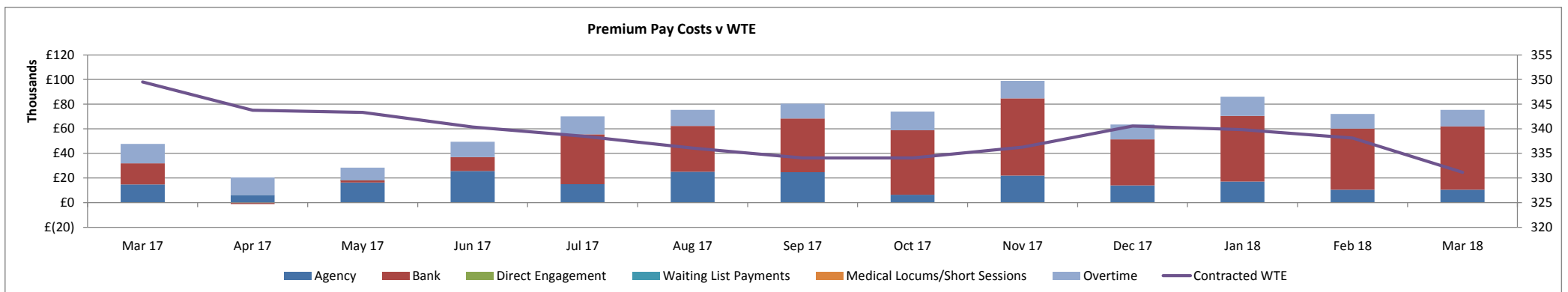
Non Pay is adverse YTD (excluding SaCP) £(110)k. This is an favourable swing of £86k compared to Month 11, this can be broken down as follows:

Estates day to day budgets are adverse £(305)k YTD, this is an adverse swing of £(128)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 £210k favourable YTD.

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.



## H. Corporate

### Month 12 (March) 2017/18

Statement of Comprehensive Income	Year to Date			This Month		
	Plan	Actual	Var.	Plan	Actual	Var.
<b>£000</b>						
<b>Income</b>						
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
<b>Total Corporate and SLA Income</b>						
All Other Income	17,180	19,711	2,531	410	2,735	2,324
<b>Total Income</b>	<b>17,180</b>	<b>19,711</b>	<b>2,531</b>	<b>410</b>	<b>2,735</b>	<b>2,324</b>
<b>Expenditure</b>						
Permanent Staff	(20,532)	(19,356)	1,176	(1,621)	(1,584)	37
Overtime	0	(156)	(156)	0	(14)	(14)
Waiting List Payments	0	0	0	0	0	0
Medical Locums/Short Sessions	(0)	(37)	(37)	(0)	(4)	(4)
Bank	(71)	(232)	(161)	(6)	(26)	(20)
Agency	(115)	(159)	(44)	(5)	(17)	(12)
Direct Engagement	0	0	0	0	0	0
<b>Total Pay</b>	<b>(20,718)</b>	<b>(19,940)</b>	<b>778</b>	<b>(1,632)</b>	<b>(1,645)</b>	<b>(13)</b>
Non Pay	(29,533)	(29,737)	(204)	(1,621)	(1,502)	119
<b>Total Expenditure</b>	<b>(50,251)</b>	<b>(49,678)</b>	<b>574</b>	<b>(3,254)</b>	<b>(3,147)</b>	<b>107</b>
<b>Contribution</b>	<b>(33,072)</b>	<b>(29,966)</b>	<b>3,106</b>	<b>(2,843)</b>	<b>(412)</b>	<b>2,431</b>

The position is £3.1m favourable YTD, this is a favourable swing of £2.4m compared to Month 11.

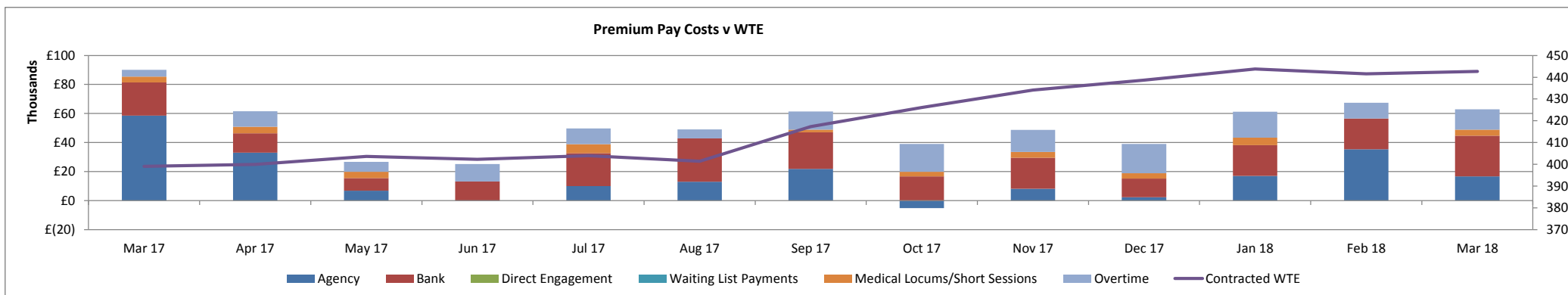
Income is favourable £2.5m YTD. The majority position at year end is due to HEE income review and some smaller favourable variances within the corporate directorates as follows £200k of income for the 20/20 consultancy work in Month 9, which nets off against expenditure. Favourable variances include Chaplaincy Income £23k YTD

Pay is £778k 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 £(204)k adverse YTD, this is an improvement of £119k compared to Month 11. 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 £(28)k adverse YTD mainly due to death inquest costs and 3rd party damages, HR permits adverse £(88)k YTD.

Excluding 20/20 expenditure the position is £90k favourable due to various underspends in Finance £14k YTD and HR £199k YTD, mainly underspend on overseas nurse recruitment, CQ&PS £4k. These offset an overspend on Trust Board, mainly recruitment costs.



# I. Income Metrics

## Month 12 (March) 2017/18

£ Thousands	2016/17	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
<b>Average Income per spell/attendance</b>															
Day Cases	0.63	0.66	0.66	0.64	0.63	0.65	0.64	0.66	0.68	0.67	0.68	0.65	0.69	0.68	0.66
Elective Inpatients	2.73	3.15	2.60	2.85	2.81	2.73	2.64	2.79	2.63	2.58	2.74	2.66	2.07	2.39	2.31
Non-Elective	1.76	1.76	2.01	1.91	1.92	1.92	1.92	2.02	2.01	1.99	2.04	2.13	2.18	2.08	2.04
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	0.83	0.86	0.83	0.88	0.82	0.92	0.86	0.84	0.88	0.86	0.86	0.90	0.84	0.84
A&E	0.11	0.12	0.13	0.12	0.12	0.12	0.12	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Specialist Care	0.14	0.14	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.14	0.15	0.15	0.15
Other Income	0.03	0.02	0.02	0.03	0.02	0.02	0.02	0.03	0.03	0.02	0.02	0.03	0.03	0.02	0.02
<b>Average Income per Working/Calendar Day</b>															
Day Cases (w)	193.35	188.99	188.58	170.34	174.77	195.16	186.40	175.02	200.81	197.43	209.46	171.01	197.33	202.11	183.16
Elective Inpatients (w)	163.55	194.47	148.12	154.19	146.87	160.90	165.40	151.63	158.99	161.60	172.75	156.95	94.48	133.19	120.51
Non-Elective (c)	402.38	417.07	442.64	424.76	447.13	444.02	406.54	420.41	437.93	428.60	450.97	447.81	484.24	455.30	463.94
Outpatients (w)	301.57	308.80	294.55	278.44	286.87	304.04	305.63	279.63	297.58	316.49	334.42	267.32	293.43	296.05	274.72
Critical Care (c)	50.29	48.59	52.00	50.66	50.13	48.23	58.17	51.79	52.86	49.74	53.01	52.33	49.95	54.69	52.43
A&E (c)	63.78	72.94	72.06	70.40	71.84	71.80	73.10	71.41	72.27	70.30	71.64	70.54	71.68	72.75	76.95
Specialist Care (c)	39.90	38.93	39.64	38.32	39.47	40.55	38.43	40.55	39.12	39.44	41.43	39.48	39.27	40.13	39.49
Other Income (c)	387.01	371.57	381.87	365.51	366.65	386.10	376.15	397.08	397.81	378.19	402.65	377.47	410.41	387.89	336.46
Working Days				20	23	22	21	23	21	22	22	21	23	20	22
Calendar Days				30	31	30	31	31	30	31	30	31	31	28	31
Favourable															
On Target															
Adverse															

## J. Expenditure Metrics

### Month 12 (March) 2017/18

£ Millions	2016/17	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
<b>Income &amp; Expenditure</b>															
Clinical Income	42.68	43.88	43.75	40.33	42.91	44.38	43.84	44.03	44.17	44.53	46.07	43.63	45.20	41.57	44.36
Other Income	3.90	4.80	4.98	4.19	3.76	4.62	4.68	4.28	4.12	4.80	5.10	5.52	3.83	3.38	11.51
<b>Total Income</b>	<b>46.58</b>	<b>48.68</b>	<b>48.73</b>	<b>44.52</b>	<b>46.67</b>	<b>49.00</b>	<b>48.53</b>	<b>48.30</b>	<b>48.29</b>	<b>49.33</b>	<b>51.17</b>	<b>49.14</b>	<b>49.04</b>	<b>44.95</b>	<b>55.87</b>
Pay	(28.24)	(28.70)	(29.31)	(28.06)	(28.52)	(28.70)	(28.52)	(28.68)	(29.02)	(29.23)	(30.33)	(29.07)	(30.19)	(30.02)	(31.37)
Non-Pay	(18.17)	(18.14)	(18.92)	(17.00)	(17.80)	(18.80)	(18.62)	(19.37)	(18.10)	(18.27)	(18.86)	(20.02)	(19.46)	(19.11)	(21.59)
<b>Total Operating Expenditure</b>	<b>(46.40)</b>	<b>(46.83)</b>	<b>(48.22)</b>	<b>(45.06)</b>	<b>(46.31)</b>	<b>(47.49)</b>	<b>(47.14)</b>	<b>(48.05)</b>	<b>(47.12)</b>	<b>(47.50)</b>	<b>(49.20)</b>	<b>(49.09)</b>	<b>(49.65)</b>	<b>(49.13)</b>	<b>(52.96)</b>
Non Operating Expenditure	(2.79)	(2.31)	(2.26)	(2.24)	(2.14)	(2.19)	(1.90)	(2.13)	(2.03)	(2.07)	(2.25)	(2.06)	(2.10)	(2.11)	(3.91)
<b>Total Expenditure</b>	<b>(49.20)</b>	<b>(49.14)</b>	<b>(50.48)</b>	<b>(47.30)</b>	<b>(48.45)</b>	<b>(49.68)</b>	<b>(49.04)</b>	<b>(50.18)</b>	<b>(49.15)</b>	<b>(49.57)</b>	<b>(51.45)</b>	<b>(51.15)</b>	<b>(51.75)</b>	<b>(51.24)</b>	<b>(56.87)</b>
<b>Surplus/(Deficit)</b>	<b>(2.62)</b>	<b>(0.46)</b>	<b>(1.75)</b>	<b>(2.78)</b>	<b>(1.78)</b>	<b>(0.68)</b>	<b>(0.52)</b>	<b>(1.88)</b>	<b>(0.85)</b>	<b>(0.23)</b>	<b>(0.28)</b>	<b>(2.00)</b>	<b>(2.71)</b>	<b>(6.29)</b>	<b>(1.01)</b>
Pay as % of Income	60.63%	58.95%	60.14%	63.01%	61.10%	58.56%	58.78%	59.37%	60.09%	59.24%	59.28%	59.15%	61.56%	66.79%	56.16%
Non-Pay as % of Income	39.00%	37.26%	38.82%	38.19%	38.14%	38.36%	38.37%	40.10%	37.48%	37.04%	36.87%	40.74%	39.68%	42.52%	38.65%
Financing as % of Income	6.00%	4.74%	4.64%	5.04%	4.58%	4.47%	3.91%	4.41%	4.20%	4.20%	4.40%	4.18%	4.28%	4.69%	6.99%
<b>Total % of Income</b>	<b>105.62%</b>	<b>100.95%</b>	<b>103.59%</b>	<b>106.24%</b>	<b>103.82%</b>	<b>101.39%</b>	<b>101.07%</b>	<b>103.88%</b>	<b>101.77%</b>	<b>100.48%</b>	<b>100.54%</b>	<b>104.07%</b>	<b>105.52%</b>	<b>114.00%</b>	<b>101.80%</b>

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

## K. Workforce Metrics

### Month 12 (March) 2017/18

£ Thousands	2016/17	Rolling Average		Actuals											
	Monthly Average	Plan	Actual	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
<b>Contracted Pay per WTE</b>															
Medical and Dental	(7.88)	(7.63)	(8.04) ❌	(7.67)	(8.15)	(7.97)	(7.72)	(8.13)	(8.03)	(7.99)	(8.13)	(8.13)	(7.96)	(8.10)	(8.53)
Nurses and Midwives	(3.50)	(3.24)	(3.57) ❌	(3.57)	(3.56)	(3.55)	(3.52)	(3.54)	(3.56)	(3.57)	(3.57)	(3.59)	(3.67)	(3.57)	(3.56)
Scientific, Therapeutic and Technical	(3.05)	(2.94)	(3.12) ❌	(3.11)	(3.12)	(3.09)	(3.17)	(2.99)	(3.11)	(3.13)	(3.18)	(3.14)	(3.13)	(3.13)	(3.11)
Admin and Clerical	(1.97)	(1.79)	(2.02) ❌	(2.03)	(2.03)	(2.02)	(2.03)	(2.04)	(2.02)	(2.05)	(2.04)	(1.92)	(2.03)	(2.01)	(2.02)
Other Pay	(2.62)	(2.45)	(2.72) ❌	(2.73)	(2.77)	(2.78)	(2.71)	(2.73)	(2.73)	(2.71)	(2.74)	(2.50)	(2.80)	(2.75)	(2.74)
<b>Average Contracted Pay per WTE</b>	<b>(3.80)</b>	<b>(3.61)</b>	<b>(3.90) ❌</b>	<b>(3.82)</b>	<b>(3.92)</b>	<b>(3.88)</b>	<b>(3.83)</b>	<b>(3.89)</b>	<b>(3.89)</b>	<b>(3.89)</b>	<b>(3.93)</b>	<b>(3.86)</b>	<b>(3.92)</b>	<b>(3.91)</b>	<b>(3.99)</b>
<b>Contracted Pay as % of Total</b>															
Medical and Dental	26%	29%	26%	26%	27%	26%	26%	26%	26%	26%	25%	27%	25%	26%	26%
Nurses and Midwives	27%	26%	25%	26%	26%	26%	25%	25%	26%	25%	24%	26%	25%	25%	23%
Scientific, Therapeutic and Technical	14%	15%	14%	15%	15%	14%	15%	14%	14%	14%	14%	14%	14%	14%	13%
Admin and Clerical	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Other Pay	12%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	12%	13%	13%	12%
Non Contracted Pay	11%	8%	13%	10%	10%	11%	12%	12%	13%	13%	15%	13%	14%	14%	16%
<b>Contracted &amp; Bank Pay per WTE</b>															
Medical and Dental	(7.89)	(7.80)	(8.53) ❌	(7.93)	(9.00)	(8.62)	(8.15)	(8.71)	(8.56)	(8.33)	(8.71)	(8.65)	(8.35)	(8.20)	(9.20)
Nurses and Midwives	(3.59)	(3.33)	(3.70) ❌	(3.68)	(3.66)	(3.66)	(3.66)	(3.66)	(3.68)	(3.68)	(3.67)	(3.72)	(3.83)	(3.72)	(3.74)
Scientific, Therapeutic and Technical	(3.05)	(2.94)	(3.13) ❌	(3.13)	(3.11)	(3.10)	(3.17)	(3.00)	(3.11)	(3.14)	(3.20)	(3.14)	(3.14)	(3.15)	(3.13)
Admin and Clerical	(2.02)	(1.84)	(2.09) ❌	(2.08)	(2.06)	(2.07)	(2.11)	(2.12)	(2.09)	(2.14)	(2.14)	(1.99)	(2.12)	(2.09)	(2.11)
Other Pay	(2.81)	(2.61)	(2.93) ❌	(2.96)	(2.86)	(3.02)	(2.91)	(2.97)	(2.95)	(2.97)	(2.92)	(2.67)	(3.01)	(2.97)	(2.97)
<b>Average Contracted &amp; Bank Pay per WTE</b>	<b>(7.89)</b>	<b>(7.80)</b>	<b>(8.53) ❌</b>	<b>(7.93)</b>	<b>(9.00)</b>	<b>(8.62)</b>	<b>(8.15)</b>	<b>(8.71)</b>	<b>(8.56)</b>	<b>(8.33)</b>	<b>(8.71)</b>	<b>(8.65)</b>	<b>(8.35)</b>	<b>(8.20)</b>	<b>(9.20)</b>
<b>Agency Pay per Vacant WTE</b>															
Medical and Dental	(4.14)		(7.78)	(3.37)	(1.36)	(6.42)	(5.79)	(5.33)	(6.71)	(8.87)	(12.32)	(11.97)	(8.64)	(12.30)	(11.02)
Nurses and Midwives	(1.69)		(2.48)	(1.66)	(1.53)	(1.68)	(1.96)	(1.92)	(2.08)	(2.37)	(2.27)	(2.24)	(3.43)	(4.02)	(4.95)
Scientific, Therapeutic and Technical	(5.65)		(1.61)	(0.64)	(0.60)	(0.87)	(1.73)	(2.05)	(2.08)	(1.52)	(3.00)	(1.99)	(3.03)	(2.17)	(2.88)
Admin and Clerical	(0.15)		(0.06)	(0.06)	(0.06)	(0.11)	(0.06)	(0.07)	(0.05)	0.03	(0.11)	(0.05)	(0.06)	(0.04)	(0.03)
Other Pay	(0.73)		(0.55)	(0.50)	(0.31)	(0.10)	(0.14)	(0.22)	(0.30)	(0.06)	(0.04)	(0.09)	(1.79)	(1.83)	(1.28)
<b>Average Agency Pay per Vacant WTE</b>	<b>(2.47)</b>		<b>(2.50)</b>	<b>(1.25)</b>	<b>(0.77)</b>	<b>(1.84)</b>	<b>(1.93)</b>	<b>(1.92)</b>	<b>(2.24)</b>	<b>(2.56)</b>	<b>(3.55)</b>	<b>(3.27)</b>	<b>(3.39)</b>	<b>(4.07)</b>	<b>(4.03)</b>
<b>Vacancy = Budgeted WTE - Contracted WTE</b>															
<b>Agency Spend as % of Pay</b>															
Medical and Dental	1%	4%	4%	1%	1%	3%	3%	3%	4%	4%	6%	6%	4%	5%	4%
Nurses and Midwives	2%	2%	2%	2%	1%	2%	2%	2%	2%	2%	2%	2%	3%	3%	4%
Scientific, Therapeutic and Technical	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	0%	1%	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%	1%	1%	0%
Contract and Bank	96%	93%	94%	97%	98%	95%	95%	95%	94%	93%	92%	92%	92%	90%	91%



## L. Efficiency Metrics

### Month 12 (March) 2017/18

	2016/17	Rolling Average		Actuals											
Thousands	Monthly Average	Plan	Actual	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
Efficiency Calculation															
Inpatient Admissions	14.89	14.76	14.10 <span>✖</span>	13.08	14.79	14.80	14.04	13.75	14.03	14.52	14.81	13.32	14.55	13.19	14.34
Inpatient Income	19,986.52	20,981.22	20,750.72 <span>✖</span>	19,233.47	21,258.43	21,153.98	19,990.61	20,545.78	20,693.61	21,185.39	21,937.62	20,769.28	21,722.81	19,454.45	21,063.16
Outpatient Income	6,348.75	6,449.93	6,164.69 <span>✖</span>	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	6,488.39	5,695.32	5,827.42
Adjusted Admissions D.1	19.62	19.30	18.29 <span>✖</span>	16.74	19.23	19.32	18.40	17.92	18.13	19.13	19.61	16.79	18.90	17.05	18.30
Operational Expenditure	(46,404.92)	(46,833.03)	(48,224.79) <span>✖</span>	(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)	(49,646.17)	(49,130.84)	(52,963.99)
Income Per Admission	1.34	1.42	1.47 <span>✔</span>	1.47	1.44	1.43	1.42	1.49	1.48	1.46	1.48	1.56	1.49	1.48	1.47
Expenditure per Admission	(2.37)	(2.43)	(2.64) <span>✖</span>	(2.69)	(2.41)	(2.46)	(2.56)	(2.68)	(2.60)	(2.48)	(2.51)	(2.92)	(2.63)	(2.88)	(2.89)
Efficiency Metric	(1.02)	(1.01)	(1.17) <span>✖</span>	(1.22)	(0.97)	(1.03)	(1.14)	(1.19)	(1.12)	(1.02)	(1.03)	(1.36)	(1.13)	(1.41)	(1.42)

# M. Definitions

## Month 12 (March) 2017/18

Table 1

		Financial criteria	Weight (%)	Metric	Rating categories			
					1 <sup>2</sup>	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 <sup>1</sup> (%)	Worse than (1)%	(1)-0%	0-1%	Greater than 1%
		Variance from plan	25	<div> <div>15</div> <div>Variance in I&amp;E margin as a % of income<sup>1</sup></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>

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

<sup>2</sup> 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.