

Finance Report for the period ended  
**30 September 2020**

For presentation at the  
**Trust Board Meeting**  
**27 October 2020**

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## Executive Summary and overall performance against targets

### Introduction

1. This report presents the financial position for the period ended 30 September 2020 (month 6). The report shows a year to date income and expenditure break-even for Trust budgets as a whole. In line with the temporary financial regime during the Covid pandemic Trusts are required to break even on a monthly basis (for months 1 to 6), and additional financial support has been provided by NHSE/I to enable Trusts to achieve this.
2. Within the Trust's overall M6 break-even position, operational baseline budgets are currently overspending by £1,402k. Central funds (which include the temporary national financial 'retrospective top-up' income) are offsetting the operational overspend in order to achieve the overall break-even position.
3. Estates services report the largest overspend, standing at £1,806k. Other overspends include Enabling Services (£826k), Hosted Services (£404k), and Learning Disabilities (£367k). CHS are reporting an underspend of £1,371k, AMH an underspend of £388k and FYPC an underspend of £242k.
4. Closing cash for September stood at £42.2m. This equates to 53.1 days operating costs.

NHS Trust Statutory Duties	Year to date	Year end f'cast	Comments
1. Income and Expenditure break-even.	G	R	The Trust is reporting a break even position at the end of September 2020. [see 'Service I&E position' and <b>Appendix A</b> ]. Delivery of a year end break even is dependant upon a number of factors, chiefly the securing of key income streams within the local system in months 7 to 12 (after the retrospective top-up ceases).
2. Remain within Capital Resource Limit (CRL).	G	G	Capital spend for September is £5.6m, which is within limits.
3. Achieve the Capital Cost Absorption Duty (Return on Capital).	G	G	The dividend payable is based on the actual average relevant net assets; therefore the capital cost absorption rate will automatically be 3.5%.
4. Remain within External Financing Limit (EFL).	n/a	G	The Cash level of £42.2m is above target (includes temporary COVID-19 cash funding arrangements)

Secondary targets	Year to date	Year end f'cast	Comments
5. Comply with Better Payment Practice Code (BPPC).	G	G	The target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved all of the 4 BPPC targets in September.
6. Achieve Cost Improvement Programme (CIP) targets.	n/a	n/a	As a result of the Covid-19 Financial arrangements, formal CIP reporting is currently suspended.
7. Deliver financial plan I&E position	n/a	R	As a result of Covid-19 financial arrangements there has been no control total surplus requirement during months 1 to 6. NHSE/I have requested a plan for months 7 to 12 – this is currently being finalised, but indications are that there will be considerable risks, particularly in terms of securing additional income streams.
Internal targets	Year to date	Year end f'cast	Comments
8. Achieve a Financial & Use of Resources metric score of 2 (or better)	G	A	The Trust is currently scoring 2 for year-to-date performance. Whilst Trusts are responding to Covid it is not clear whether this target will be formally monitored by NHSI/E. Year end achievement will be subject to the same income risks as stated in the break even target above.
9. Achieve retained cash balances in line with plan	G	G	A cash balance of £42.2m was achieved at the end of September 2020. <b>[See 'cash and working capital']</b>
10. Deliver capital investment in line with plan (within +/- 15% YTD planned spend levels)	G	G	Capital expenditure totals £5.6m at the end of month 6 <b>[See 'Capital Programme 2020/21']</b>

## Temporary financial regime during Covid-19 pandemic

Nationally, the NHS response to the Covid-19 pandemic has included a simplification of the finance/funding regime. This is primarily to ensure that providers have immediate access to adequate funding in order to properly respond to the many challenges that the pandemic brings. During months 1 to 6, any shortfalls in the fixed NHSE/I calculated income levels have been topped-up via the national 'retrospective top-up' process.

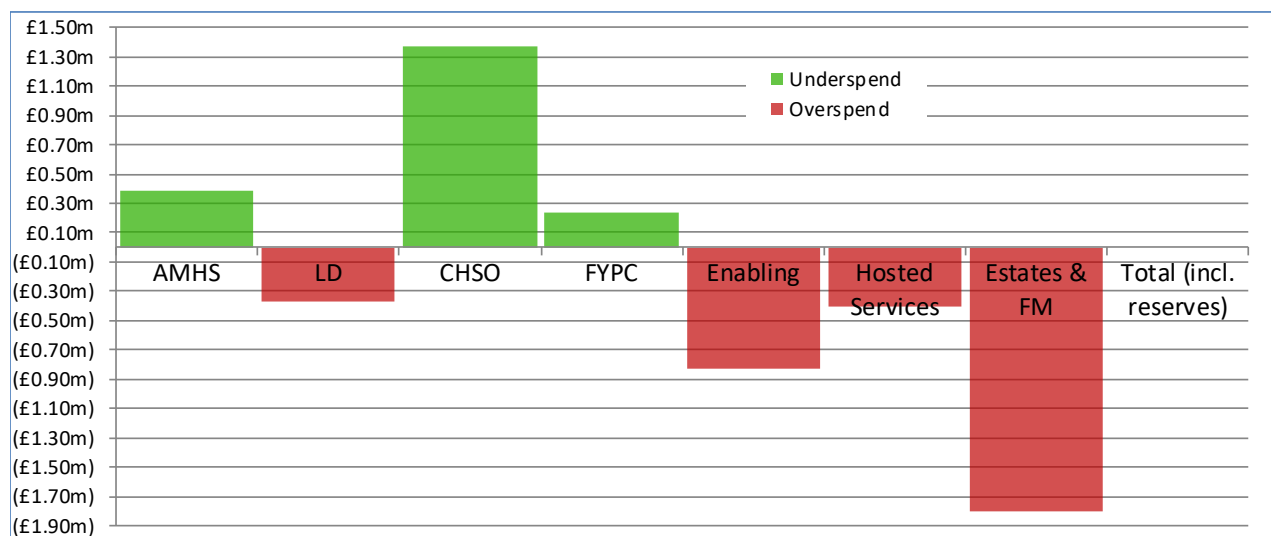
From the 1<sup>st</sup> October (affecting financial reporting from month 7 onwards), the retrospective top-up process ceases. Systems have been allocated a total funding envelope for months 7 to 12 within which NHS organisations will be expected to manage their financial positions. The Trust will continue to be funded via fixed blocks, but any further management of additional income will become a local system issue.

Systems have developed financial plans (being the aggregate of individual organisational plans) which show expected costs against the funding envelope. Initial plans were submitted to NHSE/I on the 5<sup>th</sup> October, with a further final round of system and organisational level submissions expected on the 20<sup>th</sup> and 22<sup>nd</sup> October respectively. The current system plan shows a significant income and expenditure deficit. The LPT position within the system plan forecasts a £1.4m deficit by the end of the financial year. However, this assumes the receipt of c. £3m income which has not yet been confirmed by the system, and so this forecast position is at risk. Initial NHSE/I feedback has stated that the system plan is an outlier across the region and further analysis and action to address the system deficit has been requested.

## Income and Expenditure position

The month 6 position includes an operational overspend against underlying budgets that is currently offset by underspends and additional NHSE/I income. The chart below shows the year-to-date I&E variance against budget and the individual service surplus/deficits contributing towards this overall position.

Month 06 year to date operational income and expenditure budget variances by service



Estates services are reporting an adverse variance of £1,806k in month 6. This overspend includes the recurrent underlying shortfall carried forward from last year plus inflationary price increases on larger contracts from 1<sup>st</sup> April. In addition, from month 4, higher UHL Estates & FM SLA costs have been reflected in the position following the work undertaken between UHL and LPT to understand the costs being incurred.

The Enabling 20/21 position continues to overspend significantly, due to additional costs relating to the Executive Team and a significant reduction in SIFT income (for which the total Trust budget sits within Enabling) compared to previous levels.

CHS budgets show an increasing underspend. Bank and agency costs continue to run at levels much lower than the previous year, as do travel costs. The cost reductions earmarked for future CIPs also benefit the overall CHS position.

Overall, the position continues to be balanced through the application of the retrospective top-up income. As well as funding direct Covid costs, the top-up income covers the net operational overspend, and shortfalls on the fixed block income.

Following confirmation of the month 7-12 financial plan, directorate budgets will be amended to reflect the plan assumptions.

## Covid-19 expenditure and 'retrospective top-up'

The financial cost of the Trust's response to Covid-19 is recorded in order to provide accurate and timely monitoring of expenditure (both locally and nationally), and also to support the cost reclaim process.

The reclaiming of Covid-19 costs has been part of the wider monthly retrospective top-up process up to the end of month 6, but, as explained previously, the national top-up process came to an end on the 30<sup>th</sup> September. From October (month 7) onwards, the Trust will receive its own share of the Covid system budget, and will have to manage Covid costs within this budget.

Covid-19 costs incurred in September amounted to £1,381k (up from the £1,201k reported for August). Costs in most areas actually reduced in September, compared to August. However, there was a significant increase recorded within AMH, largely due to the retrospective inclusion of costs from previous months, now recognised as Covid costs. In addition, work has been undertaken in conjunction with Workforce colleagues to identify any outstanding Covid related pay claims (e.g bank and overtime) and ensure that these are reflected in the final top-up position. On the basis that these 'catch-up' costs are effectively one-offs, it is anticipated that Covid costs for November will show a reduction.

**Appendix E** provides further information in respect of Covid costs.

In addition to the reclaiming of Covid costs, the retrospective top-up process has allowed the Trust to claim additional funding to cover any other net cost pressures that would otherwise prevent the achievement of an I&E break-even each month. For LPT, these additional pressures include income losses indirectly caused by the impact of Covid on the wider economy, as well as operational costs that would otherwise have been mitigated through the normal planning round (i.e. through CIPs or the allocation of growth and investment funding).

The overall top-up claim for September (comprising the Covid costs of £1,381k plus other financial pressures and shortfalls) is £1,864k. Being the final claim under this process, it is imperative that all costs relating to the M1 to M6 period are reflected (including charges not yet billed / notified). In addition, NHSE have commissioned a series of audits of Trusts' use of the top-up facility, and so the September claim provides a final opportunity to adjust for any previous errors or omissions and ensure that the total claim for the period M1 to M6 is accurate and fully justifiable. To this end, significant additional work has been undertaken to ensure that the claim is as robust as possible.

The retrospective top-up process virtually eliminated any risk of Trust financial overspend in the first half of the year. With the cessation of the top-up from 1<sup>st</sup> October, the Trust will now be wholly reliant on the fixed block income, plus any additional income streams that can be negotiated within the system. A number of pressures remain potentially unfunded in the plan developed for the M7 to M12 period, and so the overall financial risk to the Trust will increase significantly in the second half of the year.

## Statement of Financial Position (SoFP)

PERIOD: September 2020	2019/20 31/03/20 Audited	2020/21 30/09/20 September
	£'000's	£'000's
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	179,832	181,764
Intangible assets	2,473	2,308
Trade and other receivables	1,037	1,037
<b>Total Non Current Assets</b>	<b>183,342</b>	<b>185,109</b>
<b>CURRENT ASSETS</b>		
Inventories	433	334
Trade and other receivables	12,162	10,810
Cash and Cash Equivalents	15,433	42,196
<b>Total Current Assets</b>	<b>28,028</b>	<b>53,340</b>
<b>Non current assets held for sale</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>211,370</b>	<b>238,449</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	(19,785)	(45,598)
Borrowings	(263)	(263)
Capital Investment Loan - Current	(189)	(189)
Provisions	(1,183)	(1,150)
<b>Total Current Liabilities</b>	<b>(21,420)</b>	<b>(47,200)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>6,608</b>	<b>6,140</b>
<b>NON CURRENT LIABILITIES</b>		
Borrowings	(7,761)	(7,761)
Capital Investment Loan - Non Current	(3,347)	(3,266)
Provisions	(647)	(538)
<b>Total Non Current Liabilities</b>	<b>(11,755)</b>	<b>(11,565)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>178,195</b>	<b>179,685</b>
<b>TAXPAYERS' EQUITY</b>		
Public Dividend Capital	89,452	90,942
Retained Earnings	39,230	39,230
Revaluation reserve	49,513	49,513
<b>TOTAL TAXPAYERS EQUITY</b>	<b>178,195</b>	<b>179,685</b>

### Non-current assets

- Property, plant and equipment (PPE) amounts to £181.8m. This includes capital additions of £5.6m.

### Current assets

- Current assets of £53.3m include cash of £42.2m and receivables of £10.8m.

### Current Liabilities

- Current liabilities amount to £47.2m and mainly relate to payables of £45.6m.
- Net current assets / (liabilities) show net assets of £6.1m.

### Working capital

- Cash and changes in working capital are reviewed on the following pages.

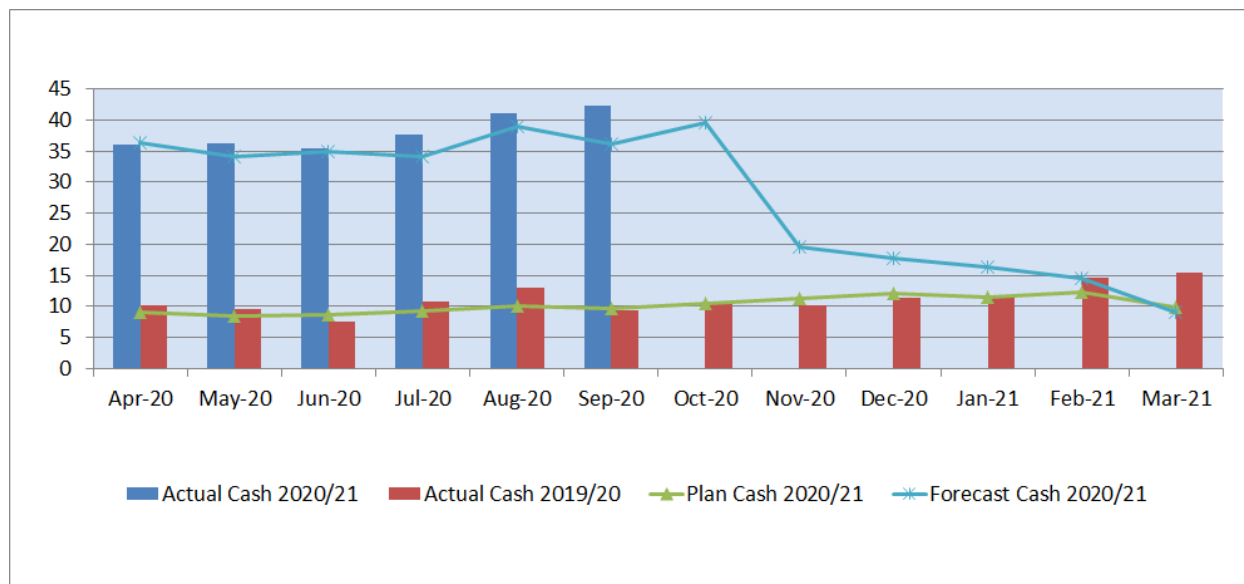
### Taxpayers' Equity

- Public Dividend Capital increased by £1.5m due to PDC received in July to support CAMHS construction costs for the first quarter of the year.
- September's break-even position is reflected within retained earnings.



## Cash and Working Capital

### 12 Months Cash Analysis Apr 20 to Mar 21



#### Cash – Key Points

The closing cash balance at the end of September was £42.2m, an increase of £1.2m during the month. The monthly cash increase is mainly due to prompt payment from Leicestershire County Council for the 0-19 service (normally one month in arrears) and payment from NHS Property Services relating to previous years' debts.

To assist provider organisations' cash-flow positions during the COVID-19 crisis, the Department of Health continues to issue block contract income payments one month in advance. This alone has benefited September's cash position by £21m. This advance payment has resulted in a corresponding liability (deferred income) on the balance sheet for the same amount.

In 'real terms', excluding this advanced payment, the cash balance has increased by c£5m since the start of the year. This is due to the phasing of capital spend (mostly in the latter part of the year) and movements in working capital balances i.e. the payment of debtors and creditors. The cash position has also benefited this month from the postponement of the six-monthly public dividend capital (PDC) payment of £2.6m. The Department of Health has not yet announced the revised payment date.

A summarised cash-flow forecast is included at **Appendix D**. A year end closing cash balance of £9m is currently forecast however an updated cash-flow forecast will be reported in next month's report. The cash implications of the revised year end I&E position (£1.4m deficit) and the review of capital expenditure profiling currently being undertaken may result in a revised closing cash forecast as at March 2021.

## Receivables

Current receivables (debtors) total £15.4m.

Receivables	Current Month (September 2020)					
	NHS	Non NHS	Emp's	Total	% Total	% Sales Ledger
	£'000	£'000	£'000	£'000		
<b>Sales Ledger</b>						
30 days or less	393	417	5	<b>815</b>	<b>7.3%</b>	<b>20.9%</b>
31 - 60 days	445	56	3	<b>504</b>	<b>4.5%</b>	<b>12.9%</b>
61 - 90 days	268	68	3	<b>339</b>	<b>3.0%</b>	<b>8.7%</b>
Over 90 days	1,255	802	187	<b>2,244</b>	<b>20.1%</b>	<b>57.5%</b>
	2,361	1,343	198	<b>3,902</b>	<b>34.9%</b>	<b>100.0%</b>
<b>Non sales ledger</b>	3,608	3,300	0	<b>6,908</b>	<b>61.8%</b>	
<b>Total receivables current</b>	<b>5,969</b>	<b>4,643</b>	<b>198</b>	<b>10,810</b>	<b>96.8%</b>	
<b>Total receivables non current</b>		360		360	<b>3.2%</b>	
<b>Total</b>	<b>5,969</b>	<b>5,003</b>	<b>198</b>	<b>11,170</b>	<b>100.0%</b>	<b>0.0%</b>

Debt greater than 90 days decreased by £617k since August and now stands at £2.2m. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 6 is 20.1%.

Due to the temporary arrangements put in place to simplify transactions with commissioners, the number of invoices raised to NHS customers has reduced significantly since the start of the year, hence the lower value of '30 days or less' NHS debt.

The reduction in aged debt mainly relates to:

- The payment of NHS Property Services invoices (24 invoices totalling £274k)
- Credit notes of £465k were raised during the month due to incorrectly assuming activity was provided for non-Leicestershire patients in previous years:
  - Derby & Derbyshire CCG (28 invoices totalling £386k)
  - Somerset Partnership NHSFT (3 invoices totalling £31k)
  - South West Lincolnshire CCG (1 invoice totalling £48k)
- A £200k credit note provision is included in the Month 6 position following the resolution of an ongoing dispute with Lincolnshire CCGs (Lincolnshire has agreed to pay £300k of the £500k debt). In addition to this a further £200k has been identified to be written off relating to specific debts now unlikely to be paid. These will be processed in October and presented in next month's finance report.

## Payables

The current payables position in Month 6 is £45.6m; a decrease of £2.7m since the previous month. The advanced block contract payment of £21m is reported as deferred income within the overall payables balance. Excluding this amount the payables balance has increased by c£5m since the start of the year. This increase mainly relates to accrued expenditure for the dividend payment to the Department of Health (payment date tbc) and capital accruals for the new CAMHS unit construction costs and Covid expenditure.

Payables	Current Month September 2020				
	NHS	Non NHS	Total	% Total	% Purchase Ledger
	£'000	£'000	£'000		
<b>Purchase Ledger</b>					
30 days or less	1,349	1,270	2,619	5.7%	38.9%
31 - 60 days	1,428	79	1,507	3.3%	22.4%
61 - 90 days	200	25	225	0.5%	3.3%
Over 90 days	2,268	120	2,388	5.2%	35.4%
	5,245	1,494	6,739	14.8%	100.0%
<b>Non purchase ledger</b>					
	22,754	16,105	38,859	85.2%	
<b>Total Payables Current</b>	<b>27,999</b>	<b>17,599</b>	<b>45,598</b>	<b>100.0%</b>	
<b>Total Payables Non Current</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Total</b>	<b>27,999</b>	<b>17,599</b>	<b>45,598</b>	<b>100.0%</b>	

£1.4m of payables greater than 90 days relate to invoice disputes with NHS Property Services (NHSPS). This amount has reduced during the month due to ongoing work with NHSPS to resolve payment discrepancies. This has resulted in £600k of invoices being paid in September.

## Better Payment Practice Code (BPPC)

The specific target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved all of the 4 BPPC targets in September as well as within the month.

Since the start of the year a total of 12,424 NHS and Non-NHS invoices totalling c£71m have been paid. Of these:

- 59% (7,381 invoices) were paid within 7 days
- 39% (4,828 invoices) were paid between 8 and 30 days
- 2% (215 invoices) were paid after 30 days

Further details are shown in **Appendix B**.

## Capital Programme 2020/21

Capital expenditure totals £5.6m at the end of month 6 and mainly relates to CAMHS construction costs (£2.7m), IM&T (£1.6m) and estates and IM&T Covid related expenditure (£910k). Covid related expenditure is expected to increase next month due to the high volume of IT orders approved during September.

Four claims totalling £1.4m have so far been submitted to NHSI for all capital commitments relating to COVID (£900k for IM&T and £500k for Estates). Due to the high volume of funding requests, regional approval has only been granted for the first claim of £390k. National approval is still required for this claim and both regional and national approval is outstanding for claims 2-4. If funding is not approved the Trust will need to cover the additional £1m from its existing allocation.

The Trust has now had formal confirmation from NHSI that internally generated cash of £1.7m can be used to fund this year's programme.

The Business Case for the Mental Health Dormitory Eradication scheme has been submitted to NHSE/I. Funding for the first phase has been approved and £900k is now included in the capital plan for the Willows decant ward. Total funding will cover the Bradgate wards, Bennion and Evington wards.

	Annual Plan Original	Annual Plan Adjts	Annual Plan Updated	Sept Actual Exp	Year End Forecast	Revision to Plan
<b>Sources of Funds</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Depreciation	7,200	(21)	7,179	2,893	7,179	0
STP capital for CAMHS (PDC)	2,898	0	2,898	2,739	2,898	0
PFI Agnes Unit capital lifecycle replacement	100	0	100	0	225	125
Cash utilisation of previous years' surpluses	100	1,574	1,674	0	1,674	0
Asset Sales	250	(250)	0	0	0	0
Dormitory funding (PDC)	0	0	0	0	900	900
COVID-19 Central allocation - TBC	0	0	0	0	1,402	1,402
<b>Total Capital funds</b>	<b>10,548</b>	<b>1,303</b>	<b>11,851</b>	<b>5,632</b>	<b>14,278</b>	<b>2,427</b>
<b>Application of Funds</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Estates &amp; Innovation</b>						
Service Improvements	(3,618)	0	(3,618)	(2,749)	(3,876)	(258)
Backlog (inc £1,078k contingency)	(1,785)	0	(1,785)	(207)	(2,693)	(908)
Rolling programme & other projects	(1,349)	0	(1,349)	(186)	(1,108)	241
Medical devices	(213)	0	(213)	(19)	(213)	0
COVID-19	0	0	0	(361)	(536)	(536)
<b>Sub-total:</b>	<b>(6,965)</b>	<b>0</b>	<b>(6,965)</b>	<b>(3,522)</b>	<b>(8,426)</b>	<b>(1,461)</b>
<b>IT Programme</b>						
Rolling programmes	(2,030)	0	(2,030)	(1,172)	(2,030)	0
Other projects (inc £936k contingency)	(1,553)	0	(1,553)	(389)	(2,103)	(550)
COVID-19	0	0	0	(549)	(866)	(866)
	<b>(3,583)</b>	<b>0</b>	<b>(3,583)</b>	<b>(2,110)</b>	<b>(4,999)</b>	<b>(1,416)</b>
<b>New funding - to be allocated</b>	0	(1,303)	(1,303)	0	(853)	450
<b>Total Capital Expenditure</b>	<b>(10,548)</b>	<b>(1,303)</b>	<b>(11,851)</b>	<b>(5,632)</b>	<b>(14,278)</b>	<b>(2,427)</b>
<b>(Over)/underspend against resource available</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The capital committee met in September for the six-monthly capital plan review. Changes made to the plan are shown in the following table.

**Changes to capital schemes (from CMC meeting on 23/09/2020)**

		Updated Plan	Forecast Annual Exp After Adjustment	Total In-year changes	CMC 23/09/2020 Adjustments	Notes
		£000	£000	£000	£000	
	<b>Estates</b>					
5C70	CAMHS - STP	(2,858)	(2,853)	5	(23)	Extra IT equipment required as not identified in GMP
5C66	Dormitory Elimination (from LPT funding)	(665)	0	665	665	LPT allocation not required as funding now from NHSI/E.
5C66	Dormitory Elimination (from PDC funding)	0	(900)	(900)	(900)	Funding source is now NHSI/E. Initial spend increased to £900k for decant works (inc Willows windows £204k)
5C13	Aged Plant - Replacements (generator)	(100)	(35)	65	65	Provision for one generator for £35k
5C89	Externals	(50)	0	50	50	No longer required
5C51	Shepshed car park	(100)	(106)	(6)	(6)	Increase to match expenditure
	Beechwood cladding	0	(25)	(25)	(25)	Approved by Committee at previous meeting
5C41	Estates IT system	(100)	0	100	100	Not required in 20/21
5C45	Mawson Lodge issues	(50)	(50)	0	(50)	Now required (previously removed in M1 changes)
5C22	Estates contingency/business cases	(100)	(1,078)	(978)	(776)	Extra £776k contingency identified from M6 Estates changes
	<b>IM&amp;T</b>					
5C62	Single EPR System	(750)	(750)	0	200	Previous in-year increase of £200k for impact of COVID delays now included in IM&T contingency
5C19	Office 365	(150)	0	150	150	Not required; now funded from revenue
5C80	IM&T Contingency (inc £200k EPR provision if covid rejected)	(50)	(936)	(886)	(800)	Extra £800k contingency identified from M6 IM&T changes
	Trust cash contingency (post plan) - £450k of the £1.3m	(1,303)	(853)	450	450	Transfer of IM&T allocation for additional lap tops from Trust cash
	<b>Funding source</b>					
	Dormitory funding (PDC)	0	900	900	900	PDC confirmation required
	<b>Total changes 23/09/2020 = zero</b>	<b>(6,276)</b>	<b>(6,686)</b>	<b>(410)</b>	<b>0</b>	

Requests for additional capital schemes will be reviewed at October's capital committee meeting; funding for any approved bids will be available from contingency funds however until capital Covid funding is secured not all the contingency reserves (currently £2.9m) can be released.

## APPENDIX A - Statement of Comprehensive Income (SoCI)

Statement of Comprehensive Income for the period ended 30 September 2020	YTD Actual M06 £000	YTD Budget M06 £000	YTD Var. M6 £000
<b>Revenue</b>			
Total income	147,504	141,630	5,874
Operating expenses	(143,450)	(137,605)	(5,845)
<b>Operating surplus (deficit)</b>	<b>4,054</b>	<b>4,025</b>	<b>29</b>
Investment revenue	(30)	0	(30)
Other gains and (losses)	0	0	0
Finance costs	0	0	0
<b>Surplus/(deficit) for the period</b>	<b>4,024</b>	<b>4,025</b>	<b>(1)</b>
Public dividend capital dividends payable	(4,024)	(4,025)	1
<b>I&amp;E surplus/(deficit) for the period (before tech. adjs)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
IFRIC 12 adjustments	0	0	0
Donated/government grant asset reserve adj	0	0	0
Technical adjustment for impairments	0	0	0
<b>NHSI I&amp;E control total surplus</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
<b>Other comprehensive income (Exc. Technical Adjs)</b>			
Impairments and reversals	0	0	0
Gains on revaluations	0	0	0
<b>Total comprehensive income for the period:</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
<b>Trust EBITDA £000</b>	<b>6,830</b>	<b>6,801</b>	<b>29</b>
<b>Trust EBITDA margin %</b>	<b>4.6%</b>	<b>4.8%</b>	<b>-0.2%</b>

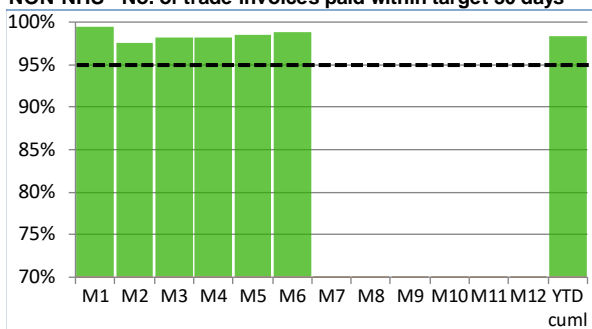
## APPENDIX B – BPPC performance

### Trust performance – current month (cumulative) v previous

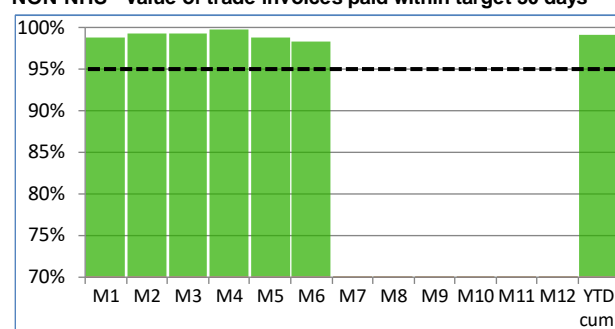
Better Payment Practice Code	September (Cumulative)		August (Cumulative)	
	Number	£000's	Number	£000's
Total Non-NHS trade invoices paid in the year	11,971	41,848	10,376	38,052
Total Non-NHS trade invoices paid within target	11,775	41,508	10,197	37,776
<b>% of Non-NHS trade invoices paid within target</b>	<b>98.4%</b>	<b>99.2%</b>	<b>98.27%</b>	<b>99.27%</b>
Total NHS trade invoices paid in the year	453	29,320	337	24,227
Total NHS trade invoices paid within target	434	29,046	320	24,091
<b>% of NHS trade invoices paid within target</b>	<b>95.8%</b>	<b>99.1%</b>	<b>94.96%</b>	<b>99.44%</b>
Grand total trade invoices paid in the year	12,424	71,168	10,713	62,279
Grand total trade invoices paid within target	12,209	70,554	10,517	61,867
<b>% of total trade invoices paid within target</b>	<b>98.3%</b>	<b>99.1%</b>	<b>98.17%</b>	<b>99.34%</b>

### Trust performance – run-rate by all months and cumulative year-to-date

NON-NHS - No. of trade invoices paid within target 30 days



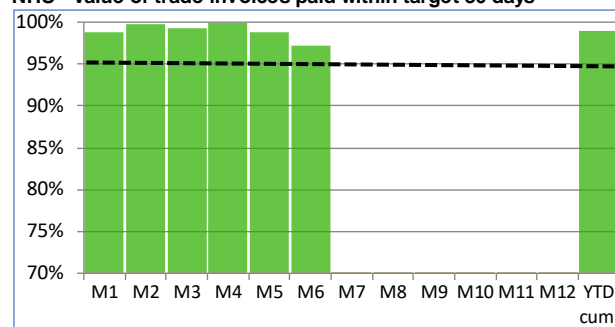
NON-NHS - Value of trade invoices paid within target 30 days



NHS - Number of trade invoices paid within target 30 days



NHS - Value of trade invoices paid within target 30 days



## APPENDIX C – Agency staff expenditure

2020/21 Agency Expenditure (includes prior yr comparators)	2019/20 Outturn £000s Actual	2019/20 Avg mth £000s Actual	2020/21 M1 £000s Actual	2020/21 M2 £000s Actual	2020/21 M3 £000s Actual	2020/21 M4 £000s Actual	2020/21 M5 £000s Actual	2020/21 M6 £000s Actual	2020/21 M7 £000s F'Cast	2020/21 M8 £000s F'Cast	2020/21 M9 £000s F'Cast	2020/21 M10 £000s F'Cast	2020/21 M11 £000s F'Cast	2020/21 M12 £000s F'Cast	20/21 YTD £000s Actual	20/21 Year End £000s F'Cast
<b>AMH (19/20 includes LD)</b>																
Agency Consultant Costs	-1,008	-84	-109	-145	-125	-139	-197	-220	-200	-185	-160	-150	-150	-135	-935	-1,915
Agency Nursing	-1,797	-150	-143	-122	-113	-151	-176	-213	-200	-200	-180	-180	-180	-165	-918	-2,023
Agency Scient, Therap. & Tech	-213	-18	-6	-11	-10	-13	-20	-15	-15	-10	-10	-10	-10	-10	-74	-137
Agency Non clinical staff costs	-241	-20	-5	-6	-5	-6	-6	-10	-8	-8	-8	-8	-8	-8	-38	-86
<b>Sub-total</b>	<b>-3,259</b>	<b>-272</b>	<b>-263</b>	<b>-284</b>	<b>-252</b>	<b>-310</b>	<b>-399</b>	<b>-457</b>	<b>-423</b>	<b>-403</b>	<b>-358</b>	<b>-348</b>	<b>-348</b>	<b>-318</b>	-1,966	-4,162
<b>LEARNING DISABILITIES</b>																
Agency Consultant Costs	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Nursing	-	-	-7	-7	-7	-45	-63	-80	-50	-40	-20	-20	-20	-5	-209	-364
Agency Scient, Therap. & Tech	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Non clinical staff costs	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>-7</b>	<b>-7</b>	<b>-7</b>	<b>-45</b>	<b>-63</b>	<b>-80</b>	<b>-50</b>	<b>-40</b>	<b>-20</b>	<b>-20</b>	<b>-20</b>	<b>-5</b>	-209	-364
<b>CHS</b>																
Agency Consultant Costs	-107	-9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Nursing	-3,710	-309	-234	-249	-242	-163	-228	-208	-240	-250	-280	-270	-275	-280	-1,324	-2,919
Agency Scient, Therap. & Tech	-517	-43	-31	-25	-31	-27	-22	-21	-25	-30	-30	-30	-30	-30	-156	-331
Agency Non clinical staff costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub-total</b>	<b>-4,334</b>	<b>-361</b>	<b>-265</b>	<b>-273</b>	<b>-273</b>	<b>-190</b>	<b>-250</b>	<b>-230</b>	<b>-265</b>	<b>-280</b>	<b>-310</b>	<b>-300</b>	<b>-305</b>	<b>-310</b>	-1,481	-3,251
<b>FYPC</b>																
Agency Consultant Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Nursing	-440	-37	-52	-57	-60	-73	-53	-63	-65	-65	-65	-65	-65	-65	-359	-749
Agency Nursing	-1,467	-122	-120	-136	-142	-195	-161	-119	-140	-120	-120	-120	-120	-120	-873	-1,613
Agency Scient, Therap. & Tech	-70	-6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Non clinical staff costs	-82	-7	0	1	0	0	0	0	0	0	0	0	0	0	1	1
<b>Sub-total</b>	<b>-2,059</b>	<b>-172</b>	<b>-173</b>	<b>-192</b>	<b>-203</b>	<b>-268</b>	<b>-214</b>	<b>-182</b>	<b>-205</b>	<b>-185</b>	<b>-185</b>	<b>-185</b>	<b>-185</b>	<b>-185</b>	-1,231	-2,361
<b>Enabling, Hosted &amp; reserves</b>																
Agency Consultant Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Nursing	26	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Scient, Therap. & Tech	-142	-12	-8	0	-2	0	-14	-4	-6	-6	-6	-6	-6	-6	-28	-64
Agency Non clinical staff costs	-425	-35	-38	-41	-37	-84	-50	-41	-43	-43	-43	-43	-45	-45	-292	-554
<b>Sub-total</b>	<b>-541</b>	<b>-45</b>	<b>-47</b>	<b>-41</b>	<b>-39</b>	<b>-84</b>	<b>-64</b>	<b>-45</b>	<b>-49</b>	<b>-49</b>	<b>-49</b>	<b>-49</b>	<b>-51</b>	<b>-51</b>	-320	-618
<b>TOTAL TRUST</b>																
Agency Consultant Costs	-1,555	-130	-162	-202	-186	-212	-250	-283	-265	-250	-225	-215	-215	-200	-1,294	-2,664
Agency Nursing	-6,948	-579	-503	-513	-505	-554	-628	-621	-630	-610	-600	-590	-595	-570	-3,324	-6,919
Agency Scient, Therap. & Tech	-943	-79	-46	-36	-42	-40	-56	-40	-46	-46	-46	-46	-46	-46	-259	-533
Agency Non clinical staff costs	-747	-62	-43	-46	-42	-90	-56	-51	-51	-51	-51	-51	-53	-53	-329	-639
<b>Total</b>	<b>-10,193</b>	<b>-850</b>	<b>-754</b>	<b>-797</b>	<b>-775</b>	<b>-897</b>	<b>-990</b>	<b>-995</b>	<b>-992</b>	<b>-957</b>	<b>-922</b>	<b>-902</b>	<b>-909</b>	<b>-869</b>	-5,206	-10,755
Direct Covid-19 costs	0	0	27	50	154	57	197	199								
<b>Total excluding Covid-19 costs</b>	<b>-10,193</b>	<b>-850</b>	<b>-727</b>	<b>-747</b>	<b>-621</b>	<b>-840</b>	<b>-793</b>	<b>-796</b>								



## APPENDIX D – Cash flow forecast

2020/21 CASH-FLOW FORECAST	SEP	SEP	SEP	OCT	NOV	DEC	JAN	FEB	MAR	YTD	20/21
	FORECAST	ACTUAL	VARIANCE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	ACTUAL	FORECAST
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>OPENING BALANCE</b>	40,989	40,989	0	42,196	39,616	19,474	17,686	16,335	14,548	15,433	15,433
<b>INCOME</b>											
CCG block contracts	20,028	20,028	0	20,028	81	18,860	18,860	18,860	18,779	140,197	235,665
CCG block contracts - top-up payment	1,698	1,698	0	1,599	1,717	0	0	0	0	5,291	8,607
Local Authorities block contracts	1,404	2,088	684	1,404	1,404	1,404	1,404	1,404	1,404	8,424	16,848
Specialised commissioning	0	0	0	0	0	639	639	639	639	0	2,556
UHL contract	213	0	(213)	426	213	213	213	213	426	640	2,344
MADEL	0	0	0	0	641	643	643	643	643	5,608	8,821
Out of County recharges	0	0	0	0	0	332	332	332	1,172	5	2,173
HIS income	100	241	141	100	100	200	200	300	300	513	1,713
360 Assurance income	100	90	(10)	100	100	200	200	200	200	597	1,597
UHL rental income	125	0	(125)	250	125	125	125	125	125	502	1,377
Previous year's income	100	330	230	300	100	100	0	0	0	6,062	6,562
VAT	98	98	0	317	266	266	266	266	266	1,609	3,254
Property sales	0	0	0	0	0	0	0	0	0	0	0
PDC for capital investment	0	0	0	1,408	0	0	0	0	1,601	1,490	4,499
Other income	565	374	(191)	444	407	407	407	407	1,257	2,618	5,947
<b>Total Receipts</b>	<b>24,431</b>	<b>24,947</b>	<b>516</b>	<b>26,376</b>	<b>5,154</b>	<b>23,388</b>	<b>23,289</b>	<b>23,389</b>	<b>26,812</b>	<b>173,556</b>	<b>301,962</b>
<b>PAYMENTS</b>											
Payroll	17,640	17,747	107	17,740	17,840	17,840	17,840	17,840	17,840	105,336	212,276
Capital	800	1,218	418	500	1,000	1,000	463	1,000	2,527	3,536	10,026
Non pay general expenditure	4,250	3,407	(843)	4,750	4,000	4,000	4,000	4,000	6,014	29,238	56,002
UHL - Estates & FM Services	827	0	(827)	1,654	827	827	827	827	1,654	2,481	9,097
UHL - Other contracts	469	0	(469)	650	181	181	181	181	362	417	2,153
NHS Property Services rents	632	752	120	316	316	316	316	316	316	1,698	3,594
Community Health Partnerships rents	112	112	0	112	112	112	112	112	112	672	1,344
HCL Agency Nursing Costs	575	494	(81)	600	600	600	600	600	600	3,055	6,655
Out of Area (OOA) costs for patients placed in private hospitals	300	10	(290)	0	300	300	300	300	300	243	1,743
Public dividend capital payment (PDC)	2,634	0	(2,634)	2,634	0	0	0	0	2,634	0	5,268
Other finance costs (inc loan interest and principal repayments)	0	0	0	0	120	0	0	0	0	117	237
<b>Total Payments</b>	<b>28,239</b>	<b>23,740</b>	<b>(4,499)</b>	<b>28,956</b>	<b>25,296</b>	<b>25,176</b>	<b>24,639</b>	<b>25,176</b>	<b>32,359</b>	<b>146,793</b>	<b>308,395</b>
<b>CLOSING CASH BOOK BALANCE</b>	<b>37,181</b>	<b>42,196</b>	<b>5,015</b>	<b>39,616</b>	<b>19,474</b>	<b>17,686</b>	<b>16,335</b>	<b>14,548</b>	<b>9,000</b>	<b>42,196</b>	<b>9,000</b>

## APPENDIX E – Identified Covid-19 expenditure, September 2020

MONTH 6 YTD 2020/21 IDENTIFIED COVID SPEND	AMH	CHS	LD	FYPC	ESTS	HOST	ENAB	RSVS	TOTAL M6 Cuml YTD	M1 run-rate	M2 run-rate	M3 run-rate	M4 run-rate	M5 run-rate	M6 run-rate
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>PAY</b>															
Substantive staff	838,182	132,746	15,439	176,757			395,458	18,186	1,576,768	37,051	172,849	286,829	263,240	335,873	480,926
Bank staff	820,397	275,279	93,797	95,808			557,182	101,330	1,943,794	137,061	115,608	405,998	380,997	411,734	492,395
Agency staff	306,984	239,226	92,050	38,490		7,415	0		684,165	26,849	50,220	154,123	57,202	197,016	198,755
<b>TOTAL PAY</b>	<b>1,965,563</b>	<b>647,251</b>	<b>201,286</b>	<b>311,055</b>	<b>0</b>	<b>7,415</b>	<b>952,641</b>	<b>119,516</b>	<b>4,204,727</b>	<b>200,961</b>	<b>338,677</b>	<b>846,950</b>	<b>701,440</b>	<b>944,623</b>	<b>1,172,076</b>
<b>NON-PAY</b>															
PPE		0					157,660		157,660	37,593	55,295	64,772	0	0	0
Medical Oxygen Supplies / Gases		0					96,027		96,027	90,000	5,897	0	0	130	0
Other med/surgical equipment	4,742	6,542		14,815	87,379		67,897		181,375	1,761	7,510	14,643	24,131	30,003	103,328
Cleaning services / materials	76	0			19,216		15,854		35,146	1,742	6,977	7,905	17,966	411	145
Staff uniforms & clothing	11,919	0					155,512	6,200	173,631	41,107	47,173	29,088	29,526	17,363	9,374
Staff accommodation	280	0					0		280	0	0	280	0	0	0
Room hire		0		160			69,672		69,832	18,338	5,808	14,246	15,126	12,466	3,848
Catering / provisions / hospitality	14,327	0		237			20,505		35,069	0	6,026	12,124	1,286	14,790	843
IT Network security		0					94,831		94,831	34,014	42,056	0	18,761	0	0
Other IT / Communications	11,477	2,931	2,157	9,252		6,908	94,166		126,891	29,064	58,108	4,011	22,041	90,608	-76,941*
Furniture, fittings, office equip	42,879	1,137	13,452	5,518			235,551		298,537	78,876	36,242	103,993	10,700	33,907	34,819
Revenue estates costs	5,138	0			107,239		42,913		155,290	22,937	31,128	22,308	15,871	0	63,046
Travel/Transportation costs	12,275	0					17,054		29,329	1,136	7,905	7,438	5,086	4,489	3,275
Removal expenses		0			1,134		4,626		5,760	1,346	3,647	767	0	0	0
Drugs	1,163	1,863					2,571		5,598	2,166	2,165	0	0	370	896
Dressings	3,238	1,636					0		4,874	818	818	0	0	3,238	0
Other	56,363	55		3,823			78,129		138,370	777	2,089	15,987	4,331	48,970	66,215
<b>TOTAL NON-PAY</b>	<b>163,877</b>	<b>14,165</b>	<b>15,609</b>	<b>33,805</b>	<b>214,969</b>	<b>6,908</b>	<b>1,152,969</b>	<b>6,200</b>	<b>1,608,501</b>	<b>361,675</b>	<b>318,844</b>	<b>297,563</b>	<b>164,825</b>	<b>256,746</b>	<b>208,848</b>
<b>TOTAL IDENTIFIED COVID COSTS</b>	<b>2,129,440</b>	<b>661,416</b>	<b>216,895</b>	<b>344,860</b>	<b>214,969</b>	<b>14,323</b>	<b>2,105,609</b>	<b>125,716</b>	<b>5,813,228</b>	<b>562,636</b>	<b>657,521</b>	<b>1,144,513</b>	<b>866,265</b>	<b>1,201,369</b>	<b>1,380,924</b>

Note 1: only includes costs coded to specific Covid-19 cost codes. Does not include estimate for unclaimed overtime.

Note 2: central reserves ('RSVS') costs reflect central accruals for expected M1 to M6 costs not included in service positions (e.g estimated unpaid bank staff costs and supplies received but not yet paid).

## APPENDIX F – Underlying financial position

In order to assess the Trust's underlying financial position, a 'normalisation' analysis has been undertaken in respect of the M6 position.

This is summarised in the table below. The actual reported M6 year to date position is initially shown for each directorate. This shows the current bottom line I&E break-even position. The effects of the normalising adjustments have then been applied to the figures on the right of the table, and so these show an estimated underlying M6 YTD financial position. An underlying monthly run-rate is also included.

Directorate	Net YTD budget / CT £000	REPORTED YEAR-TO-DATE POSITION				UNDERLYING YEAR-TO-DATE POSITION				U/L RUN-RATE					
		Income £000	Exp. £000	Net I&E £000	Variance £000	Income £000	Exp. £000	Net I&E £000	U/L variance £000	M1 £000	M2 £000	M3 £000	M4 £000	M5 £000	M6 £000
AMH	7,723	47,561	-39,450	8,111	388	48,547	-41,579	6,968	-755	-104	-104	-205	-115	-239	11
CHS	9,785	43,494	-32,338	11,156	1,371	41,536	-31,161	10,375	590	-14	-14	328	87	183	19
LD	2,183	6,916	-5,100	1,816	-367	6,699	-4,883	1,816	-367	-46	-46	-12	-102	-31	-130
FYPC	2,905	27,873	-24,726	3,147	242	27,528	-23,581	3,947	1,042	126	126	186	234	153	216
Estates	-13,581	1,661	-17,047	-15,386	-1,805	1,446	-16,832	-15,386	-1,805	-241	-241	-251	-538	-338	-197
Hosted	55	7,068	-7,417	-349	-404	6,918	-7,417	-499	-554	-111	-111	-187	-113	-97	64
Enabling	-10,245	7,680	-18,752	-11,072	-827	5,206	-16,363	-11,157	-912	-80	-80	-276	-113	-110	-253
Reserves	1,175	5,253	-2,676	2,577	1,402	3,240	-2,125	1,115	-60	0	0	-12	-39	-36	27
<b>TOTAL TRUST:</b>	<b>0</b>	<b>147,506</b>	<b>-147,506</b>	<b>0</b>	<b>0</b>	<b>141,120</b>	<b>-143,941</b>	<b>-2,822</b>	<b>-2,822</b>	<b>-468</b>	<b>-468</b>	<b>-429</b>	<b>-698</b>	<b>-515</b>	<b>-244</b>

The detailed analysis of the movements between reported and underlying position is shown at **Appendix G**.

## Appendix G – Detailed normalised position as at month 6

Reported YTD position:	AMH			CHS			LD			FYPC			Ests			Host			Enab			Rsvs			Total		
	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000	Income £000	Exp. £000	Net £000
	47,561	-39,450	8,111	43,494	-32,338	11,156	6,916	-5,100	1,816	27,873	-24,726	3,147	1,661	-17,047	-15,386	7,068	-7,417	-349	7,680	-18,752	-11,072	5,253	-2,676	2,577	147,506	-147,506	0
<u>Normalising adjustments</u>																											
Exclude Covid-19 costs and equivalent income	2,129	-2,129	0	-661	661	0	-217	217	0	-345	345	0	-215	215	0	0	0	0	-2,156	1,973	-183	-1	1	0	-1,466	1,283	-183
Exclude non-recurrent investment	-328	0	-328	-798	516	-282	0	0	0	0	800	800	0	0	0	0	0	0	0	0	0	0	0	0	-1,126	1,316	191
Exclude non-recurrent unfunded cost pressures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	140	0	140	0	83	83	694	550	1,244	834	633	1,467
Exclude non-recurrent income over-recovery	-815	0	-815	0	0	0	0	0	0	0	0	0	0	0	0	-290	0	-290	0	0	0	-2,706	0	-2,706	-3,811	0	-3,811
Exclude non-rec. prior year reserves release (-)/(+)	0	0	0	-500	0	-500	0	0	0	0	0	0	0	0	0	0	0	0	-318	352	34	0	0	0	-818	352	-466
Misc. other non-recurrent costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Temporary vacancy saving	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-19	-19	0	0	0	0	-19	-19
<b>YTD underlying / normalised position:</b>	<b>48,547</b>	<b>-41,579</b>	<b>6,968</b>	<b>41,536</b>	<b>-31,161</b>	<b>10,375</b>	<b>6,699</b>	<b>-4,883</b>	<b>1,816</b>	<b>27,528</b>	<b>-23,581</b>	<b>3,947</b>	<b>1,446</b>	<b>-16,832</b>	<b>-15,386</b>	<b>6,918</b>	<b>-7,417</b>	<b>-499</b>	<b>5,206</b>	<b>-16,363</b>	<b>-11,157</b>	<b>3,240</b>	<b>-2,125</b>	<b>1,115</b>	<b>141,120</b>	<b>-143,941</b>	<b>-2,822</b>
YTD Directorate net budget			7,723			9,785			2,183			2,905		-13,581			55				-10,245			1,175			0
YTD Underlying net budget surplus / (deficit)			-755			590			-367			1,042		-1,805			-554				-912			-60			-2,822

### Normalising adjustments

The key normalising adjustments include:

- The exclusion of all Covid-19 costs and supporting top-up income (neutral I&E impact)
- The exclusion of other retrospective top-up income
- The exclusion of any one-off gains/losses due to the release of 19/20 reserves
- The exclusion of CAMHS investment costs on the basis that these are being treated as non-recurrent (provisionally shown as a gain to FYPC due to reducing expenditure, in lieu of a transfer of budget back to central reserves)
- The exclusion of any other non-recurrent exceptional gains or losses