

Finance Report for the period ended  
**31 January 2021**

For presentation at the  
**TRUST BOARD**  
**2 March 2021**

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## Executive Summary and overall performance against targets

### Introduction

1. This report presents the financial position for the period ended 31 January 2021 (month 10). The report shows a year to date income and expenditure break-even for Trust budgets as a whole – this is a positive variance against plan of £0.2m (the month 7 to 12 financial plan reflected an anticipated I&E deficit in months 10, 11 and 12).
2. Within the Trust’s overall month 10 break-even position, operational baseline budgets are currently underspending by c. £4m. FYPC reports the largest underspend, standing at £1.6m. Other underspends include AMHS Services (£1m) and CHS (£0.7m). Learning Disabilities, Enabling, Estates & Hosted Services all report smaller underspends. Central reserves show compensating overspends, bringing the total Trust position to a positive variance against plan.
3. Covid Vaccination costs have started to feature more significantly in month 10. A further appendix (**appendix F**) has been added to this report to provide an update on vaccination costs. Actual reasonable costs incurred will be refunded by NHS England. This funding has not yet started to flow.
4. Closing cash for January stood at £42.5m. This equates to 53.5 days operating costs.

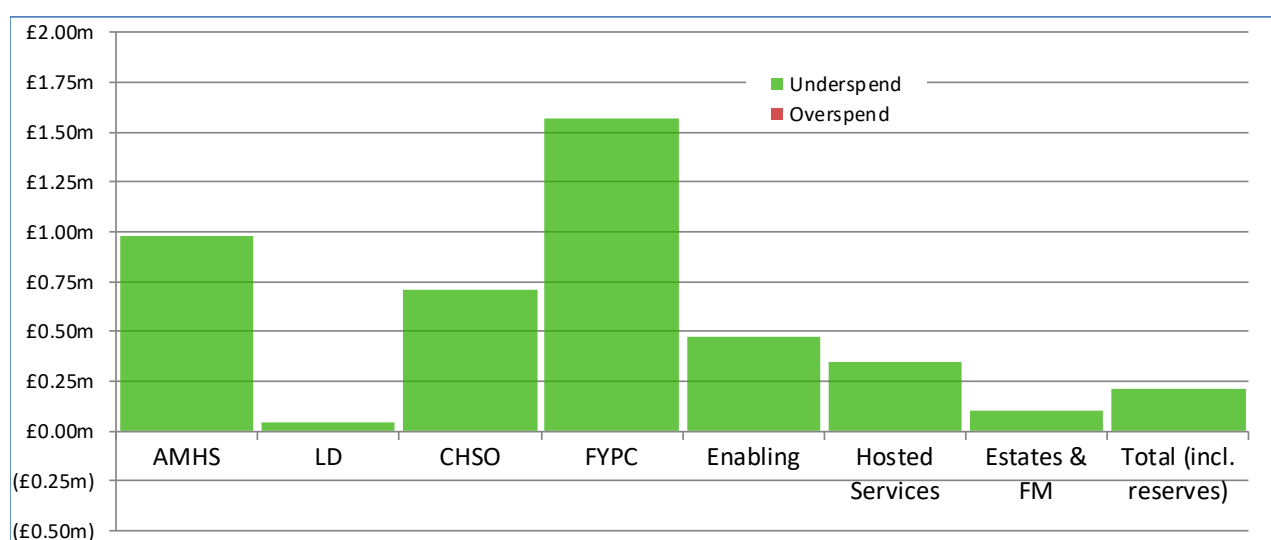
NHS Trust Statutory Duties	Year to date	Year end f'cast	Comments
1. Income and Expenditure break-even.	G	G	The Trust is reporting a break-even position at the end of January 2021. [see 'Service I&E position' and <b>Appendix A</b> ]. The year-end plan assumed a deficit of £1.4m, however the revised forecast (incorporating the operational underspend) now shows an I&E break-even position.
2. Remain within Capital Resource Limit (CRL).	G	G	Capital spend for January is £8.6m, which is within limits. The total current funding allocation is £13.1m however this will increase next month due to the award of additional capital investment. Plans are in place to deliver a balanced capital budget at the end of the year.
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 £42.5m is above target (includes temporary COVID-19 cash funding arrangements)
<b>Secondary targets</b>	<b>Year to date</b>	<b>Year end f'cast</b>	<b>Comments</b>
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 January.
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	G	G	From month 7 onwards, the Trust is monitored against the new financial plan. The YTD planned position for M10 was a small deficit of £0.2m. YTD income and expenditure is actually break-even, resulting in an underspend against plan. The plan for the year was a deficit of £1.4m, but the revised forecast is now I&E break-even.
<b>Internal targets</b>	<b>Year to date</b>	<b>Year end f'cast</b>	<b>Comments</b>
8. Achieve a Financial & Use of Resources metric score of 2 (or better)	G	G	This metric is currently not part of formal external reporting requirements. Based on the Trust's own calculations, a score of '2' has been achieved for year-to-date performance. Based on the revised forecast, year-end performance is also expected to deliver a score of '2'.
9. Achieve retained cash balances in line with plan	G	G	A cash balance of £42.5m was achieved at the end of January 2021. <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 £8.6m at the end of month 10 <b>[See 'Capital Programme 2020/21']</b>

## Income and Expenditure position

Directorate budgets were non-recurrently reset during October and November, to ensure alignment with the M7 to M12 plan. The plan/budget reflected a number of investment plans (e.g Mental Health Investment Standard, transformation schemes, winter pressures etc). Due to the impact of the Covid second wave, the investment budgets are currently underspending.

This can be seen in the table below, with all operational directorates currently showing an underspend.



In addition to the expenditure budget underspends, the year-to-date position continues to benefit from material income gains over and above the M7-12 plan/budgets set in October. Generally, these gains reflect a change in commissioner funding expectations, with significant additional allocations now confirmed in comparison to those agreed at plan stage.

FYPC shows the largest underspend, currently £1.6m (year-to-date). This includes the Healthy Together budgets which have been underspending all year. These budgets were outside of the scope of the wider budget reset as they are covered by a specific non-NHS contract arrangement. The remaining underspends relate to initial slippage against new investment budgets, and significant income gains.

AMH budgets are underspending by £1m primarily as a result of slippage against investments, with CHS underspent by £0.7m. The CHS position in particular has seen reductions in bank and agency across the year. The remaining operational service budgets all show smaller underspends, also due to investment slippage and income gains.

The reserves position currently reports a deficit, which balances the operational position to show an overall I&E surplus at Trust level. The reserves deficit position includes the initial plan income risks (now offset by improved directorate income positions), a negative

budget representing the original plan gap of £0.7m (offset by directorate underspend targets) and initial estimated provisions for increased annual leave and potential balance sheet write-offs. Within the overall deficit reserves position there is also an underspend against the central Covid budget, as directorate drawdown of this budget each month (to offset actual expenditure) has been less than original planning assumptions.

### Original deficit plan assumptions

A re-analysis of the drivers of the original M7 – M12 forecast deficit may serve to illustrate how the position has improved compared to plan.

The table below shows the original assumptions that lead to our £1.4m deficit plan. These were schemes that the Trust felt necessary to progress as far possible, even though commissioner agreement to fund could not be obtained.

Scheme	£000	Explanation of how expected deficit was addressed
Growth Bid (20/21) CINNS	198	Costs incurred during month 7 to 12 period - offset by underspends against the Covid budget
County Community Paediatric Backlog	140	Specialist medical support employed to address County wait list – underspend against original forecast due to lack of available resource. Residual cost offset by other income gains within FYPC
Growth Bid (20/21) LD Outreach	408	Targetted to enhance current Outreach provision and Community Services including Positive behavioural Support (PBS) within LD. Underspend against original forecast due to delays in recruitment, residual cost offset by other income gains and underspends against Covid budgets
Audiology - addressing backlog	34	Costs incurred in recruiting additional fixed term staff to address wait times in the service. Unfunded cost offset by other income gains within FYPC
Ageing Well	589	CCGs subsequently agreed to fund at actual cost, thus eliminating the expected overspend
<b>TOTAL:</b>	<b>1,369</b>	

### Year end forecast

Following the finalisation of the month 10 financial position, year end forecasts have been updated. These have not changed materially from those produced earlier in January, thus increasing confidence levels in the likely projections.

Staff across the Trust have worked extremely hard to identify opportunities to manage the unplanned gains in the short timescales available. At the executive team meeting on 5<sup>th</sup> February, approval was given to purchase medical equipment to the value of £1.3m that will have a positive impact on service delivery and mitigate requirements in future years.

A number of similar, smaller initiatives have been approved, with the primary aim of improving services or staff wellbeing.

The additional income and investment slippage has also enabled the funding of cost pressures arising after the M7 – M12 plan was devised, including the write-off of redundant assets, and also to provide for further liabilities which we may need to recognise when we undertake the final accounts process.

The approach to our year end planning is to balance off the additional gains with the further spending opportunities and emerging pressures, and accordingly, the forecast I&E position is break-even. This represents a £1.4m underspend against our deficit plan, and will support delivery of our statutory financial duties.

The 'risks and pressures' appendix (**Appendix G**) summarises the key potential pressures and mitigations already identified, and demonstrates how the combined effect of these will result in the improved break-even forecast.

## Statement of Financial Position (SoFP)

PERIOD: January 2021	2019/20 31/03/20 Audited	2020/21 31/01/21 January
	£'000's	£'000's
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	179,832	182,314
Intangible assets	2,473	2,199
Trade and other receivables	1,037	1,037
<b>Total Non Current Assets</b>	<b>183,342</b>	<b>185,550</b>
<b>CURRENT ASSETS</b>		
Inventories	433	345
Trade and other receivables	12,162	9,462
Cash and Cash Equivalents	15,433	42,499
<b>Total Current Assets</b>	<b>28,028</b>	<b>52,306</b>
<b>Non current assets held for sale</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>211,370</b>	<b>237,856</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	(19,785)	(45,195)
Borrowings	(263)	(263)
Capital Investment Loan - Current	(189)	(189)
Provisions	(1,183)	(1,094)
<b>Total Current Liabilities</b>	<b>(21,420)</b>	<b>(46,741)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>6,608</b>	<b>5,565</b>
<b>NON CURRENT LIABILITIES</b>		
Borrowings	(7,761)	(7,761)
Capital Investment Loan - Non Current	(3,347)	(3,184)
Provisions	(647)	(485)
<b>Total Non Current Liabilities</b>	<b>(11,755)</b>	<b>(11,430)</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 £182.3m. This includes capital additions of £8.6m offset by depreciation charges.

### Current assets

- Current assets of £52.3m include cash of £42.5m and receivables of £9.5m.

### Current Liabilities

- Current liabilities amount to £46.7m and mainly relate to payables of £45.2m.
- Net current assets / (liabilities) show net assets of £5.6m.

### Working capital

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

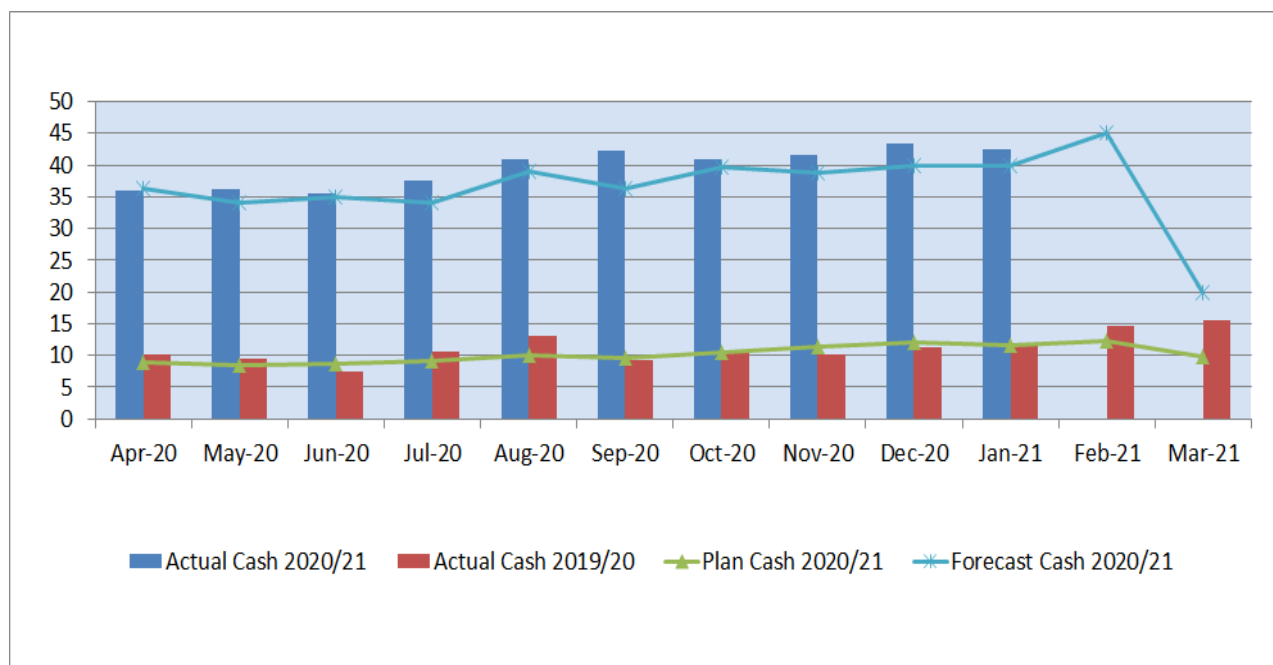
### Taxpayers' Equity

- Public Dividend Capital has increased by £1.5m this year. PDC for the final CAMHS instalment, successful IM&T bids and capital Covid support will be received by the end of the year.
- January'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 January was £42.5m, a decrease of £890k during the month. This reduction mainly relates to the increase in capital expenditure in January; this is expected in the final quarter of the year and will continue to increase until the end of the financial year.

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 January'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£6m since the start of the year. This is due to the receipt of the Mental Health investment funding and movements in working capital balances i.e. the payment of debtors and creditors.

A summarised cash-flow forecast is included at **Appendix D**. A year end closing cash balance of £20m is now forecast (previous month's forecast was £13m). The increase of £7m is mainly due to the recent notification of new capital funding and updated assumptions relating to Mental Health investment expenditure slippage.

## Receivables

Current receivables (debtors) total £9.5m.

Receivables	Current Month (January 2021)					
	NHS	Non NHS	Emp's	Total	% Total	% Sales Ledger
	£'000	£'000	£'000	£'000		
<b>Sales Ledger</b>						
30 days or less	760	1,680	7	<b>2,447</b>	<b>24.9%</b>	<b>48.4%</b>
31 - 60 days	294	231	5	<b>530</b>	<b>5.4%</b>	<b>10.5%</b>
61 - 90 days	244	268	11	<b>523</b>	<b>5.3%</b>	<b>10.3%</b>
Over 90 days	568	809	181	<b>1,558</b>	<b>15.9%</b>	<b>30.8%</b>
	1,866	2,988	204	<b>5,058</b>	<b>51.5%</b>	<b>100.0%</b>
<b>Non sales ledger</b>	2,931	1,473	0	<b>4,404</b>	<b>44.8%</b>	
<b>Total receivables current</b>	<b>4,797</b>	<b>4,461</b>	<b>204</b>	<b>9,462</b>	<b>96.3%</b>	
<b>Total receivables non current</b>		360		360	<b>3.7%</b>	
<b>Total</b>	<b>4,797</b>	<b>4,821</b>	<b>204</b>	<b>9,822</b>	<b>100.0%</b>	<b>0.0%</b>

Debt greater than 90 days continues to fall. It has reduced by £457k since December and now stands at £1.6m. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 10 is 15.9% (previous month was 27%). This reduction relates to payment from UHL (£427k) and £29k of bad debt write-offs.

Since the start of the financial year debtors have reduced by £2.7m, from £12.2m down to £9.5m. Due to the Covid-19 pandemic the majority of funding for our clinical activity is now paid monthly via our routine block contracts. This has negated the requirement to raise individual invoices to CCGs for our clinical services and has considerably benefited both our receivables and cash balances.

The top 3 aged debtors are:

- UHL £184k (M9: £427k)
- DHU Healthcare £227k (M9: £227k)
- Central Nottingham Clinical Service £197k (M9: £197k)

During the latest Covid lockdown the credit control team will only be chasing non-sensitive debts, for example, ex-employees will continue to be excluded from any debt chasing activities.

### Debt write-offs

2 invoices with a combined value of £29k have been written off this month. This relates to GP clinic rent and rates service charges at Prince Philip House. All debt recovery processes had been exhausted.

## Payables

The current payables position in Month 10 is £45.2m; an increase of £1.9m 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 is £24m which is an increase of c£4m since the start of the year.

Payables	Current Month January 2021				
	NHS	Non NHS	Total	% Total	% Purchase Ledger
	£'000	£'000	£'000		
<b>Purchase Ledger</b>					
30 days or less	738	535	1,273	2.8%	51.5%
31 - 60 days	161	6	167	0.4%	6.8%
61 - 90 days	231	57	288	0.6%	11.7%
Over 90 days	449	295	744	1.6%	30.1%
	1,579	893	2,472	5.5%	100.0%
<b>Non purchase ledger</b>					
	24,817	17,906	42,723	94.5%	
<b>Total Payables Current</b>	<b>26,396</b>	<b>18,799</b>	<b>45,195</b>	<b>100.0%</b>	
<b>Total Payables Non Current</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Total</b>	<b>26,396</b>	<b>18,799</b>	<b>45,195</b>	<b>100.0%</b>	

Payables greater than 90 days have increased by £23k during the month and now stand at £744k.

## 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 December and 2 of the 4 targets within the month. The in-month deterioration relates to 8 NHS invoices being paid late due to authorising staff being on annual leave over Christmas.

Since the start of the year a total of 22,204 invoices totalling c£125m have been paid. Of these:

- 63% were paid within 7 days
- 35% were paid between 8 and 30 days
- 2% were paid after 30 days

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

## Capital Programme 2020/21

Capital expenditure totals £8.6m at the end of month 10. This year's capital allocation is currently £13.1m however we have recently received notification of new funding awarded to us in February. This relates to £650k Covid capital support and £1.3m of new IM&T investment and will take our overall capital funding allocation to £15.1m. These changes will be shown in next month's capital position.

	Annual Plan Updated	Jan Actual Exp	Year End Forecast	Revision to Plan
<b><u>Sources of Funds</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Depreciation	7,179	5,379	7,179	0
STP capital for CAMHS (PDC)	2,898	2,898	2,898	0
PFI Agnes Unit capital lifecycle replacement	100	0	225	125
Cash utilisation of previous years' surpluses	1,674	0	1,674	0
Dormitory funding (PDC)	0	372	1,138	1,138
COVID-19 Central allocation - TBC	0	0	0	0
<b>Total Capital funds</b>	<b>11,851</b>	<b>8,649</b>	<b>13,114</b>	<b>1,263</b>
<b><u>Application of Funds</u></b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Estates &amp; Innovation</b>				
Service Improvements	(3,618)	(3,421)	(4,540)	(922)
Backlog	(1,785)	(340)	(1,255)	530
Rolling programme & other projects	(1,349)	(490)	(1,076)	273
Medical devices	(213)	(27)	(220)	(7)
COVID-19	0	(488)	(511)	(511)
<b>Sub-total:</b>	<b>(6,965)</b>	<b>(4,766)</b>	<b>(7,602)</b>	<b>(637)</b>
<b>IT Programme</b>				
Rolling programmes	(2,030)	(2,200)	(3,504)	(1,474)
Other projects	(1,553)	(589)	(786)	767
IM&T revenue transfers	0	(328)	(328)	(328)
COVID-19	0	(766)	(866)	(866)
	<b>(3,583)</b>	<b>(3,883)</b>	<b>(5,484)</b>	<b>(1,901)</b>
<b>New funding - to be allocated</b>	<b>(1,303)</b>	<b>0</b>	<b>(28)</b>	<b>1,275</b>
<b>Total Capital Expenditure</b>	<b>(11,851)</b>	<b>(8,649)</b>	<b>(13,114)</b>	<b>(1,263)</b>
<b>(Over)/underspend</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Covid</b>	<b>0</b>	<b>(1,254)</b>	<b>(1,377)</b>	<b>(1,377)</b>

This month's Capital Management Committee reviewed the deliverability of schemes by 31st March 2021. Due to the Covid pandemic there have been access issues in many patient areas preventing capital works. This has resulted in a number of schemes being deferred into next year. The slippage generated from this has covered additional capital costs pressures and £500k of new IT equipment. M10 changes are shown in the following table.

## M10 Changes to capital schemes

M10 changes		Total	Slippage/ Underspend	Additional funding required	Transfers	Emergency/ new bids & CMC approvals	Total
<u>Scheme adjustments</u>		£000	£000	£000	£000	£000	£000
Additional IT equipment	IM&T	(500)	0	0	0	(500)	(500)
Vaccine workforce bureau IT equipment	IM&T	(23)	0	0	0	(23)	(23)
Evington dishwasher	EST	(11)	0	0	0	(11)	(11)
Willows substance misuse works	EST	(25)	0	0	0	(25)	(25)
Bradgate SOC	EST	150	150	0	0	0	150
LED lighting	EST	124	124	0	0	0	124
Estates staffing	EST	65	65	0	0	0	65
Ward decorations	EST	61	61	0	0	0	61
Fixed installation testing	EST	61	61	0	0	0	61
Roof repairs	EST	55	55	0	0	0	55
Stewart House fire doors	EST	50	50	0	0	0	50
Aged Plant - Replacements (generator)	EST	35	35	0	0	0	35
Reception refits/refurbs - HSE issues	EST	30	30	0	0	0	30
Covid surge wards	EST	25	25	0	0	0	25
Agnes Unit PFI CCTV	EST	21	21	0	0	0	21
Willows heating controls	EST	20	20	0	0	0	20
Estates lighting	EST	18	18	0	0	0	18
Coalville roof repairs	EST	14	14	0	0	0	14
Shepshed carpark	EST	10	10	0	0	0	10
Estates misc <£10k	EST	8	8	0	0	0	8
Refurbishment of staff environments	EST	(10)	0	(10)	0	0	(10)
Involvement centre lighting and flooring	EST	(17)	0	(17)	0	0	(17)
Boiler replacements	EST	(21)	0	(21)	0	0	(21)
Dormitory elimination	EST	(27)	0	(27)	0	0	(27)
Beacon equipment and staffing (not inc in business case)	EST	(298)	0	(298)	0	0	(298)
Interserve ohds (£276k transferred from projects)	EST	(435)	0	(159)	(276)	0	(435)
<b>Total changes in contingency</b>		<b>(620)</b>	<b>747</b>	<b>(532)</b>	<b>(276)</b>	<b>(559)</b>	<b>(620)</b>

## Capital contingency status

Contingency status	£000
<b>Opening M10 contingency</b>	<b>648</b>
<b>Changes</b>	
Slippage/underspends	747
Additional funding required for existing schemes	(532)
Emergency/new bids	(559)
Transferred from existing projects (above) into central ohd fund	(276)
	(620)
<b>Closing contingency</b>	<b>28</b>

## Key M10 changes

- IT equipment of £500k is funded from slippage; orders had to be placed to ensure delivery by 31<sup>st</sup> March 2021
- The additional £298k requirement for the Beacon unit relates to furniture, equipment and internal costs not related to the Interserve business case
- £159k of Interserve overhead costs were not factored into forecast spend (issue with invoicing profiling is now resolved)

The plan will be updated next month to include £1.3m new IM&T investment funding and £654k capital Covid support. The Trust has previously managed the capital Covid spend within its overall internal envelope, therefore this new funding will support additional medical devices (£390k already approved by SEB) and enable some of next year's capital requirements to be brought forward into this financial year to enable a balanced plan by the end of the year.

The Capital Management Committee is currently working on next year's plan. Bids are being finalised in preparation for a capital prioritisation meeting on 2<sup>nd</sup> March. The first draft of the plan will then be presented to the Operational Executive Board on 5<sup>th</sup> March.

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

Statement of Comprehensive Income for the period ended 31 January 2021	YTD Actual M10 £000	YTD Budget M10 £000	YTD Var. M10 £000
<b>Revenue</b>			
Total income	252,464	252,426	38
Operating expenses	(247,042)	(247,219)	177
<b>Operating surplus (deficit)</b>	<b>5,422</b>	<b>5,207</b>	<b>215</b>
Investment revenue	7	7	0
Other gains and (losses)	0	0	0
Finance costs	(912)	(912)	0
<b>Surplus/(deficit) for the period</b>	<b>4,517</b>	<b>4,302</b>	<b>215</b>
Public dividend capital dividends payable	(4,518)	(4,518)	0
<b>I&amp;E surplus/(deficit) for the period (before tech. adjs)</b>	<b>(0)</b>	<b>(216)</b>	<b>216</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>(216)</b>	<b>216</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>(216)</b>	<b>216</b>
<b>Trust EBITDA £000</b>	<b>11,820</b>	<b>11,605</b>	<b>215</b>
<b>Trust EBITDA margin %</b>	<b>4.7%</b>	<b>4.6%</b>	<b>0.1%</b>

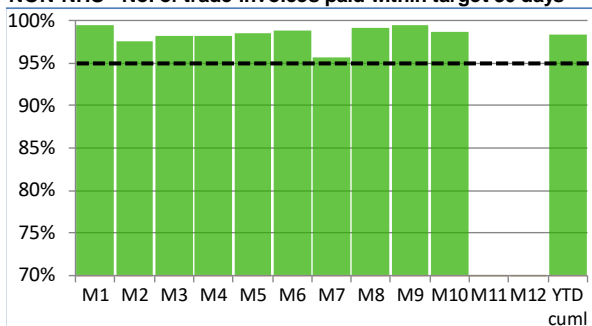
## APPENDIX B – BPPC performance

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

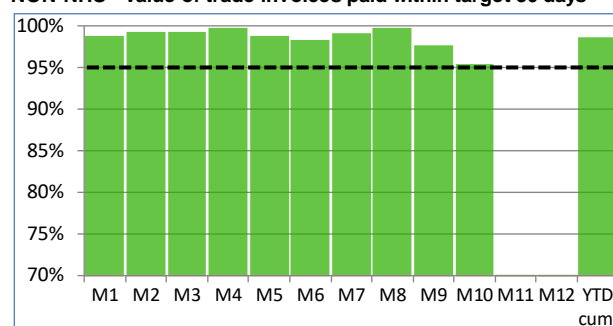
Better Payment Practice Code	January (Cumulative)		December (Cumulative)	
	Number	£000's	Number	£000's
Total Non-NHS trade invoices paid in the year	21,275	71,846	19,029	61,197
Total Non-NHS trade invoices paid within target	20,924	70,840	18,706	60,680
<b>% of Non-NHS trade invoices paid within target</b>	<b>98.4%</b>	<b>98.6%</b>	<b>98.3%</b>	<b>99.2%</b>
Total NHS trade invoices paid in the year	929	52,891	813	46,522
Total NHS trade invoices paid within target	894	51,477	786	46,052
<b>% of NHS trade invoices paid within target</b>	<b>96.2%</b>	<b>97.3%</b>	<b>96.7%</b>	<b>99.0%</b>
Grand total trade invoices paid in the year	22,204	124,737	19,842	107,719
Grand total trade invoices paid within target	21,818	122,317	19,492	106,732
<b>% of total trade invoices paid within target</b>	<b>98.3%</b>	<b>98.1%</b>	<b>98.2%</b>	<b>99.1%</b>

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

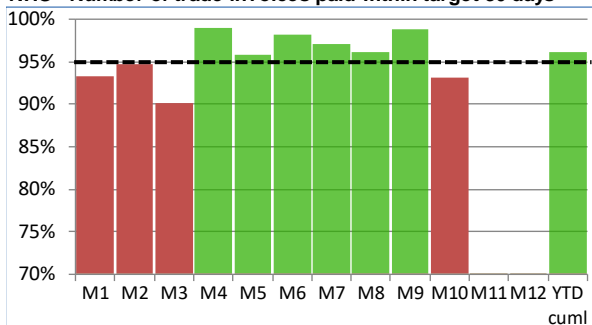
NON-NHS - No. of trade invoices paid within target 30 days



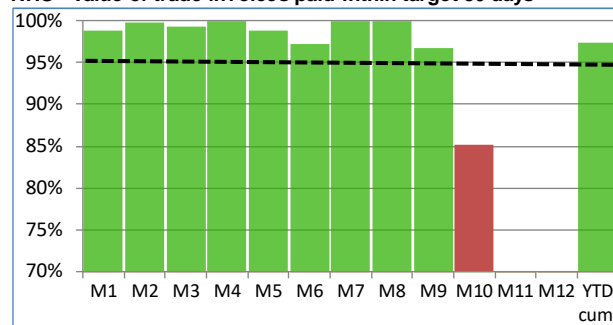
NON-NHS - Value of trade invoices paid within target 30 days



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 Actual	2020/21 M8 £000s Actual	2020/21 M9 £000s Actual	2020/21 M10 £000s Actual	2020/21 M11 £000s FCast	2020/21 M12 £000s FCast	20/21 YTD £000s Actual	2021 Year End £000s FCast
<b>AMH (19/20 includes LD)</b>																
Agency Consultant Costs	-1,008	-84	-109	-145	-125	-139	-197	-220	-200	-257	-210	-236	-255	-255	-1,839	-2,349
Agency Nursing	-1,797	-150	-143	-122	-113	-151	-176	-223	-274	-241	-241	-191	-250	-240	-1,865	-2,355
Agency Scient, Therap. & Tech	-213	-18	-3	-6	-4	-9	-15	-13	-19	-14	-10	-10	-15	-15	-104	-134
Agency Non clinical staff costs	-241	-20	-5	-6	-5	-6	-6	-10	-10	-21	-17	-10	-15	-15	-97	-127
<b>Sub-total</b>	<b>-3,259</b>	<b>-272</b>	<b>-260</b>	<b>-279</b>	<b>-247</b>	<b>-305</b>	<b>-395</b>	<b>-456</b>	<b>-504</b>	<b>-533</b>	<b>-479</b>	<b>-447</b>	<b>-535</b>	<b>-525</b>	<b>-3,905</b>	<b>-4,965</b>
<b>LEARNING DISABILITIES</b>																
Agency Consultant Costs	-	-	0	0	0	0	0	0	0	0	0	-12	-12	-12	-12	-36
Agency Nursing	-	-	-7	-7	-7	-45	-63	-80	-84	-101	-58	-95	-60	-60	-547	-667
Agency Scient, Therap. & Tech	-	-	-2	-5	-5	-5	-5	-1	-6	-10	-7	-9	-6	-6	-55	-67
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>-9</b>	<b>-12</b>	<b>-12</b>	<b>-49</b>	<b>-68</b>	<b>-82</b>	<b>-89</b>	<b>-111</b>	<b>-65</b>	<b>-117</b>	<b>-78</b>	<b>-78</b>	<b>-614</b>	<b>-770</b>
<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	-224	-252	-328	-573	-410	-400	-2,701	-3,511
Agency Scient, Therap. & Tech	-517	-43	-31	-25	-31	-27	-22	-21	-37	-37	-25	-22	-30	-30	-278	-338
Agency Non clinical staff costs	0	0	0	0	0	0	0	0	0	0	0	-4	0	0	-4	-4
<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>-260</b>	<b>-289</b>	<b>-353</b>	<b>-599</b>	<b>-440</b>	<b>-430</b>	<b>-2,982</b>	<b>-3,852</b>
<b>FYPC</b>																
Agency Consultant Costs	-440	-37	-52	-57	-60	-73	-53	-63	-96	-47	-93	-64	-55	-55	-659	-769
Agency Nursing	-1,467	-122	-120	-136	-142	-195	-161	-119	-342	-232	-139	-267	-160	-160	-1,853	-2,173
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	-1	-4	-4	-4	-4	-4	-8	-16
<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>-438</b>	<b>-280</b>	<b>-236</b>	<b>-335</b>	<b>-219</b>	<b>-219</b>	<b>-2,521</b>	<b>-2,959</b>
<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	-9	0	0	-8	-8
Agency Scient, Therap. & Tech	-142	-12	-8	0	-2	0	-14	-4	-10	-7	-8	-10	-9	-9	-64	-82
Agency Non clinical staff costs	-425	-35	-38	-41	-37	-84	-50	-41	-37	-82	-53	-77	-65	-65	-540	-670
<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>-47</b>	<b>-89</b>	<b>-61</b>	<b>-96</b>	<b>-74</b>	<b>-74</b>	<b>-612</b>	<b>-760</b>
<b>TOTAL TRUST</b>																
Agency Consultant Costs	-1,555	-130	-162	-202	-186	-212	-250	-283	-296	-305	-304	-312	-322	-322	-2,510	-3,154
Agency Nursing	-6,948	-579	-503	-513	-505	-554	-628	-621	-924	-825	-766	-1,135	-880	-860	-6,975	-8,715
Agency Scient, Therap. & Tech	-943	-79	-45	-36	-42	-40	-56	-40	-72	-69	-50	-51	-60	-60	-501	-621
Agency Non clinical staff costs	-747	-62	-43	-46	-42	-90	-56	-51	-47	-104	-74	-95	-84	-84	-649	-817
<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>-1,339</b>	<b>-1,302</b>	<b>-1,193</b>	<b>-1,593</b>	<b>-1,346</b>	<b>-1,326</b>	<b>-10,635</b>	<b>-13,306</b>
Direct Covid-19 costs	0	0	27	50	154	57	197	199	292	118	194	410				
<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>	<b>-1,047</b>	<b>-1,184</b>	<b>-999</b>	<b>-1,183</b>				
Impact of financial recovery (included in above figures)			0	0	0	0	0	19	-6	-35	-63	-309	-149	-139	40	-681
Agency ceiling (£8,122k)															0	0
<b>Variance (+better/-worse)</b>			<b>-754</b>	<b>-797</b>	<b>-775</b>	<b>-897</b>	<b>-990</b>	<b>-995</b>	<b>-1,339</b>	<b>-1,302</b>	<b>-1,193</b>	<b>-1,593</b>	<b>-1,346</b>	<b>-1,326</b>	<b>-4,212</b>	<b>-13,306</b>
Trust financial plan															0	0
<b>Variance (+better/-worse)</b>			<b>-754</b>	<b>-797</b>	<b>-775</b>	<b>-897</b>	<b>-990</b>	<b>-995</b>	<b>-1,339</b>	<b>-1,302</b>	<b>-1,193</b>	<b>-1,593</b>	<b>-1,346</b>	<b>-1,326</b>	<b>-4,212</b>	<b>-13,306</b>

## APPENDIX D – Cash flow forecast

2020/21 CASH-FLOW FORECAST	JAN	JAN	JAN	FEB	MAR	YTD	20/21
	FORECAST	ACTUAL	VARIANCE	FORECAST	FORECAST	ACTUAL	FORECAST
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>OPENING BALANCE</b>	43,389	43,389	0	42,499	45,127	15,433	15,433
<b>INCOME</b>							
CCG block contracts	21,892	23,133	1,241	22,511	2,064	229,354	253,929
CCG block contracts - top-up payment	0	0	0	0	0	8,755	8,755
Local Authorities block contracts	1,404	1,404	0	2,378	720	13,357	16,455
Specialised commissioning	0	0	0	0	0	0	0
UHL contract	639	1,354	715	0	0	1,994	1,994
MADEL	0	0	0	887	771	8,441	10,099
Out of County recharges	0	0	0	0	0	69	69
HIS income	200	94	(106)	306	200	1,018	1,524
360 Assurance income	200	192	(8)	208	200	1,298	1,706
UHL rental income	266	0	(266)	391	125	864	1,380
Previous year's income	0	18	18	0	0	7,775	7,775
VAT	242	242	0	261	266	2,666	3,193
Property sales	0	0	0	0	0	0	0
PDC for capital investment	0	0	0	1,408	3,132	1,490	6,030
Other income	461	476	15	1,435	567	4,869	6,871
<b>Total Receipts</b>	<b>25,304</b>	<b>26,913</b>	<b>1,609</b>	<b>29,785</b>	<b>8,045</b>	<b>281,950</b>	<b>319,780</b>
<b>PAYMENTS</b>							
Payroll	19,524	17,937	(1,587)	18,500	18,500	176,812	213,812
Capital	750	1,262	512	1,000	1,239	6,749	8,988
Non pay general expenditure	4,900	4,833	(67)	4,900	6,000	48,326	59,226
UHL - Estates & FM Services	1,854	1,854	0	927	2,781	7,668	11,376
UHL - Other contracts	151	0	(151)	302	302	1,318	1,922
NHS Property Services rents	316	384	68	316	316	3,168	3,800
Community Health Partnerships rents	112	112	0	112	112	1,008	1,232
HCL Agency Nursing Costs	978	1,421	443	1,000	1,000	6,488	8,488
Out of Area (OOA) costs for patients placed in private hospitals	100	0	(100)	100	100	291	491
Public dividend capital payment (PDC)	0	0	0	0	2,822	2,822	5,644
Other finance costs (inc loan interest and principal repayments)	0	0	0	0	0	234	234
<b>Total Payments</b>	<b>28,685</b>	<b>27,803</b>	<b>(882)</b>	<b>27,157</b>	<b>33,172</b>	<b>254,884</b>	<b>315,213</b>
<b>CLOSING CASH BOOK BALANCE</b>	<b>40,008</b>	<b>42,499</b>	<b>2,491</b>	<b>45,127</b>	<b>20,000</b>	<b>42,499</b>	<b>20,000</b>

**APPENDIX E – Covid-19 costs, January 2021 (see app. F for vaccination costs)**

CATEGORY	AMH	CHS	FYPC	LD	ESTS	ENAB	HOST	RSRVS	TOTAL
<b>PAY</b>									
Expand NHS Workforce - Medical / Nursing / AHPs / Hcare Scientists / Other	£000	£000	£000	£000	£000	£000	£000	£000	£000
Substantive	12	0	0	0	0	0	0	0	12
Bank	174	44	0	0	0	0	0	0	218
Agency	77	318	0	0	0	0	0	0	395
Existing workforce additional shifts									
Substantive	45	1	2	0	0	17	0	0	65
Bank	0	0	12	0	0	85	0	0	97
Agency	0	0	0	0	0	0	0	0	0
Backfill for higher sickness absence									
Substantive	0	5	0	0	0	0	0	0	5
Bank	0	5	0	0	0	0	0	0	5
Agency	0	15	0	0	0	0	0	0	15
Sick pay at full pay (all staff types)	0	0	0	0	0	0	0	0	0
<b>NON-PAY</b>									
NHS Staff Accommodation - if bought outside of national process	0	0	2	0	0	0	0	0	2
PPE - locally procured	0	0	0	0	0	4	0	0	4
PPE - other associated costs	0	8	0	0	0	0	0	0	8
Increase ITU capacity (incl hospital assisted respiratory / mech. ventilation)	0	0	0	0	0	0	0	0	0
Remote management of patients	0	0	0	0	0	0	0	0	0
Support for patient stay at home models	0	0	0	0	0	0	0	0	0
Segregation of patient pathways	9	0	0	0	0	0	0	0	9
Plans to release bed capacity	0	0	0	0	24	7	0	0	31
Decontamination	0	0	0	0	0	0	0	0	0
Additional Ambulance Capacity	0	0	0	0	0	0	0	0	0
Enhanced Patient Transport Service	3	0	0	0	0	0	0	0	3
NHS 111 additional capacity	0	0	0	0	0	0	0	0	0
After care and support costs (community, mental health, primary care)	0	0	0	0	0	0	0	0	0
Infection prevention and control training	0	0	0	0	0	0	0	0	0
Remote working for non patient activities:									
IT/Communication services and equipment	0	0	0	0	0	0	0	0	0
Furniture, fittings, office equip for staff home working	0	0	0	0	0	0	0	0	0
Internal and external communication costs	0	0	0	0	0	8	0	0	8
Covid Testing	0	0	0	0	0	0	0	0	0
Business Case (SDF) - Ageing Well - Urgent Response Accelerator	0	0	0	0	0	0	0	0	0
Direct Provision of Isolation Pod	0	0	0	0	0	0	0	0	0
PPN / support to suppliers (continuity of payments if service is disrupted)	0	0	0	0	0	0	0	0	0
<b>TOTAL FOR MONTH 10:</b>	<b>320</b>	<b>396</b>	<b>16</b>	<b>0</b>	<b>24</b>	<b>121</b>	<b>0</b>	<b>0</b>	<b>877</b>
<b>TOTAL COVID COSTS M1-9:</b>	<b>3,195</b>	<b>1,081</b>	<b>612</b>	<b>221</b>	<b>242</b>	<b>2,618</b>	<b>14</b>	<b>6</b>	<b>7,989</b>
<b>TOTAL YTD COVID COSTS:</b>	<b>3,515</b>	<b>1,477</b>	<b>628</b>	<b>221</b>	<b>266</b>	<b>2,739</b>	<b>14</b>	<b>6</b>	<b>8,866</b>

## APPENDIX F – Covid-19 vaccination costs

### Vaccination Programme

#### Financial position to end January 2021

The current forecast cost of the total vaccination programme running from December 2020 to September 2021 is £7.4m. The forecast to the end of January was £0.9m, of which actuals incurred totalled £0.4m, a variance of £0.5m.

Costs are increasing significantly, and the forecast spend up until the end of this financial year is £3.1m.

PCN (Primary Care Network) costs are not yet included in the forecast – more work needs to be undertaken to ascertain expected costs for the programme.

All direct and reasonable Covid vaccination costs (in excess of 'business as usual' costs) are refundable by NHS England.

Vaccination Programme	Financial Position to end January 2021			Forecast			
	Forecast	Actual	Variance	Feb to March	Total to	April to Sept	Total Cost of Programme
	£'000	£'000	£'000		£'000		
Workstream	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Workforce Bureau	454	251	-203	901	1,355	894	2,249
LHIS	199	41	-158	222	421	420	841
Workforce	2	0	-2	6	8	20	28
Back office	2	1	0	4	6	9	14
Peepul Centre	153	56	-96	546	699	1,494	2,193
Staff Vaccination	44	3	-41	519	563	1,530	2,093
PCN Costs	-	-	-	-	-	-	-
<b>Total</b>	<b>853</b>	<b>353</b>	<b>-500</b>	<b>2,198</b>	<b>3,051</b>	<b>4,367</b>	<b>7,417</b>

## APPENDIX G – Risks, Pressures and Mitigations

Likely Scenario						Scenario Analysis		
Description	Risk £000	Pressure £000	Target U/Sp £000	Mitigation £000	Net Total £000	Best £000	Likely £000	Worst £000
M7 - M12 forecast/plan:	(711)	(1,369)	0	0	(2,080)	(2,080)	(2,080)	(2,080)
Operational services position	(1,701)	(2,395)	711	7,665	4,280	6,607	4,280	2,456
Contractual issues	(40)	(728)	0	0	(768)	(768)	(768)	(768)
Technical finance adjustments	(878)	(1,300)	0	746	(1,432)	(1,178)	(1,432)	(2,058)
Net I&E performance (actual I&E surplus/(deficit):	(3,330)	(5,792)	711	8,411	0	2,581	0	(2,450)
Trust Budget					(1,369)	(1,369)	(1,369)	(1,369)
Risk adjusted under/(over)spend					1,369	3,950	1,369	(1,081)

The expected likely year end position is forecast to be I&E break-even. This is a £1.4m underspend against our M7-M12 plan which anticipated a £1.4m deficit.

Additional analysis now also shows the best and worst case positions (a £2.6m net I&E surplus and a £2.5m deficit respectively). The spread evident in this range of scenarios (over £5m) is larger than would traditionally be expected at this stage of the financial year. This serves to illustrate current uncertainty, in particular that caused by the late confirmation of various income streams. This year a large proportion of Trust income is not covered by the usual contracting processes, and the accepted routes for seeking and approving funding are not open to us. Whilst the temporary 'fixed block' income arrangements were originally put in place nationally to create stable funding flows, the inherent inflexibility has led to large amounts of income having to be agreed outside of this process. This has resulted in long delays in confirming funding. In addition, the majority of NHS organisations with which we have a financial relationship are now forecasting large surpluses of their own, and this is influencing their funding decisions.

In reality, there is an extremely low probability of all individual best or all worst cases occurring simultaneously and so the total impact of either of these alternative scenario is for illustrative purposes only. Discussions are ongoing with commissioners to agree final funding allocations for March, and this will significantly close the gap between best and worst case projections.

## APPENDIX H – Expenditure run-rate

The table below shows the actual expenditure run-rate for each operational directorate.

The analysis shows various in-month movements at directorate level. The costs shown will include Covid costs, levels of which have been subject to significant swings month-to-month.

Month 10 costs have increased compared to month 9, and a trend of increasing costs is evident across the year as a whole. This shows that, whilst the financial position is benefitting from some slippage against new investment budgets, new costs are clearly being incurred. The run rate work will inform the 21/22 planning process.

### MONTHLY EXPENDITURE RUN-RATES BY OPERATIONAL DIRECTORATE

Directorate	Month 1 £000	Month 2 £000	Month 3 £000	Month 4 £000	Month 5 £000	Month 6 £000	Month 7 £000	Month 8 £000	Month 9 £000	Month 10 £000
AMH	6,308	6,308	6,419	6,579	6,962	6,875	6,503	7,227	6,940	7,131
CHS	5,337	5,337	5,699	5,296	5,249	5,420	5,438	5,466	5,664	5,899
LD	820	820	810	872	862	916	1,040	965	860	918
FYPC	4,048	4,048	4,096	4,104	4,205	4,226	4,613	4,503	4,444	4,465
Estates	2,760	2,760	2,766	3,067	2,849	2,846	2,880	3,093	2,855	2,912
Enabling	3,003	3,003	3,492	3,305	3,076	2,873	3,003	3,131	3,062	3,029
<b>TOTAL OPERATIONAL RUN-RATE:</b>	<b>22,275</b>	<b>22,275</b>	<b>23,282</b>	<b>23,223</b>	<b>23,203</b>	<b>23,156</b>	<b>23,477</b>	<b>24,385</b>	<b>23,825</b>	<b>24,352</b>

