

Finance Report for the period ended **30 September 2021**

For presentation at the
Trust Board
26th October 2021

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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 2021 (Month 6). A small net income and expenditure surplus of £60k is reported for the period, which relates to the gain on disposal of Rubicon Close.
2. Note that the property disposal gain of £60k cannot be counted towards NHS Control Total Performance. Excluding this from the position results in a breakeven for M6 and this delivers the H1 plan.
3. Within the Trust's overall M6 position, net operational budgets report a £201k overspend. Directorate overspends include Enabling (£184k), DMH (£149k), LD services (£125k), FYPC (£82k) and Estates (£50k). CHS is underspending by £301k, and Hosted services by £88k.
4. Central reserves report an underspend which offsets the operational overspends.
5. Closing cash for September stood at £33m. This equates to 41.8 days' operating costs.

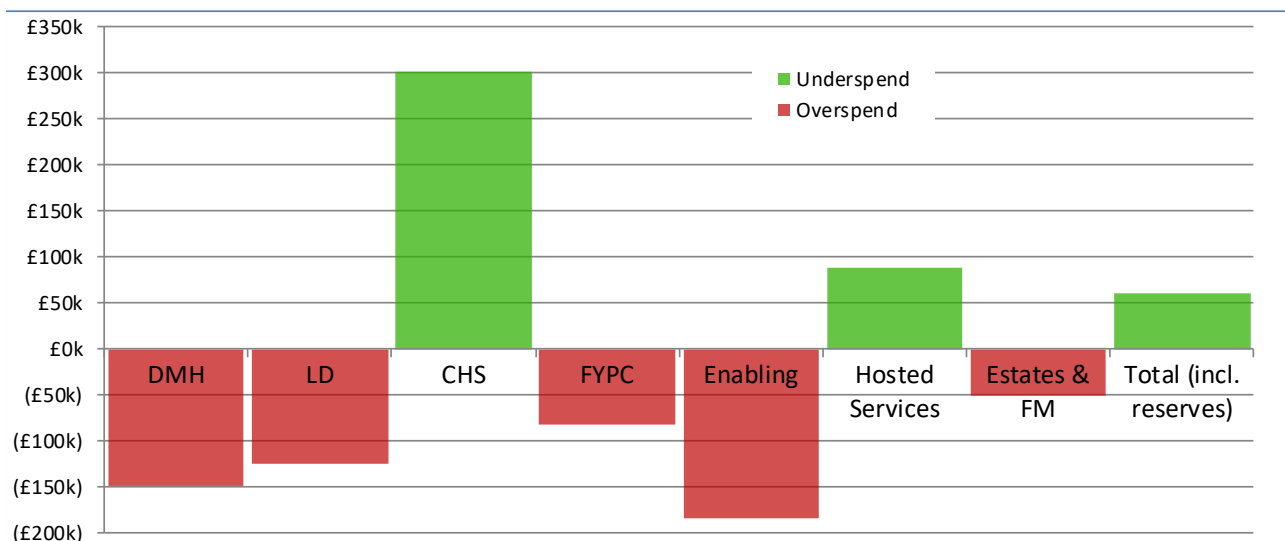
Performance against key targets and KPIs

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 £60k surplus position at the end of September 2021. [see 'Service I&E position' and <i>Appendix A</i>].
2. Remain within Capital Resource Limit (CRL).	G	G	The capital spend for September is £2.4m, 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 is £33.2m. The year-end forecast is £21m.

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 4 BPPC targets in September.
6. Achieve Efficiency Savings targets.	n/a	G	There is no formal Efficiency Savings Programme during the current planning period (H1).
7. Deliver financial plan surplus	n/a	n/a	During H1 there is no requirement to deliver a financial surplus (target = I&E break-even).
Internal targets	Year to date	Year end f'cast	Comments
8. Achieve a Financial & Use of Resources metric score of 2 (or better)	G	G	There is currently no formal requirement to be monitored against the Financial & Use of Resources metrics. An internal summary calculation is still conducted to measure progress internally, and this suggests that the Trust is currently scoring a '2'
9. Achieve retained cash balances in line with plan	G	G	A cash balance of £33.2m was achieved at the end of September 2021. [See 'cash and working capital']
10. Deliver capital investment in line with plan (within +/- 15% YTD planned spend levels)	R	G	Capital expenditure totals £2.4m at the end of Month 6; this is £3.2m (57%) below the YTD planned level of £5.6m [See 'Capital Programme 2021/22']

Income and Expenditure position

The month 6 position shows a net operational overspend against year-to-date budgets, offset by an underspend within reserves.



Enabling Services are overspent by £184k as at M6. This is a negative movement of £51k since Month 5. This relates to fixed term resource for the Triple R Recovery Project (which has now ended) and within the HR team.

The Mental Health directorate is overspending by £149k at the end of Month 6 due to the continued use of locums, bank, and agency to cover current high vacancy levels. There is slippage against other investments (e.g., MHIS) due to increasing recruitment challenges, but there is an expectation that any underspend will be re-used within the system through the implementation of alternative schemes. As such, no financial benefit relating to any MHIS underspend is reflected in the LPT position.

The FYPC financial position improved at month 6 albeit still reporting an overspend. The Beacon Unit continues to face pressures, along with medical equipment budgets within the Diana service for which we will be negotiating a recharge to the CCG. Healthy Together continue to report an underspend due to staff vacancies, although costs are expected to rise in H2 as the Directorate identifies ways to reduce the vacancy position.

The LD financial position also improved in month, but the significant cost pressures associated with the Agnes Unit continue. The service has been unsuccessful to date in recovering additional income for patients being treated on the Unit and the current use of all 5 pods is increasing costs. In contrast, Community services remain underspent, mainly due to vacancies and this is offsetting the Agnes overspend.

Community Health Services are underspent by £301k. This includes significant travel underspends and also vacancies where these can't be covered by bank or agency staff.

Efficiency savings

Whilst there has been no formal efficiency programme in H1, the position is benefitting from savings against travel budgets which are reported as efficiency savings. As we move into H2, the national / local efficiency expectation has been clarified. For LPT this equates to approximately £2.4m (c. 1.5% of H2 budgets). The continuing travel savings will be first call in terms of locking down recurrent savings. Other savings have been identified for H2, but the majority of these are non-recurrent, thus increasing the expected level of efficiency required for 2022/23.

Forecast position

By delivering a month 6 break even position for H1 (half-year 1) the H1 plan has been achieved. The H1 position has benefited from significant additional income due to the current emergency financial framework. This additional income is masking an increase in costs over the past 18 months (costs which may normally have been offset through internal efficiencies).

The planning guidance for H2 has now been released, and system envelopes have been confirmed. A proposed LPT envelope has been calculated, and work is currently underway to fully understand what this is expected to deliver.

Previously the Trust has been forecasting a £5.3m deficit for H2 (and therefore this financial year as a whole). The proposed system offer to LPT includes non-recurrent system top-up funding that should now enable the Trust to plan for a break-even position (subject to the final work to understand the detail behind the offer). As this funding would be non-recurrent, the Trust underlying position would not improve, and so the expected challenges for next financial year are not diminished.

Additional agency expenditure analysis

Given the unprecedented level of agency staff usage this financial year, additional analysis is now included in this report.

For the period April to September, total expenditure on agency staff was £10.2m. The forecast for the year is £21.6m (£20.9m excluding Covid). Forecast expenditure for the year has increased due to increased use of agency staff to cover vacancies and sickness. (See **appendix C** for a monthly breakdown of agency costs).

The table below looks at total forecast agency costs for the year and compares these with costs incurred in 2019/20 (being the last full year before Covid began to have an impact). To allow for meaningful comparison, Covid costs are excluded from the 2021/22 figures. The analysis also then allows for the significant agency costs linked to the large amount of investment this year.

The resulting comparable costs are shown as £17.9m in the current year (forecast) versus £10.6m in 2019/20 – a 70% increase across the 2-year period.

ANNUAL AGENCY COST ANALYSIS (EXCLUDING ANY COSTS RELATING TO COVID)

Directorate	2019/20	2021/22 including new investm.	2021/22 investments	2021/22 excluding new investm.	Movement 19/20 to 21/22		underlying agency positon 1st April 2022 £000
	£000	£000	£000	£000	£000	Comment on movement	
DMH	3,400	8,346	-2,204	6,142	2,742	Continued use of locums and agency staff to cover vacancies. Increase use of Medical Locums at Adult City West and Crisis Team. Increased use of agency staff at Heather and Wakerley wards.	6,142
CHS	4,341	5,130	0	5,130	789	High level of vacancies, cover for sickness, increased specialising for more acute patients. Adequate staffing for Surge Wards	4,463
FYPC	2,059	4,405	-838	3,567	1,508	Increased level of vacancy within CAMHS consultant services; addressing CAMHS wait times; Hub & CAP staff; high usage of agency on the Beacon ward due to acuity of patients, use of level 1 obs, support for Children at UHL, sickness; use of agency on Langley due to acuity of patients	3,207
LD	301	1,872	0	1,872	1,571	Cover for Forensic Service prior to appointment of permanent Consultant - non recurrent. Agnes Unit operating up to 5 pods during the first 5 months combined with vacancies & sickness within funded establishment and acuity levels on the Unit. Level of acuity and care requirements for new admissions may require patients to require single pod use which will necessiate agency support - potential recurrent.	1,021
Enabling / Hosted	541	1,184	-5	1,179	638	Agency costs predominantly relate to pressure within HR teams. Overall agency costs have actually reduced in 2021/22 compared to the 2019/20 'baseline', possibly reflecting the changes in the way many staff work (i.e working from). The underlying position assumes a return to slightly higher baseline levels.	550
TOTAL:	10,642	20,937	-3,047	17,890	7,248		15,383

The majority of the underlying increase from 2019/20 to 2021/22 is within DMH (£2.7m), in particular, the additional medical locum cover. An increase in nursing vacancies is also driving up the agency usage.

LD agency costs have increased by £1.6m across the 2 years. This includes locum cover and also the high cost of staffing the Agnes Unit.

FYPC is seeing an increase of £1.5m, due to CAMHS vacancies and the need to address wait times, staffing for Hub & CAP, and due to pressures within Beacon and Langley wards.

Statement of Financial Position (SoFP)

PERIOD: September 2021	2020/21 31/03/21 Audited	2021/22 30/09/21 September
	£'000's	£'000's
NON CURRENT ASSETS		
Property, Plant and Equipment	178,757	176,438
Intangible assets	2,438	2,234
Trade and other receivables	1,129	1,129
Total Non Current Assets	182,324	179,801
CURRENT ASSETS		
Inventories	574	535
Trade and other receivables	8,304	8,730
Cash and Cash Equivalents	24,139	33,180
Total Current Assets	33,017	42,445
Non current assets held for sale	280	0
TOTAL ASSETS	215,621	222,246
CURRENT LIABILITIES		
Trade and other payables	(21,587)	(28,619)
Borrowings	(296)	(297)
Capital Investment Loan - Current	(189)	(189)
Provisions	(2,851)	(2,463)
Total Current Liabilities	(24,923)	(31,568)
NET CURRENT ASSETS (LIABILITIES)	8,374	10,877
NON CURRENT LIABILITIES		
Borrowings	(7,464)	(7,464)
Capital Investment Loan - Non Current	(3,183)	(3,102)
Provisions	(1,397)	(1,397)
Total Non Current Liabilities	(12,044)	(11,963)
TOTAL ASSETS EMPLOYED	178,654	178,715
TAXPAYERS' EQUITY		
Public Dividend Capital	95,441	95,440
Retained Earnings	37,055	37,116
Revaluation reserve	46,158	46,159
TOTAL TAXPAYERS EQUITY	178,654	178,715

Non-current assets

- Property, plant, and equipment (PPE) amounts to £176.4m. Capital additions of £2.4m are offset by September's depreciation charge.

Current assets

- Current assets of £42.4m include cash of £33.2m and receivables of £8.7m.

Non-current assets held for sale

- Following the recent disposal of Rubicon Close, the Trust does not have any non-current assets held for sale.

Current Liabilities

- Current liabilities amount to £31.6m and mainly relate to payables of £28.6m.
- Net current assets / (liabilities) show net assets of £10.9m.

Working capital

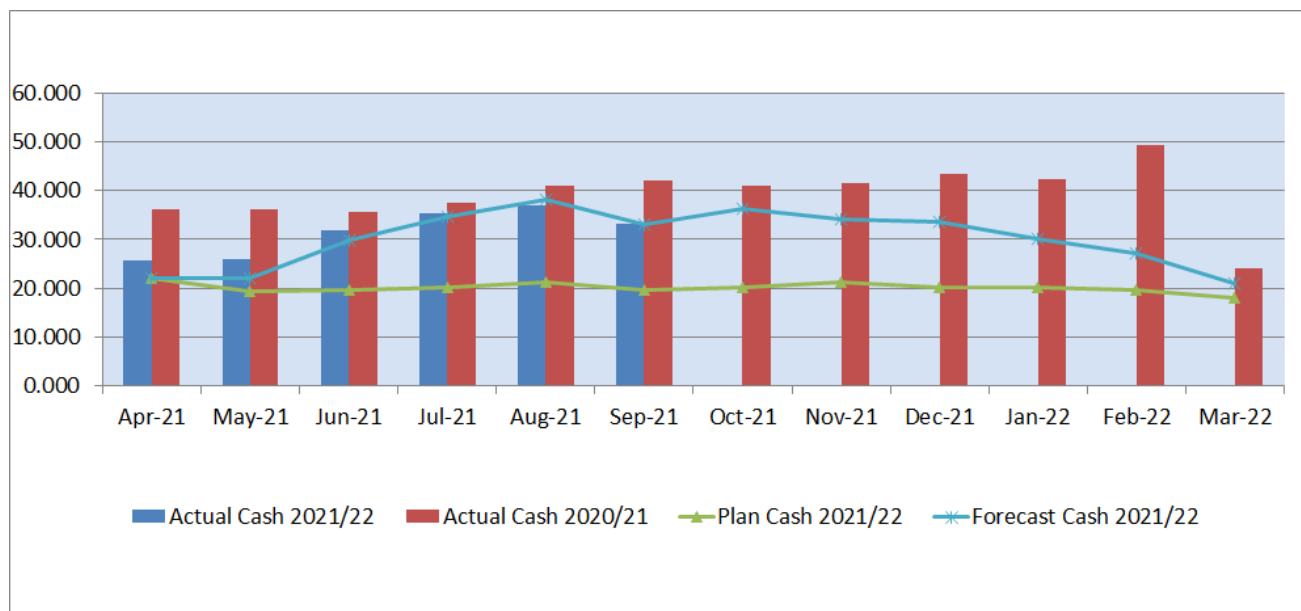
- Cash and changes in working capital are reviewed on the following pages.

Taxpayers' Equity

- September's surplus of £60k is reflected within retained earnings.

Cash and Working Capital

12 Months Cash Analysis Apr 21 to Mar 22



Cash – Key Points

The closing cash balance at the end of September was £33.2m, a decrease of £3.8m during the month.

The cashflow forecast was updated last month to reflect indicative H2 block contract income levels, pay award funding allocations, and anticipated expenditure relating to new investment funding and the vaccine roll-out programme. This resulted in the cash forecast increasing from £18m to £21m.

Because the cash implications of the H2 block contract income levels are still being worked through, changes to the current year-end cashflow forecast of £21m are likely.

A cash-flow forecast is included at **Appendix D**.

Receivables

Current receivables (debtors) total £8.7m; a decrease of £1.3m during the month.

Receivables	Current Month (September 2021)					
	NHS	Non NHS	Emp's	Total	% Total	% Sales Ledger
	£'000	£'000	£'000	£'000		
Sales Ledger						
30 days or less	481	1,710	16	2,207	22.4%	49.7%
31 - 60 days	960	237	8	1,205	12.2%	27.1%
61 - 90 days	301	42	3	346	3.5%	7.8%
Over 90 days	294	190	197	681	6.9%	15.3%
	2,036	2,179	224	4,439	45.0%	100.0%
Non sales ledger	1,136	3,155	0	4,291	43.5%	
Total receivables current	3,172	5,334	224	8,730	88.5%	
Total receivables non current		1,129		1,129	11.5%	
Total	3,172	6,463	224	9,859	100.0%	0.0%

Debt greater than 90 days increased slightly by £10k since August and now stands at £681k. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 6 is 6.9% (last month: 6%).

The non-current receivables balance of £1.1m remains unchanged since the previous month; it comprises of a £396k long term debtor with NHSI to support the clinical pensions' tax provision and a £733k prepayment to cover PFI capital lifecycle costs. The provision for bad debts stands at £341k; this has not changed since the start of the year.

Payables

The current payables position in Month 6 is £28.6m, a decrease of £5.2m since August. £2.8m of this reduction relates to the 6-monthly Public Dividend Capital (PDC) payment to the Department of Health.

Provisions

Trust provisions have reduced by £400k since the start of the year and now stand at £3.9m. Enhanced annual leave overtime payments of £277k were paid to staff this month; funded from the Flowers legal case provision.

Better Payment Practice Code (BPPC)

The specific target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved all 4 BPPC targets in Month 6, however only 3 out of the 4 targets were achieved in the month of September. Due to technical issues with the automated pharmacy invoice file upload, several invoices were paid late which impacted on the achievement of one of the targets. Further details are shown in **Appendix B**.

Capital Programme 2021/22

Capital expenditure totals £2.4m for the first six months of the year.

	Annual Plan	Sep Actual Exp	Year End Forecast	Revision to Plan
Sources of Funds	£'000	£'000	£'000	£'000
Depreciation & technical adjustments	9,500	2,133	9,500	0
Dormitory elimination - Bradgate (PDC)	2,612	0	2,612	0
Dormitory elimination - Evington (PDC)	1,500	0	1,500	0
Agnes unit PFI lifecycle costs	100	0	100	0
Property disposal - Rubicon Close	280	280	280	0
Cash utilisation from previous years' surplus	1,000	0	0	(1,000)
System-wide capital (funding tbc)	2,560	0	0	(2,560)
PDC IM&T Shared Care Records (funding tbc)	0	0	2,278	2,278
Total Capital funds	17,552	2,413	16,270	(1,282)
Application of Funds	£'000	£'000	£'000	£'000
Estates & Innovation				
Estates service improvements	(5,019)	(458)	(2,670)	2,349
Estates backlog	(2,395)	(251)	(3,129)	(734)
Estates other rolling programmes	(1,950)	(85)	(1,947)	3
Estates staffing	(360)	(271)	(385)	(25)
Estates & FM transformation	(699)	0	(200)	499
Medical devices	(120)	(124)	(236)	(116)
	(10,543)	(1,189)	(8,567)	1,976
IT Programme				
Rolling programmes	(1,865)	(575)	(2,235)	(370)
Other projects	(595)	(66)	(561)	34
PDC IM&T Shared Care Records (funding tbc)	0	(40)	(2,278)	(2,278)
	(2,460)	(681)	(5,074)	(2,614)
Directorate capital investment projects	(1,689)	(146)	(1,465)	224
System-wide capital allocation	(2,560)	0	0	2,560
Revenue to capital transfers	0	(397)	(397)	(397)
Contingency	(300)	0	(767)	(467)
Total Capital Expenditure	(17,552)	(2,413)	(16,270)	1,282
(Over)/underspend	0	0	0	0

Month 6 capital expenditure of £2.4m represents 15% of total forecast annual spend. This is £3.2m below the planned spend of £5.6m for the first six months of the year. Spend against several Estates and IM&T schemes are currently below plan.

A detailed six-monthly review of all Estates and IM&T schemes has been undertaken and forecast spend has now been updated to reflect anticipated spending levels. Because of the significant amount of capital still to spend in the last six months of the year (c£14m) it is

anticipated that there will be significant expenditure slippage compared to the original plan. This is mainly due to the rescoping/modification of several Estates schemes and the national supply-chain/delivery issues,

The original capital plan included £2.6m of system-wide capital. UHL previously agreed that the Trust could use all of this allocation, however it has now become apparent that central funding (in the form of PDC) will not be provided i.e. the Trust will need to utilise its own cash reserves to fund the extra capital. Previously it had been suggested that £1.6m of the £2.6m allocation could support the acceleration of the IT lap-top rolling replacement programme (to eliminate all equipment older than five years), address the requirements of the Mental Health investment initiatives, and meet the outcomes of the Triple R Programme. The remaining £900k was to support the roll out of SystmOne in Leicestershire care homes.

Expenditure slippage identified in the six-monthly review can be used to address any emerging capital requirements, including those mentioned above, therefore resulting in the £2.6m system allocation no longer being required. The roll out of SystmOne in Leicestershire care homes is now being funded via the CCG, with only £152k needed in this financial year (to be utilised from the Trust's existing capital allocation). On this basis the £2.6m has been taken out of the capital programme. In addition to this the £1m capital funding from internally generated cash (from previous years' surpluses) has also been removed from the plan as it is unlikely, due to the implications of the supply chain restrictions, that this will also be needed to support the programme in 2021/22.

The forecast plan is now £16.27m, a reduction of £3.6m since last month and £1.3m since the start of the year. An overview of the changes made to the capital programme are shown in the table below. Due to the current volatility of external factors impacting on the capital position, a detailed review will be undertaken on a monthly basis to ensure the forecast position is updated regularly, and any required action is taken at the earliest opportunity to ensure delivery of the Trust's capital targets.

	Annual Plan	Year End Forecast	Revision to Plan (Increase)/ Decrease
Expenditure	£'000	£'000	£'000
Estates	(10,423)	(8,331)	2,092
IM&T	(2,460)	(5,471)	(3,011)
Medical Devices	(120)	(236)	(116)
Directorate specific investment	(1,689)	(1,465)	224
System-wide allocation	(2,560)	0	2,560
Contingency	(300)	(767)	(467)
Total	(17,552)	(16,270)	1,282
Sources of funds			
Depreciation, property disposal & PDC	13,992	13,992	0
Trust's internal cash utilisation	1,000	0	(1,000)
System capital allocation	2,560	0	(2,560)
PDC for LLR Shared Care Records	0	2,278	2,278
Total	17,552	16,270	(1,282)

The increase in IM&T expenditure includes an additional £0.5m to support the laptop rolling replacement programme.

APPENDIX A - Statement of Comprehensive Income (SoCI)

Statement of Comprehensive Income for the period ended 30 September 2021	YTD Actual M6 £000	YTD Budget M6 £000	YTD Var. M6 £000
Revenue			
Total income	169,194	168,657	537
Operating expenses	(165,798)	(165,261)	(537)
Operating surplus (deficit)	3,396	3,396	0
Investment revenue	0	0	0
Other gains and (losses)	60	0	60
Finance costs	(510)	(510)	0
Surplus/(deficit) for the period	2,946	2,886	60
Public dividend capital dividends payable	(2,886)	(2,886)	0
I&E surplus/(deficit) for the period (before tech. adjs)	60	(0)	60
NHS Control Total performance adjustments			
Exclude gain on asset disposals	(60)	0	(60)
NHSE/I I&E control total surplus	0	(0)	0
Other comprehensive income (Exc. Technical Adjs)			
Impairments and reversals	0	0	0
Gains on revaluations	0	0	0
Total comprehensive income for the period:	60	(0)	60
Trust EBITDA £000	8,430	8,430	0
Trust EBITDA margin %	5.0%	5.0%	0.0%

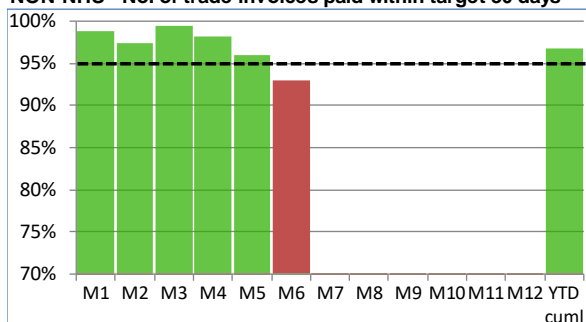
APPENDIX B – BPPC performance

Trust performance – current month (cumulative) v previous

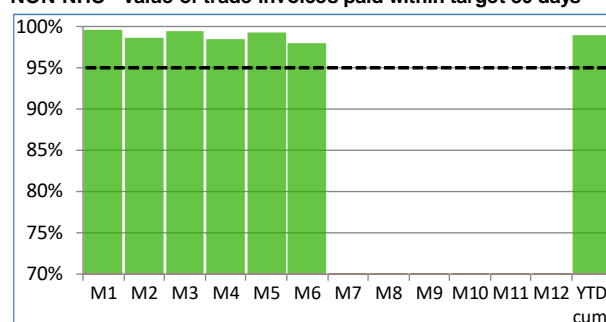
Better Payment Practice Code	September (Cumulative)		August (Cumulative)	
	Number	£000's	Number	£000's
Total Non-NHS trade invoices paid in the year	15,130	53,636	12,148	47,167
Total Non-NHS trade invoices paid within target	14,648	53,114	11,874	46,774
% of Non-NHS trade invoices paid within target	96.8%	99.0%	97.74%	99.17%
Total NHS trade invoices paid in the year	451	29,464	374	25,473
Total NHS trade invoices paid within target	433	28,900	358	24,936
% of NHS trade invoices paid within target	96.0%	98.1%	95.72%	97.89%
Grand total trade invoices paid in the year	15,581	83,100	12,522	72,640
Grand total trade invoices paid within target	15,081	82,014	12,232	71,710
% of total trade invoices paid within target	96.8%	98.7%	97.68%	98.72%

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

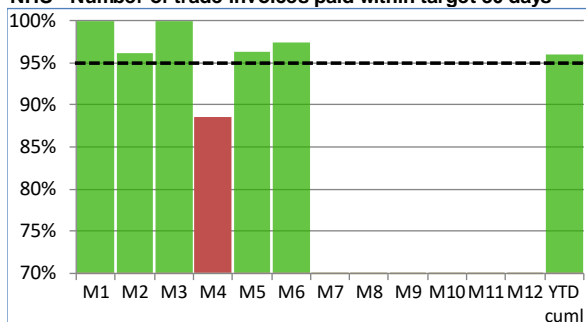
NON-NHS - No. of trade invoices paid within target 30 days



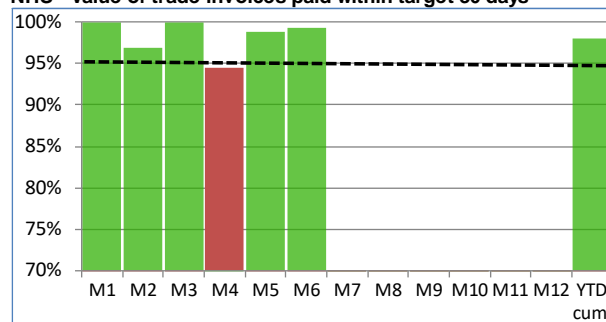
NON-NHS - Value of trade invoices paid within target 30 days



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

2021/22 Agency Expenditure	2020/21 Outturn £000r	2020/21 Ave mth £000r	2021/22 M1 £000r	2021/22 M2 £000r	2021/22 M3 £000r	2021/22 M4 £000r	2021/22 M5 £000r	2021/22 M6 £000r	2021/22 M7 £000r	2021/22 M8 £000r	2021/22 M9 £000r	2021/22 M10 £000r	2021/22 M11 £000r	2021/22 M12 £000r	21/22 YTD £000r	21/22 Year End £000r
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Actual	Forecast
DMH																
Agency Consultant Costs	-2,561	-213	-290	193	-520	-265	-219	-38	-500	-560	-540	-520	-500	-260	-1,199	-3,059
Agency Nursing	-2,642	-220	-344	-265	-301	-422	-432	-548	-410	-590	-590	-590	-590	-590	-2,313	-4,679
Agency Scientist, Therap. & Tech	-152	-13	-19	-14	-14	-25	-11	-17	-20	-20	-20	-20	-20	-20	-39	-319
Agency Other clinical staff costs				-11	-16	-11	1	0	-20	-20	-20	-20	-20	-20	-37	-187
Agency Non clinical staff costs	-187	-16	-21	-32	-54	-21	-36	-62	-62	-62	-62	-62	-62	-62	-226	-595
Sub-total for Directorate - DMH	-5,541	-462	-673	-129	-905	-743	-698	-725	-812	-852	-832	-812	-792	-772	-3,873	-6,742
Agency Spend relating to Investments			-57	-88	-115	-130	-198	-203	-209	-234	-243	-243	-243	-243	-791	-2,204
Agency spend relating to COVID			-59	-37	-150	-40	-6	-15	-5	-5	-5	-5	-5	-5	-367	-597
LEARNING DISABILITIES																
Agency Consultant Costs	-48	-4	-12	-8	-10	-13	-12	0	0	0	0	0	0	0	-56	-56
Agency Nursing	-761	-63	-129	-135	-156	-165	-156	182	175	-155	-150	-150	-150	-150	-924	-1,759
Agency Scientist, Therap. & Tech	-85	-7	-13	-8	4	-1	0	0	0	0	0	0	0	-18	-18	
Agency Other clinical staff costs														0	0	
Agency Non clinical staff costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-total for Directorate - LD	-894	-74	-154	-151	-162	-178	-168	-184	-175	-155	-150	-150	-150	-150	-998	-1,873
Agency Spend relating to Investments			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency spend relating to COVID			-1	0	0	0	0	0	0	0	0	0	0	0	-1	-1
CHS																
Agency Consultant Costs	-9	-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Nursing	-3,959	-330	-239	-354	-338	-411	-494	-492	-450	-425	-460	-420	-400	-380	-2,329	-4,864
Agency Scientist, Therap. & Tech	-375	-31	-36	-36	-50	-42	-22	-38	-25	-25	-25	-25	-25	-25	-224	-434
Agency Other clinical staff costs															0	0
Agency Non clinical staff costs	-28	-2	-5	-10	-11	0	0	0	-5	-6	-5	-5	-5	-5	-25	-51
Sub-total for Directorate - CHS	-4,371	-364	-279	-401	-399	-453	-515	-531	-459	-456	-498	-458	-438	-418	-2,579	-5,350
Agency Spend relating to Investments			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency spend relating to COVID			-56	-18	-10	-21	-22	-23	-20	-20	-15	-15	-15	-15	-150	-220
FYPC																
Agency Consultant Costs	-816	-68	-70	-17	-48	-63	-44	-110	-65	-65	-65	-65	-65	-65	-352	-742
Agency Nursing	-2,546	-212	-241	-253	-232	-245	-530	-364	-540	-540	-510	-510	-510	-500	-1,670	-3,560
Agency Scientist, Therap. & Tech	0	0	0	0	0	-3	-1	-4	0	0	0	0	0	0	-8	-8
Agency Other clinical staff costs															0	0
Agency Non clinical staff costs	-10	-1	-5	-14	-6	-11	5	-8	-5	-5	-5	-5	-5	-5	-41	-75
Sub-total for Directorate - FYPC	-3,371	-281	-315	-290	-287	-322	-372	-485	-414	-410	-380	-380	-380	-370	-2,072	-4,406
Agency Spend relating to Investments			0	0	0	0	-58	-100	-100	-100	-120	-120	-120	-120	-158	-638
Agency spend relating to COVID			-1	0	0	0	0	0	0	0	0	0	0	0	-1	-1
Enabling, Hosted & reserves																
Agency Consultant Costs	0	0	0	0	0	0	0	-13	-15	-15	-15	-15	-15	-15	-13	-51
Agency Nursing	-8	-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Scientist, Therap. & Tech	-83	-7	-5	-10	-8	-28	-43	-19	-19	-19	-19	-19	-19	-19	-114	-228
Agency Other clinical staff costs															0	0
Agency Non clinical staff costs	-977	-81	-105	-131	-158	-43	-56	-85	-55	-55	-55	-55	-55	-55	-585	-915
Sub-total for Directorate - Enabling, Hosted & reserves	-1,069	-89	-110	-141	-166	-78	-92	-116	-87	-87	-87	-87	-87	-87	-712	-1,254
Agency Spend relating to Investments			0	0	-5	0	0	0	0	0	0	0	0	0	-5	-5
Agency spend relating to COVID			0	0	-3	-28	-3	0	0	0	0	0	0	0	-50	-50
TOTAL TRUST																
Agency Consultant Costs	-3,433	-286	-371	168	-578	-341	-276	-221	-378	-438	-418	-398	-378	-358	-1,619	-3,987
Agency Nursing	-3,315	-826	-353	-1,013	-1,028	-1,243	-1,411	-1,588	-1,375	-1,310	-1,315	-1,250	-1,230	-1,200	-7,236	-14,516
Agency Scientist, Therap. & Tech	-636	-58	-73	-68	-63	-93	-77	-78	-74	-74	-74	-74	-74	-74	-464	-908
Agency Other clinical staff costs															-37	-187
Agency Non clinical staff costs	-1,202	-100	-135	-188	-230	-81	-83	-154	-154	-158	-158	-158	-158	-158	-611	-1,557
Total	-15,246	-1,270	-1,532	-1,113	-1,320	-1,175	-1,852	-2,041	-1,961	-1,970	-1,952	-1,867	-1,827	-1,777	-10,233	-21,605
Total Trust Agency Spend relating to Invest			-57	-88	-120	-130	-256	-303	-309	-334	-363	-363	-363	-363	-955	-2,947
Total Trust Agency Spend relating to Covid	2,578	215	-117	-115	-163	-99	-37	-38	-25	-25	-20	-20	-20	-20	-563	-669
Total excluding Covid-19 and Invest	-12,668	-1,055	-1,358	-910	-1,637	-1,546	-1,559	-1,700	-1,647	-1,611	-1,569	-1,484	-1,459	-1,409	-8,710	-17,869

Agency costs for September were £2.0m. Excluding Covid and investment funded posts, costs were £1.7m.

The forecast costs for the year are £21.6m.

Additional detail on agency staff expenditure has been provided in the main body of the report.

APPENDIX D – Cash flow forecast

2021/22 CASH-FLOW FORECAST	SEP	SEP	SEP	OCT	NOV	DEC	JAN	FEB	MAR	YTD	21/22
	FORECAST	ACTUAL	VARIANCE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	ACTUAL	FORECAST
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
OPENING BALANCE	36,997	36,997	0	33,180	36,236	34,150	33,651	30,036	27,049	24,139	24,139
INCOME											
Leicester & Leicestershire CCG block contracts	22,936	22,779	(157)	24,398	22,409	22,409	22,409	22,409	20,355	137,391	271,780
Other CCG block contracts	294	294	0	294	294	294	294	294	294	1,763	3,527
East Midlands Provider Collaborative - CAMHS	142	142	0	142	142	142	142	142	142	852	1,704
Local Authorities block contracts	2,158	758	(1,400)	2,158	1,442	1,442	1,442	1,442	1,442	7,252	16,620
NHS England	783	745	(38)	783	2,171	783	783	783	2,323	6,164	13,790
UHL contract	750	0	(750)	928	232	232	232	232	232	696	2,784
MADEL	0	0	0	4,179	0	0	0	1,478	0	5,037	10,694
HIS income	100	237	137	100	100	200	200	349	500	1,240	2,689
360 Assurance income	100	134	34	300	100	100	300	100	136	700	1,736
UHL rental income	732	0	(732)	854	122	122	122	122	122	0	1,464
Previous year's income	0	12	12	0	0	0	0	0	0	4,913	4,913
VAT	405	405	0	476	250	250	250	250	250	2,754	4,480
Property sales	0	0	0	0	0	0	0	0	0	341	341
PDC for capital investment	1,306	0	(1,306)	0	0	2,612	0	0	3,778	0	6,390
Other income	488	997	509	526	488	388	388	388	530	3,465	6,173
Total Receipts	30,194	26,503	(3,691)	35,138	27,750	28,974	26,562	27,989	30,104	172,568	349,085
PAYMENTS											
Payroll	21,423	20,057	(1,366)	20,122	20,349	20,051	20,224	20,232	20,259	112,995	234,232
Capital	843	264	(579)	1,343	1,343	1,343	1,749	2,545	3,730	1,609	13,662
Non pay general expenditure	4,755	5,728	973	5,026	5,026	5,026	5,196	5,196	6,225	32,609	64,304
UHL - Estates & FM Services	1,880	0	(1,880)	2,820	940	940	940	940	940	3,760	11,280
UHL - Other contracts	290	290	0	145	145	145	145	145	145	870	1,740
NHS Property Services rents	600	0	(600)	900	300	300	305	300	300	1,850	4,255
Community Health Partnerships rents	118	10	(108)	226	118	118	118	118	118	600	1,416
HCL Agency Nursing Costs	1,500	1,178	(322)	1,500	1,500	1,500	1,500	1,500	1,500	6,173	15,173
Out of Area (OOA) costs for patients placed in private hospitals	50	8	(42)	0	0	50	0	0	50	161	261
Public dividend capital payment (PDC)	2,785	2,785	0	0	0	0	0	0	2,886	2,785	5,671
Other finance costs (inc loan interest and principal repayments)	0	0	0	0	115	0	0	0	0	115	230
Total Payments	34,244	30,320	(3,924)	32,082	29,836	29,473	30,177	30,976	36,153	163,527	352,224
CLOSING CASH BOOK BALANCE	32,947	33,180	233	36,236	34,150	33,651	30,036	27,049	21,000	33,180	21,000

APPENDIX E – Covid-19 expenditure, September 2021

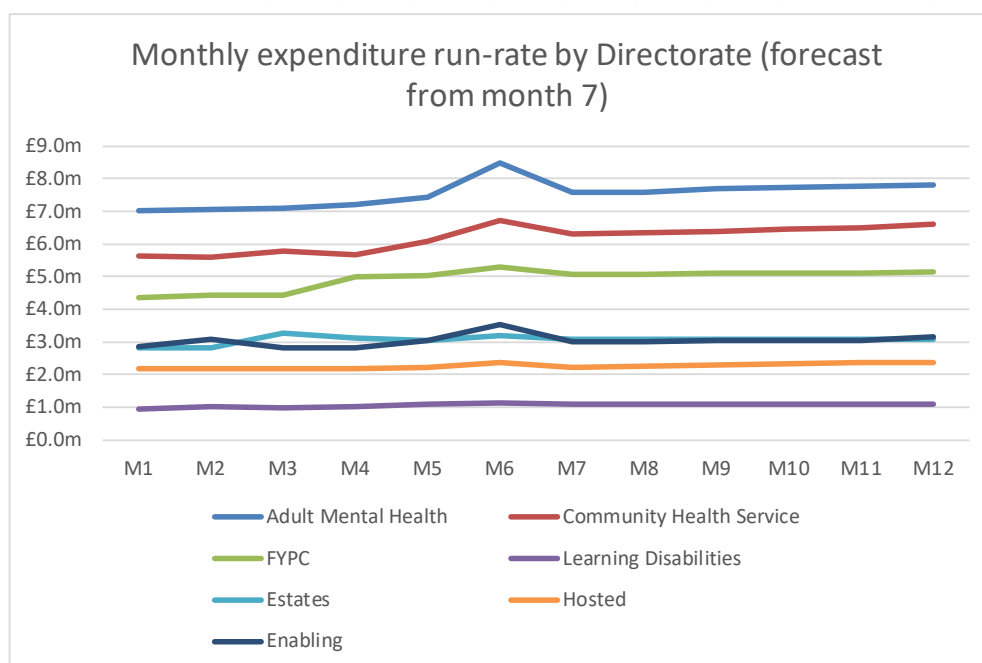
Cost of Covid response

CATEGORY	DMH	CHS	FYPC	LD	ESTS	ENAB	HOST	RSRVS	TOTAL
PAY	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expand NHS Workforce - Medical / Nursing / AHPs / Hcare Scientists / Other									
Substantive	22	2	0	0	0	0	0	0	24
Bank	115	40	0	0	0	0	0	0	155
Agency	15	23	0	0	0	10	0	0	48
Existing workforce additional shifts									
Substantive	0	0	0	0	0	9	0	0	9
Bank	0	0	14	7	0	0	0	0	20
Agency	0	0	2	0	0	0	0	0	2
Backfill for higher sickness absence									
Substantive	0	0	0	0	0	0	0	0	0
Bank	0	0	0	0	0	0	0	0	0
Agency	0	0	0	0	0	0	0	0	0
Sick pay at full pay (all staff types)	0	0	0	0	0	0	0	0	0
NON-PAY	£000	£000	£000	£000	£000	£000	£000	£000	£000
NHS Staff Accommodation - if bought outside of national process	0	0	0	0	0	0	0	0	0
PPE - locally procured	0	0	0	0	0	2	0	0	2
PPE - other associated costs	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
Plans to release bed capacity	0	0	0	0	0	0	0	0	0
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	2	0	0	0	0	0	0	0	2
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	10	0	0	0	10
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	1	0	0	0	0	4	24	0	29
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	0	0	0	0
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
TOTAL M6 COVID COSTS:	155	65	15	7	10	25	24	0	301
TOTAL M1 to M5 COVID COSTS:	1,422	390	66	45	60	397	0	0	2,380
TOTAL YTD COVID COSTS:	1,577	455	81	52	70	422	24	0	2,681

Covid Vaccination costs

Total Covid vaccination costs incurred to date (April to September) are £3.08m. Virtually all the costs relate to staffing. The Vaccination Programme forecast has now been extended to March 2022 and the plan assumes total vaccination costs of £7.7m for the financial year. Vaccination costs are currently direct funded based on actual costs incurred, so the programme as a whole is forecast to have no impact on the Trust bottom line financial position.

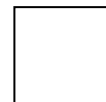
APPENDIX F – Expenditure run-rate



TRUST OPERATIONAL RUN-RATE	ACTUAL						FORECAST					
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Total operational expenditure £m:	25.8m	26.2m	26.5m	27.0m	27.9m	30.7m	28.4m	28.5m	28.7m	28.8m	29.0m	29.3m

The directorate run-rate chart above shows a modest increase in costs over the first 4 months, increasing in month 5, before spiking in month 6 due to the payment of the pay award plus arrears.

This month, an initial forecast for the second half of the year has been included. This shows further increases towards the end of the year – predominantly due to the investment plans.



Trust Board – 26/10/21

Month 6 Trust finance report

Purpose of the Report

- To provide an update on the current Trust financial position

Proposal

- The Trust Board is recommended to review the summary financial position and receive assurance that financial performance is in line with the H1 financial plan

Decision required: N/A

Governance table

For Board and Board Committees:	Trust Board	
Paper sponsored by:	Sharon Murphy, Acting Director of Finance	
Paper authored by:	Amjad Kadri, Acting Head of Corporate Finance Jackie Moore, Financial Controller	
Date submitted:	18/10/21	
State which Board Committee or other forum within the Trust’s governance structure, if any, have previously considered the report/this issue and the date of the relevant meeting(s):	Operational Executive Board 15/10/21 (note Board version includes update capital expenditure forecast based on the latest information)	
If considered elsewhere, state the level of assurance gained by the Board Committee or other forum i.e., assured/ partially assured / not assured:		
State whether this is a ‘one off’ report or, if not, when an update report will be provided for the purposes of corporate Agenda planning	Monthly update report	
STEP up to GREAT strategic alignment*:	High Standards	
	Transformation	
	Environments	
	Patient Involvement	
	Well Governed	x
	Single Patient Record	
	Equality, Leadership, Culture	
	Access to Services	
	Trustwide Quality Improvement	
Organisational Risk Register considerations:	List risk number and title of risk	all
Is the decision required consistent with LPT’s risk appetite:	NA	
False and misleading information (FOMI) considerations:	NA	
Positive confirmation that the content does not risk the safety of patients or the public	Yes	
Equality considerations:	NA	