

Finance Report for the period ended **28 February 2022**

For presentation at the
Trust Board
29 March 2022

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Executive Summary and overall performance against targets

Introduction

1. This report presents the financial position for the period ended 28 February 2022 (Month 11). 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 M11 in line with plan.
3. Within this overall position, net operational budgets report a £85k overspend. Directorate overspends include DMH (£991k), LD Services (£445k) and Estates (£24k). Enabling services are underspending by £647k, Hosted by £533k, FYPC by £145k and CHS by £50k
4. Central reserves report a small underspend which offsets the net operational overspends.
5. Closing cash for February stood at £32.4m. This equates to 40.8 days' operating costs.

Performance against key targets and KPIs

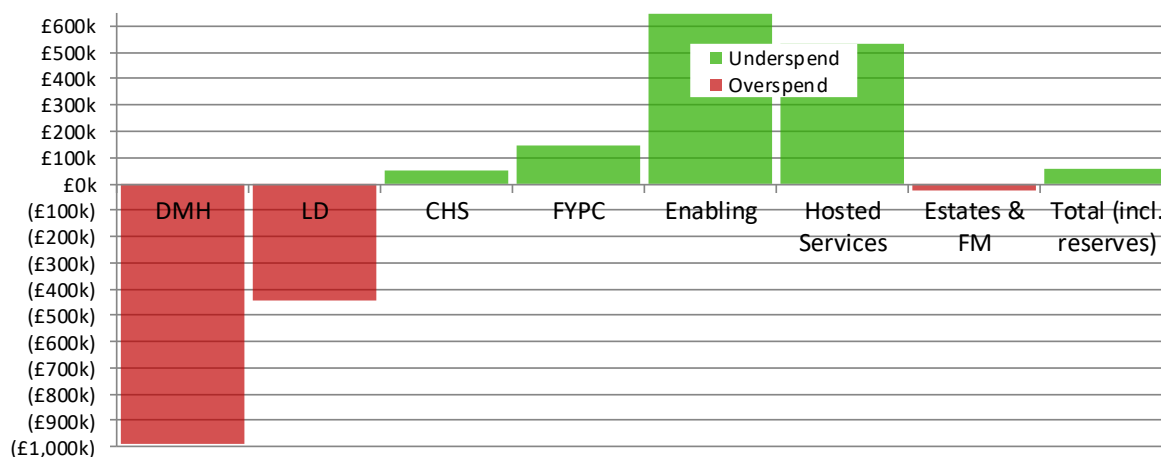
NHS Trust Statutory Duties	Year to date	Year end f'cast	Comments
1. Income and Expenditure break-even.	G	G	Excluding the £60k disposal gain, the Trust is reporting a financial break-even position at the end of February 2022. [see 'Service I&E position' and Appendix A].
2. Remain within Capital Resource Limit (CRL).	G	G	The capital spend for February is £10.3m, which is within limits. The likely year end forecast is also within the limits for 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 current cash level is £32.4m. The year-end forecast is £28m.

Secondary targets	Year to date	Year end f'cast	Comments
5. Comply with Better Payment Practice Code (BPPC).	A	A	The target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved 3 of the 4 BPPC targets in February.
6. Achieve Efficiency Savings targets.	n/a	G	The Trust has an efficiency target of £2.6m for H2. Alongside the current savings on travel costs, central efficiency savings have been identified sufficient to deliver this target in full by the end of the year.
7. Deliver a financial surplus	n/a	n/a	As with H1, the planning requirement for H2 (and therefore the year as a whole) is to deliver financial 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 £32.4m was achieved at the end of February 2022. [See 'cash and working capital']
10. Deliver capital investment in line with plan (within +/- 15% YTD planned spend levels)	R	G	Capital expenditure totals £10.3m at the end of Month 11; this is £4m (28%) below the YTD planned level of £14.3m. The likely year end forecast shows available capital resource as being fully utilised [See 'Capital Programme 2021/22'] .

Income and Expenditure position

The month 11 position shows a net operational overspend against year-to-date budgets, offset by an underspend of £85k within reserves.

Month 11 year to date operational income and expenditure budget variances by service



The Mental Health directorate is overspending by £991k at the end of Month 11, which reflects an adverse overall movement of £372k. This is largely due to a continuing increase in the use of agency staff to cover significantly high vacancy levels and wait times. The non-pay overspend is also increasing at a higher than trend rate, including overspends against FP10 budgets. Income continues to report an over recovery relating largely to Specialised Commissioning. As a result of the continued overspend, an escalation meeting was held on 8th March to review specific financial pressures and to highlight potential opportunities to improve financial performance. Several key actions were discussed and will be kept under review. The average monthly expenditure run-rate for DMH was £7.35m during the first half of the year (H1) and this has increased to £7.9m in the second half (H2). Even allowing for the additional costs of funded investments being phased into latter months, there is an (average) £0.3m - £0.35m general increase in costs during H2. This can be seen to correlate with the increase in agency costs during the same period. The key focus for improvement is therefore around efforts to reduce agency and a number of priority options are being explored in order to reduce monthly expenditure as we move into the new financial year.

The FYPC financial position improved in month 11, to now report an underspend of £145k. The Beacon Unit continues to face significant staffing pressures and increased agency costs, along with medical equipment budgets within the Diana service, and mobile phone and VPN costs. Healthy Together budgets report underspends due to staff vacancies, although posts have been recruited to in the County. The income position shows an over achievement against budget mainly related to Out of Area income and additional provider collaborative income. Travel budgets continue to underspend off-setting some of the non-pay pressures.

The LD financial position worsened again in the month as the Agnes Unit continued to incur greater agency costs due to staff sickness, acuity on the ward and through operating over all 5 pods. In contrast, Community services remained underspent, albeit the rate of underspend reduced in the month mainly due to a reduction in vacancies.

The CHS Directorate is reporting an underspend of £51k at month 11, representing an adverse movement of £11k within the month. The pressures within the Inpatient service continue and are currently being offset by the significant vacancies that exist within the community nursing and therapy services. The bank and agency use within the Inpatient wards remains high, due to the increased number of acute patients that are being admitted and cover required for the high level of vacancies and staff sickness within the wards. The Directorate remains on track to deliver a balanced, or a slight underspend, position by the end of the financial year.

Enabling Services are reporting an underspend of £647k as at M11. This reflects a large positive movement of £431k compared to M10 (£215k underspend). This is the result of additional income received relating to Clinical Psychology Tutors (£261k) and Child Death Review (£96k). There has also been an increase in Income from Health Education England. Furthermore, there have been some costs incurred within HR Services that have been moved to the Vaccination Programme following a review of their expenditure.

Efficiency savings

Nationally, a base efficiency savings target of c. 0.8% has been applied to system financial allocations. Additional savings requirements have been levied dependent on a system's distance to overall financial targets. Within LLR, the inclusion of the additional savings requirement increases the target efficiency rate to c. 1.5% and so the target for LPT is £2.6m. This level of efficiency requirement was anticipated throughout the H2 planning process and savings and other gains have already been fully identified to deliver this target. These include a continuation of travel savings, VAT reclaims, balance sheet gains, underspends against internal investment budgets and other income gains.

Forecast position

The overall forecast position for the year is an I&E break-even, in line with the plan submitted for the second half of the financial year.

The DMH position remains a concern, although further adverse movement is already factored into the forecast for M12. External Trust income remains difficult to predict and there remains the potential for late changes (both up or down) as funding organisations seek to balance their own year end finances. The annual leave provision (a charge to this year's financial position to reflect untaken / 'owed' annual leave) is likely to be much larger than historical norms due to the operational pressures of the last 2 months. The actual value is difficult to determine until after March 31st, so this also has the potential to impact on the final position. To minimise this risk, a significant increase in the provision is already reflected in the forecast.

A further emerging risk relates to Low Secure income via the IMPACT provider collaborative. A significant underlying shortfall has been identified within the overall funding envelope transferred over from NHS England to Nottinghamshire Healthcare NHS Trust, as lead provider. LPT's exposure is relatively minor, being one of the smaller providers in the collaborative, and the lead provider has informally provided assurances that they can absorb the shortfall themselves this financial year. This issue is therefore more likely to come to the fore next financial year.

Additional agency expenditure analysis

For the period April 2021 to February 2022, total expenditure on agency staff was £23m. The forecast for the year is £25.7m (£24.1m excluding Covid), which again reflects an increase on previous forecasts. Agency costs have slightly reduced in February (by £141k) however are still high due to high vacancy levels and staff sickness. **Appendix C** provides an overall monthly breakdown of agency costs by directorate.

The table below compares forecast agency costs for the year with those 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 exclusion of the significant agency costs linked to the large amount of investment this year.

The resulting comparable costs are shown as £21.2m in the current year (forecast) versus £10.6m in 2019/20 – a 100% increase across the 2-year period.

An estimate is also given for underlying agency costs, which seeks to remove any other obvious non-recurrent agency expenditure. Note that this underlying position will not align with 22/23 planning assumptions as it excludes expected temporary costs such as those related to Covid or new investment (which will be included in plan costings).

Directorate	2019/20	2021/22 including new investm.	2021/22 investments	2021/22 excluding new investm.	Movement 19/20 to 21/22		underlying agency position 1st April 2022
	£000	£000	£000	£000	£000	Comment on movement	
DMH	3,400	10,105	-2,214	7,891	4,491	Continued use of locums and agency staff to cover vacancies. High vacancy levels. Bank and Agency usage increased to reduce wait times, winter pressures and high levels of staff absence due to omicron.	6,981
CHS	4,341	5,716	-265	5,451	1,110	Bank and Agency usage continues to increase due to high number of vacancies, high level of specialising and staff sickness within the wards. Bank and Agency required to adequately staff the Wards	5,076
FYPC	2,059	4,655	-358	4,297	2,238	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 agency on Langley due to acuity of patients	3,797
LD	301	2,529	0	2,529	2,228	Agency costs increase due to staff sickness, acuity on the ward and operating all 5 pods. Higher level of acuity and care requirements for new admissions necessitate continuous agency support - potential recurrent.	2,279
Enabling / Hosted	541	1,132	-48	1,084	543	The increase in agency costs relates to HIS (GP IT capital and finish off other projects) and the Vaccination Programme.	575
TOTAL:	10,642	24,136	-2,885	21,252	10,609		18,707

DMH continues to show the highest forecast increase compared to 2019/20. The £4.4m increase in business as usual costs relates to additional medical locum cover and a general increase in cover for nursing vacancies.

The LD agency increase from 19/20 is £2.2m due to increased locum cover and the pressure with the Agnes Unit.

The FYPC increase of £2.2m is mainly due to the CAMHS vacancies, tackling wait times, staffing for Hub & CAP, and pressures within Beacon and Langley wards.

Statement of Financial Position (SoFP)

PERIOD: February 2022	2020/21 31/03/21 Audited	2021/22 28/02/22 February
	£'000's	£'000's
NON CURRENT ASSETS		
Property, Plant and Equipment	178,757	180,350
Intangible assets	2,438	2,065
Trade and other receivables	1,129	1,129
Total Non Current Assets	182,324	183,544
CURRENT ASSETS		
Inventories	574	554
Trade and other receivables	8,304	8,771
Cash and Cash Equivalents	24,139	32,381
Total Current Assets	33,017	41,706
Non current assets held for sale	280	0
TOTAL ASSETS	215,621	225,250
CURRENT LIABILITIES		
Trade and other payables	(21,587)	(30,166)
Borrowings	(296)	(297)
Capital Investment Loan - Current	(189)	(107)
Provisions	(2,851)	(1,985)
Total Current Liabilities	(24,923)	(32,555)
NET CURRENT ASSETS (LIABILITIES)	8,374	9,151
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	180,731
TAXPAYERS' EQUITY		
Public Dividend Capital	95,441	97,456
Retained Earnings	37,055	37,116
Revaluation reserve	46,158	46,159
TOTAL TAXPAYERS EQUITY	178,654	180,731

Non-current assets

Property, plant, and equipment (PPE) amounts to £180.4m. Capital additions of £10.3m more than offset February's depreciation charge.

Current assets

Current assets of £41.7m include cash of £32.4m and receivables of £8.8m.

Non-current assets held for sale

The Trust does not have any non-current assets held for sale.

Current Liabilities

Current liabilities amount to £32.6m and mainly relate to payables of £30.2m.

Net current assets / (liabilities) show net assets of £9.2m.

Working capital

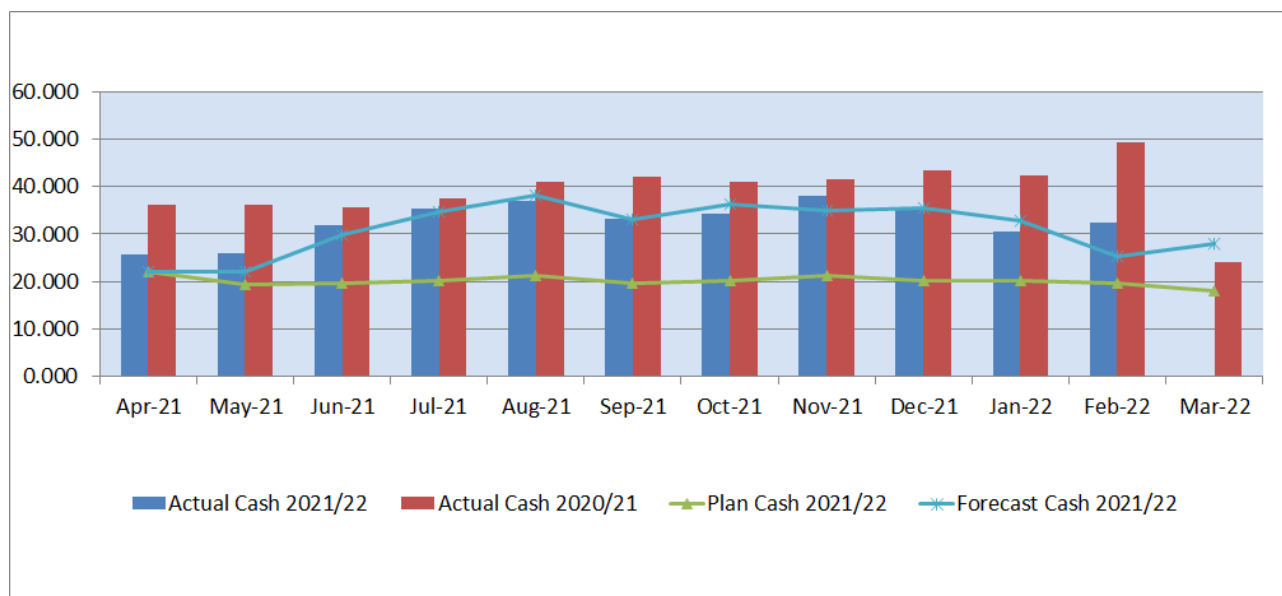
Cash and changes in working capital are reviewed on the following pages.

Taxpayers' Equity

February'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 February was £32.4m, an increase of £1.9m during the month.

Compared to last month, the year-end cashflow forecast has increased by £5m, from £23m to £28m. This increase mainly relates to:

- Increased capital creditors - £6m of capital will be utilised in March, however due to suppliers' 30-day payments terms, invoices to support goods or services delivered by 31st March will not materialise until April/May 2022 and will impact on next year's cashflow.
- Local Authorities have now paid in full their annual recharges for 0-19 years and health visitor contracts. In previous years March's payments were paid in the following financial year.

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

Receivables

Current receivables (debtors) total £8.8m; a decrease of £1.5m during the month and an increase of £0.5m since the start of the year.

Receivables	Current Month February 2022					
	NHS	Non NHS	Emp's	Total	% Total	% Sales Ledger
	£'000	£'000	£'000	£'000		
Sales Ledger						
30 days or less	2,134	672	8	2,814	28.4%	58.1%
31 - 60 days	912	98	20	1,030	10.4%	21.3%
61 - 90 days	75	115	24	214	2.2%	4.4%
Over 90 days	216	392	180	788	8.0%	16.3%
	3,337	1,277	232	4,846	48.9%	100.0%
Non sales ledger	2,024	1,901	0	3,925	39.6%	
Total receivables current	5,361	3,178	232	8,771	88.6%	
Total receivables non current		1,129		1,129	11.4%	
Total	5,361	4,307	232	9,900	100.0%	0.0%

Debt greater than 90 days reduced by £90k since January and now stands at £788k. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 11 is 8% (last month: 7.7%). Note – the proportion % has increased due to the overall receivables balance reducing during the month.

£239k of aged debts were cleared in February, however this has been offset by £149k of new debts moving into the 90+ days category. Two invoices with a combined value of £128k account for most of this increase – these relates to recharges to Leicester City and Leicestershire County Council for CAMHS support.

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 now stands at £323k, a reduction of £18k during the month. Following recommendations from our debt recovery agency, due to all appropriate debt chasing activities being exhausted, 22 salary overpayment debts with a combined value of £18k were written off during the month.

Payables

The current payables position in Month 11 is £30.2m. This is an increase of £0.8m since January and an increase of £8.6m since the start of the year. Expenditure accruals and deferred income liabilities have increased during the year – these accruals are required to cover the receipt of goods and services where invoices have not yet been received, and to reduce income when cash has been received but relates to future periods. It is anticipated that payables will reduce in the final month of the year.

Provisions

Trust provisions have reduced by £866k since the start of the year and now stand at £3.4m. New provisions will be recognised in this year's accounts, including a provision for the Estates and Facilities Management transfer of services from UHL, to cover expected transitional staffing costs and other known financial implications as a result of the transfer.

Better Payment Practice Code (BPPC)

The specific target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved 3 of the 4 BPPC targets and in month the Trust achieved all 4 BPPC targets. The cumulative non-compliant target continues to relate to the number of NHS invoices not paid within 30 days. It is encouraging to note that the position across all four categories improved in the month of February.

The work recently undertaken to review processes and identify barriers to prompt payment continues to have a successful impact on the monthly position. Due to only having one month of the financial year remaining, unless we have 100% compliance in March, it is unlikely that the cumulative NHS target will reach 95% by the end of the year, however the work undertaken recently to improve the position will help to facilitate a positive position from the beginning of 2022/23. Further details are shown in **Appendix B**.

Capital Programme 2021/22

Capital expenditure totals £10.3m for the first eleven months of the year.

	Annual Plan	Feb Actual	Year End Forecast	Revision to Plan
Sources of Funds	£'000	£'000	£'000	£'000
Depreciation & technical adjustments	9,500	7,971	9,500	0
Dormitory elimination - Bradgate (PDC)	4,112	2,016	4,112	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	0	0	2,278	2,278
Charitable funds (reflection gardens)	0	0	43	43
Total Capital funds	17,552	10,267	16,313	(1,239)
Application of Funds	£'000	£'000	£'000	£'000
Estates & Innovation				
Estates service improvements	(5,019)	(2,287)	(4,369)	650
Estates backlog	(2,395)	(1,033)	(3,190)	(795)
Estates other rolling programmes	(1,950)	(697)	(1,077)	873
Estates staffing	(360)	(511)	(434)	(74)
Estates & FM transformation	(699)	0	(30)	669
Medical devices	(120)	(124)	(129)	(9)
	(10,543)	(4,652)	(9,229)	1,314
IT Programme				
Rolling programmes	(1,865)	(2,930)	(3,040)	(1,175)
Other projects	(595)	(221)	(484)	111
PDC IM&T Shared Care Records	0	(1,245)	(2,192)	(2,192)
	(2,460)	(4,396)	(5,716)	(3,256)
Other				
Directorate capital investment projects	(1,689)	(319)	(1,040)	649
System-wide capital	(2,560)	0	0	2,560
Revenue to capital transfers	0	(900)	(900)	(900)
Contingency	(300)	0	572	872
Total Capital Expenditure	(17,552)	(10,267)	(16,313)	1,239
(Over)/underspend	0	0	0	0

Month 11 capital expenditure of £10.3m represents 63% of total forecast annual spend. This is £4m less than the cumulative planned spend of £14.3m up to February. Spend against several Estates and IM&T schemes (including the dormitory elimination project) are currently below plan, however as in previous years it is anticipated that expenditure will accelerate in the final month of the financial year.

Compared to planned capital expenditure of £17.6m, the revised annual forecast of £16.3m reflects a £1.3m reduction in spend since the start of the year. This reduction is mainly due to:

- Removal of the system capital limit (not cash backed) - £2.6m
- Elimination of the Trust's cash contribution - £1m
- Additional PDC for LLR shared care records (funding tbc) + £2.3m

The capital contingency of £300k set at the start of the year is now over-committed by £572k; this is manageable as there is still £6m left to spend in the last month of the year. It is expected that there will be further slippage on several capital schemes, due to supply chain issues and site access restrictions, which will compensate for the current over-commitment.

The Trust was awarded £2.6m of Targeted Investment Funding (TIF) for 2021/22 digital schemes. Due to the timing of the confirmation of this funding being so late in the financial year, the funding allocation has been transferred to Northamptonshire Healthcare FT for their utilisation. LPT's operational delivery of the scheme will now be in 2022/23; ICS funding allocation arrangements to support both this and enabling works for the Mental Health site reprovision are being discussed with System Capital leads, as part of next year's capital planning.

Work is progressing with the finalisation of next year's capital plan. New capital bids for all services have been reviewed and prioritised by the Capital Management Committee. The draft plan was approved by Trust Board approval on 10th March. The Trust must also work within the System capital envelope; work is progressing with ICS partners to agree a finalised capital allocation for next year.

Changes made to individual capital schemes in Month 11 are shown below:

Ref	Scheme type	Scheme	Plan or Previous Forecast	Forecast	Change (Inc) / Dec	Reason
			£000	£000	£000	
Changes to existing schemes - IM&T						
6C93	Existing	Shared care records	(2,278)	(2,192)	86	Slippage to c/f into 2022/23
			(2,278)	(2,192)	86	
Changes to existing schemes - Medical Devices						
6C07	Existing	Medical Devices	(124)	(129)	(5)	Audiology equipment
			(124)	(129)	(5)	
Revenue to capital transfers						
2514	Revenue transfer	Revenue to Capital transfers - IT hardware	0	(24)	(24)	IT equipment purchased via revenue
2514	Revenue transfer	Revenue to Capital transfers - Furniture	0	(26)	(26)	Furniture equipment purchased via revenue
			0	(50)	(50)	
Total changes from contingency - M11					31	
Capital Contingency						
M10 contingency					603	
M11 changes impacting on contingency					31	
M11 contingency					(572)	

APPENDIX A - Statement of Comprehensive Income (SoCI)

Statement of Comprehensive Income for the period ended 28 February 2022	YTD Actual M11 £000	YTD Budget M11 £000	YTD Var. M11 £000
Revenue			
Total income	316,522	311,780	4,742
Operating expenses	(313,126)	(308,384)	(4,742)
Operating surplus (deficit)	3,396	3,396	0
Investment revenue	2,115	2,115	0
Other gains and (losses)	60	0	60
Finance costs	(946)	(946)	0
Surplus/(deficit) for the period	4,625	4,565	60
Public dividend capital dividends payable	(4,565)	(4,565)	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	12,625	12,625	0
Trust EBITDA margin %	4.0%	4.0%	-0.1%

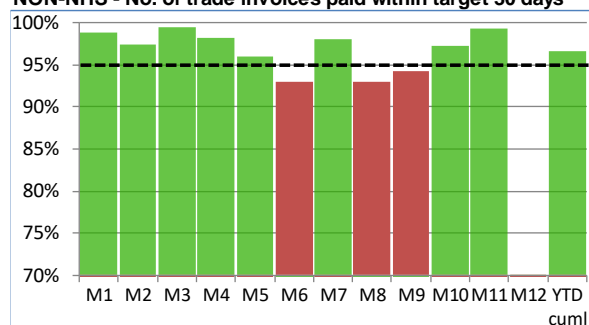
APPENDIX B – BPPC performance

Trust performance – current month (cumulative) v previous

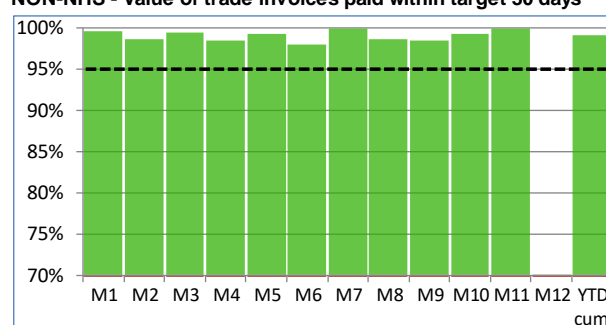
Better Payment Practice Code	February (Cumulative)		January (Cumulative)	
	Number	£000's	Number	£000's
Total Non-NHS trade invoices paid in the year	30,682	115,321	27,562	104,344
Total Non-NHS trade invoices paid within target	29,651	114,354	26,554	103,383
% of Non-NHS trade invoices paid within target	96.6%	99.2%	96.3%	99.1%
Total NHS trade invoices paid in the year	959	60,517	833	54,480
Total NHS trade invoices paid within target	905	59,102	781	53,140
% of NHS trade invoices paid within target	94.4%	97.7%	93.8%	97.5%
Grand total trade invoices paid in the year	31,641	175,838	28,395	158,824
Grand total trade invoices paid within target	30,556	173,456	27,335	156,523
% of total trade invoices paid within target	96.6%	98.6%	96.3%	98.6%

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

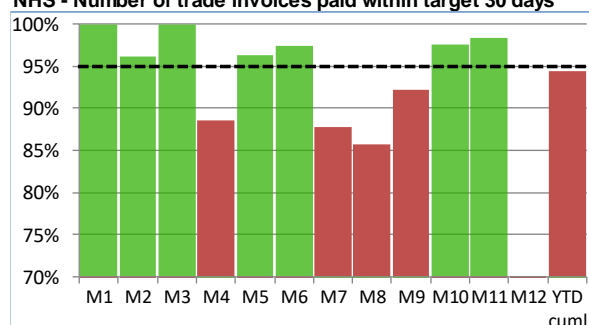
NON-NHS - No. of trade invoices paid within target 30 days



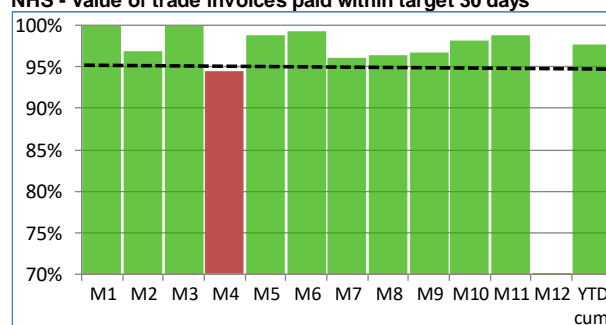
NON-NHS - Value of trade invoices paid within target 30 days



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	2020/22 1 Ave £000r	2021/22 2 M1 £000r	2021/22 2 M2 £000r	2021/22 2 M3 £000r	2021/22 2 M4 £000r	2021/22 2 M5 £000r	2021/22 2 M6 £000r	2021/22 2 M7 £000r	2021/22 2 M8 £000r	2021/22 2 M9 £000r	2021/22 2 M10 £000r	2021/22 M11 £000r	2021/22 M12 £000r	21/22 YTD £000r	2022 Year End £000r
DMH																
Agency Consultant Costs	-2,561	-213	-290	193	-520	-265	-219	-98	-577	-391	-491	-411	-248	-260	-3,316	-5,596
Agency Nursing	-2,642	-220	-344	-265	-301	-422	-432	-548	-552	-486	-656	-754	-824	-824	-5,586	-6,410
Agency Scient, Therap. & Tech	-152	-13	-19	-14	-14	-25	-11	-17	-16	-17	-15	-9	-15	-20	-172	-192
Agency Other clinical staff costs				-11	-16	-11	1	0	0	-11	47	-11	0	-20	-12	-52
Agency Non clinical staff costs	-187	-16	-21	-32	-54	-21	-36	-62	2	-29	-10	-7	-32	-22	-301	-353
Sub-total for Directorate - DMH	-5,541	-462	-673	-129	-905	-743	-698	-725	-1,143	-935	-1,125	-1,192	-1,120	-1,176	-9,387	-10,569
Agency Spend relating to Investments			-57	-88	-115	-130	-198	-203	-220	-234	-240	-243	-243	-243	-1,971	-2,214
Agency spend relating to COVID			-59	-97	-150	-40	-6	-15	-5	-14	-15	-24	-28	-5	-453	-458
LEARNING DISABILITIES																
Agency Consultant Costs	-48	-4	-12	-8	-10	-13	-12	0	5	0	-10	-9	-28	-9	-38	-106
Agency Nursing	-761	-63	-129	-135	-156	-165	-156	-183	-295	-183	-260	-210	-267	-255	-2,139	-2,594
Agency Scient, Therap. & Tech	-85	-7	-13	-8	4	-1	0	0	0	0	0	0	0	0	-18	-18
Agency Non clinical staff costs	0	0	0	0	0	0	0	0	0	-3	-1	-1	-3	-2	-3	-11
Sub-total for Directorate - LD	-894	-74	-154	-151	-162	-178	-168	-184	-290	-186	-271	-220	-298	-265	-2,264	-2,529
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	-451	-485	-629	-575	-537	-550	-5,005	-5,555
Agency Scient, Therap. & Tech	-375	-31	-36	-36	-50	-42	-22	-38	-67	-65	-56	-49	-80	-75	-540	-615
Agency Non clinical staff costs	-28	-2	-5	-10	-11	0	0	0	0	0	0	0	0	-2	-25	-28
Sub-total for Directorate - CHS	-4,371	-364	-279	-401	-399	-453	-515	-531	-518	-550	-685	-624	-616	-628	-5,571	-6,199
Agency Spend relating to Investments			0	0	0	0	0	0	0	0	0	-110	-155	0	-265	-265
Agency spend relating to COVID			-56	-18	-10	-21	-22	-23	-20	-60	-69	-67	-57	-60	-423	-483
FYPC																
Agency Consultant Costs	-816	-68	-70	-17	-48	-63	-44	-110	-83	-67	-29	-96	-63	-68	-631	-759
Agency Nursing	-2,546	-212	-241	-259	-292	-245	-330	-364	-335	-263	-417	-454	-296	-510	-3,435	-3,745
Agency Scient, Therap. & Tech	0	0	0	0	0	-3	-1	-4	-1	-2	-7	-6	-11	-10	-35	-45
Sub-total for clinical costs			-310	-276	-280	-311	-375	-477	-419	-332	-454	-556	-370	-588	-4,161	-4,549
Agency Non clinical staff costs	-10	-1	-5	-14	-6	-11	3	-8	-15	-10	-18	-4	-7	-10	-96	-106
Sub-total for Directorate - FYPC	-3,371	-281	-315	-290	-287	-322	-372	-485	-435	-341	-472	-560	-377	-598	-4,257	-4,655
Agency Spend relating to Investments			0	0	0	0	-58	-50	-50	-50	-50	-40	-20	-40	-318	-358
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	-2	4	-6	-2	-2	-2	-21	-23
Agency Nursing	-8	-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency Scient, Therap. & Tech	-83	-7	-5	-10	-8	-28	-43	-19	-32	-22	-22	-14	-37	-19	-241	-260
Agency Non clinical staff costs	-377	-81	-105	-131	-158	-43	-56	-85	-220	-58	-171	-141	-160	-141	-1,334	-1,435
Sub-total for Directorate - Enab/Host	-1,063	-89	-110	-141	-166	-78	-99	-116	-254	-76	-199	-157	-199	-162	-1,596	-1,758
Agency Spend relating to Investments			0	0	-5	0	0	-13	-2	4	-12	-8	-10	-2	-46	-48
Agency spend relating to COVID			-76	-76	-79	-111	-47	-77	-94	-13	0	0	0	-50	-576	-626
TOTAL TRUST																
Agency Consultant Costs	-3,433	-286	-371	168	-578	-341	-276	-221	-657	-454	-537	-518	-341	-558	-4,126	-4,464
Agency Nursing	-3,915	-826	-953	-1,013	-1,028	-1,243	-1,411	-1,588	-1,634	-1,417	-1,962	-1,993	-1,924	-1,939	-16,165	-18,104
Agency Scient, Therap. & Tech	-636	-58	-73	-68	-69	-99	-77	-78	-116	-106	-100	-78	-143	-134	-1,007	-1,131
Agency Other clinical staff costs				-11	-16	-11	1	0	0	-11	47	-11	0	-20	-12	-52
Agency Non clinical staff costs	-1,202	-100	-135	-188	-230	-81	-89	-154	-233	-100	-200	-152	-203	-186	-1,765	-1,955
Total	-15,246	-1,270	-1,532	-1,113	-1,920	-1,775	-1,852	-2,041	-2,639	-2,087	-2,752	-2,752	-2,611	-2,629	-23,075	-25,704
Total Trust Agency Spend relating to Investment	-	-	-57	-88	-120	-130	-256	-266	-272	-280	-302	-401	-428	-285	-2,600	-2,883
Total Trust Agency Spend relating to Covid-19	2,578	215	-193	-191	-239	-172	-75	-115	-119	-87	-84	-91	-85	-115	-1,454	-1,569
Total excluding Covid-19 and investm	-12,668	-1,055	-1,281	-834	-1,560	-1,473	-1,521	-1,660	-2,248	-1,721	-2,366	-2,260	-2,098	-2,250	-19,021	-21,250

Agency costs for February were £2.7m. Excluding Covid and investment funded posts, costs were £2.2m.

Total forecast agency costs for the year are now £25.7m (£21.3m excluding covid and investments)

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	FEB	FEB	FEB	MAR	YTD	21/22
	FORECAST	ACTUAL	VARIANCE	FORECAST	ACTUAL	FORECAST
	£'000	£'000	£'000	£'000	£'000	£'000
OPENING BALANCE	30,502	30,502	0	32,381	24,139	24,139
INCOME						
Leicester & Leicestershire CCG block contracts	21,319	22,231	912	21,319	252,368	273,687
Other CCG block contracts	471	471	0	296	3,252	3,548
East Midlands Provider Collaborative - CAMHS	142	142	0	142	1,562	1,704
Local Authorities block contracts	1,484	2,884	1,400	1,442	15,862	17,304
NHS England	783	1,949	1,166	2,944	13,170	16,114
UHL contract	232	0	(232)	464	2,088	2,552
MADEL	1,478	0	(1,478)	1,478	9,216	10,694
HIS income	200	521	321	200	2,572	2,772
360 Assurance income	100	288	188	136	1,665	1,801
UHL rental income	530	242	(288)	423	901	1,324
Previous year's income	0	4	4	0	4,988	4,988
VAT	455	455	0	250	4,886	5,136
Property sales	0	0	0	0	341	341
PDC for capital investment	0	0	0	4,374	2,016	6,390
Other income	861	1,598	737	649	8,078	8,727
Total Receipts	28,055	30,785	2,730	34,117	322,965	357,082
PAYMENTS						
Payroll	20,232	19,787	(445)	20,259	211,992	232,251
Capital	2,000	1,074	(926)	3,905	8,721	12,626
Non pay general expenditure	5,899	4,207	(1,692)	7,394	59,070	66,464
UHL - Estates & FM Services	1,880	940	(940)	1,880	9,400	11,280
UHL - Other contracts	288	0	(288)	288	1,304	1,592
NHS Property Services rents	1,104	1,178	74	226	4,029	4,255
Community Health Partnerships rents	118	118	0	118	1,298	1,416
HCL Agency Nursing Costs	1,700	1,460	(240)	2,000	14,218	16,218
Out of Area (OOA) costs for patients placed in private hospitals	0	0	0	0	195	195
Turning Point	0	142	142	142	1,481	1,623
Public dividend capital payment (PDC)	0	0	0	2,286	2,785	5,071
Other finance costs (inc loan interest and principal repayments)	0	0	0	0	230	230
Total Payments	33,221	28,906	(4,315)	38,498	314,723	353,221
CLOSING CASH BOOK BALANCE	25,336	32,381	7,045	28,000	32,381	28,000

APPENDIX E – Covid-19 expenditure, February 2022

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	3	1	0	0	0	0	0	0	4
Bank	194	23	0	0	0	0	0	0	217
Agency	-44	57	0	0	0	0	0	0	13
Existing workforce additional shifts									
Substantive	0	0	0	0	0	8	0	0	8
Bank	0	0	8	1	0	12	0	0	21
Agency	0	0	32	0	0	0	0	0	32
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	1	0	0	1
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	1	0	0	0	0	0	0	0	1
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	12	0	0	0	12
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	7	0	0	7
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 M11 COVID COSTS:	154	82	40	1	12	28	0	0	317
TOTAL M1 to M10 COVID COSTS:	2,444	818	135	97	118	646	24	0	4,282
TOTAL YTD COVID COSTS:	2,598	900	175	98	130	674	24	0	4,599

Covid Vaccination costs

Total Covid vaccination costs incurred to date (April to February 22) are £6.13m. Virtually all the costs relate to staffing - £4.98m, plus another £0.73m on support to the School Age Immunisation Service. The Trust plan assumes total vaccination costs of £7.6m for the financial year, although based on the M11 position, final actual costs may now be less than this. Vaccination costs are currently direct funded based on actual costs incurred, so the programme will have no net impact on the Trust bottom line financial position.

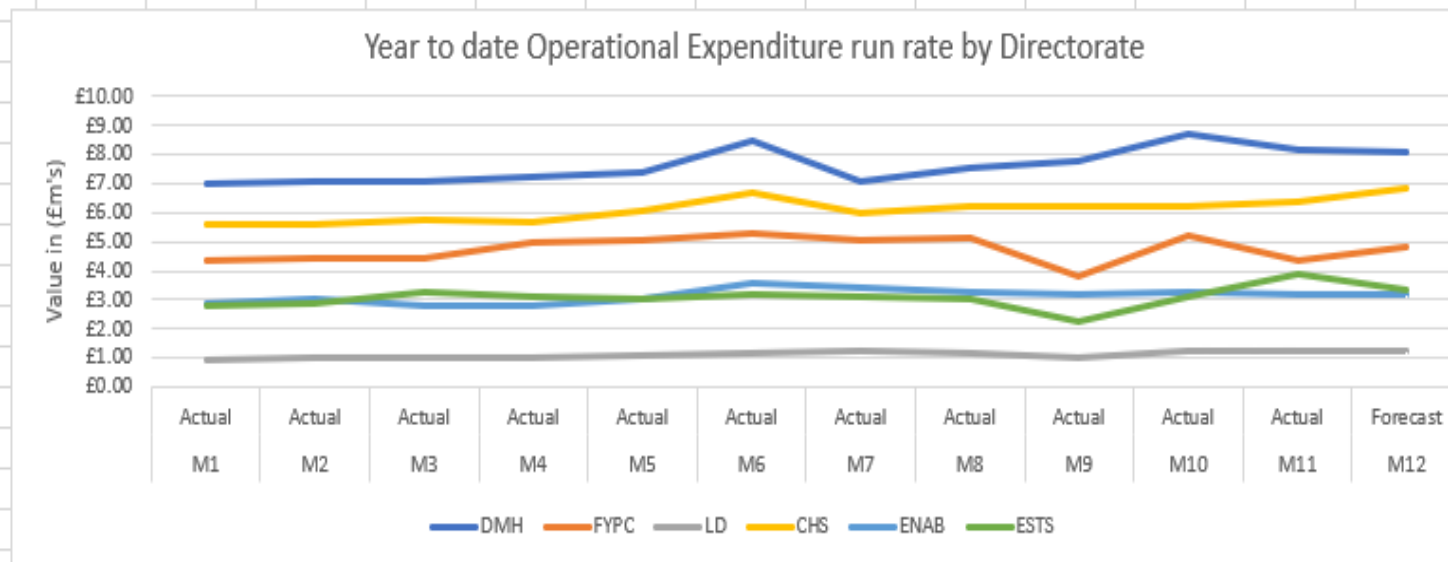
APPENDIX F – Best, Likely and Worse case year end forecast

SUMMARY BY MANAGEMENT AREA / ADDITIONAL PRESSURE OR GAIN	£'000 BEST	£'000 LIKELY	£'000 WORST
DMH	-1,050	-1,175	-1,250
Community Health Service	300	50	-100
HIS	800	600	400
Enabling	1,200	1,000	600
Estates	600	550	480
FYPC	300	200	0
Learning Disabilities	-400	-600	-750
Sub-total operation position:	1,750	625	-620
Reserves underspends (central efficiencies, income over-recoveries)	3,662	3,052	3,052
IT asset write-offs	-1,300	-650	-650
Additional identified year end provisions (including annual leave)	-1,937	-1,677	-1,552
Estates Transformation	-800	-800	-450
Potential additional revenue investment (medical equip etc)	0	0	0
Revenue costs identified within capital programme	0	-200	-350
Additional 'flu vaccination costs not funded	0	-100	-150
Additional year end expenditure accruals	-500	-250	-45
TOTAL TRUST FORECAST YEAR END POSITION:	875	0	-765

APPENDIX G – Operational expenditure run-rate, April to February

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
DMH	7.0	7.0	7.1	7.2	7.4	8.5	7.1	7.6	7.7	8.7	8.1	8.1	91.7
FYPC	4.4	4.5	4.4	5.0	5.0	5.3	5.0	5.1	3.8	5.2	4.4	4.8	56.9
LD	1.0	1.0	1.0	1.0	1.1	1.1	1.2	1.1	1.0	1.3	1.2	1.2	13.3
CHS	5.6	5.6	5.8	5.7	6.1	6.7	6.0	6.2	6.2	6.2	6.3	6.9	73.3
ENAB	2.9	3.1	2.8	2.8	3.0	3.5	3.4	3.3	3.2	3.2	3.2	3.2	37.6
ESTS	2.8	2.8	3.3	3.1	3.0	3.2	3.1	3.1	2.3	3.1	3.9	3.3	37.0
TOTAL	23.7	24.0	24.4	24.8	25.7	28.3	25.8	26.4	24.3	27.8	27.1	27.5	309.9

The actual expenditure run-rate for operational directorates is shown (left). Average costs can be seen to have increased in month 10 due to high levels of staff sickness / absences and vacancies being covered by Agency. The 'spike' in month 6 reflects the payments relating to the pay award (plus arrears) which were made in that month.





Trust Board 29/03/2022

Month 11 Trust finance report

Purpose of the Report

- To provide an update on the 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 H2 financial plan, and the overall plan for the year.

Decision required: N/A

Governance table

For Board and Board Committees:	Trust Board 29.3.22	
Paper sponsored by:	Sharon Murphy, Director of Finance	
Paper authored by:	Amjad Kadri, Acting Head of Corporate Finance Jackie Moore, Financial Controller	
Date submitted:	21/03/2022	
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, 18/03/2022	
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
	Reaching Out	
	Equality, Leadership, Culture	
	Access to Services	
	Trustwide Quality Improvement	
Organisational Risk Register considerations:	List risk number and title of risk	70 - Inadequate control, reporting and management of the Trust's 2021/22 financial position could mean we are unable to deliver our financial plan and adequately contribute to the LLR system plan, resulting in a breach of LPT's statutory duties and financial strategy (including LLR strategy).

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