

Finance Report for the period ended **30 April 2022**

For presentation at the
Trust Board meeting
31 May 2022

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Executive Summary and overall performance against targets

1. This report presents the financial position for the period ended 30 April 2022 (Month 1). A net income and expenditure deficit of £497k is reported for the period. This is in line with the planned position for month 1 (forming part of the overall planned deficit of £1.4m for the year).
2. It should be noted that, in line with previous years, the month 1 position includes a much higher degree of estimation than will be the case in subsequent months (due to prior year final accounts process still being underway, the release of prior year reserved debtors and creditors still pending and new financial year activity information not yet being available)
3. Within the overall month 1 position, net operational budgets report a £688k overspend. Directorate overspends include DMH (£512k), LD Services (£85k), FYPC (£63k) and CHS (£56k). Hosted services are underspending by £19k, Estates by £10k and Enabling services are reporting breakeven.
4. Central reserves report a temporary surplus of £191k which partially offsets the net operational deficit, resulting in the net £497k deficit reported for the Trust.
5. Closing cash for April stood at £33.6m. This equates to 42.3 days' operating costs.

Performance against key targets and KPIs

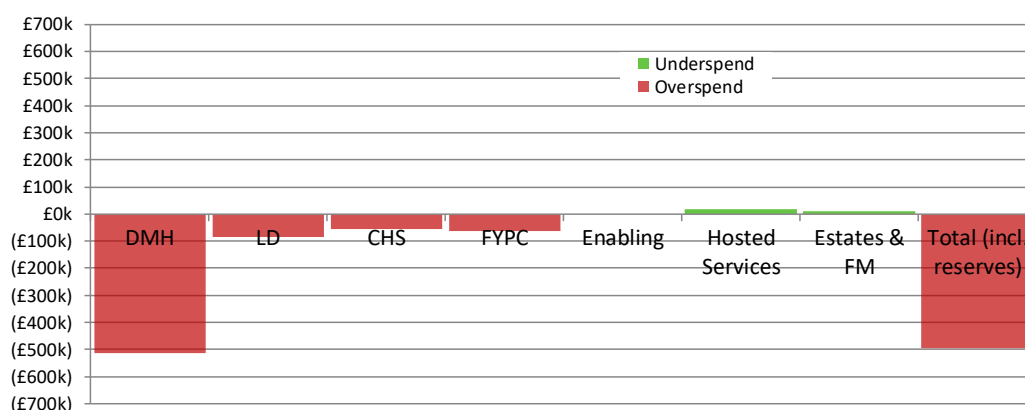
NHS Trust Statutory Duties	Year to date	Year end f'cast	Comments
1. Income and Expenditure break-even.	G	G	The Trust is reporting a financial deficit position at the end of April 2022. [see 'Service I&E position' and Appendix A] . <i>[Note: NHS Statutory Break-even Duty has a tolerance of 0.5% of turnover. The planned £1.4m deficit for the year is within that tolerance]</i>
2. Remain within Capital Resource Limit (CRL).	G	G	The capital spend for April is £33k, 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 £33.6m. The year-end forecast is £23m.

Secondary targets	Year to date	Year end f'cast	Comments
5. Comply with Better Payment Practice Code (BPPC).	G	G	The target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved all of the BPPC targets in April.
6. Achieve Efficiency Savings targets.	R	A	Efficiency savings performance has not been fully analysed in the high level month 1 position. However, agency reduction schemes make up a significant proportion of efficiency targets. Month 1 agency spend shows no evidence of a reduction, suggesting that overall efficiency performance is currently under target. This is also likely to impact on delivery of the target for the year.
7. Deliver a financial surplus	n/a	n/a	NHS Financial planning currently assumes no requirement to deliver a financial surplus (only a 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 still scoring a '2', despite the deficit position.
9. Achieve retained cash balances in line with plan	G	G	A cash balance of £33.6m was achieved at the end of April 2022. [See 'cash and working capital']
10. Deliver capital investment in line with plan (within +/- 15% YTD planned spend levels)	A	G	Capital expenditure totals £33k at the end of Month 1. This is £378k below the planned level of £411k. [See 'Capital Programme 2022/23'] .

Income and Expenditure position

The month 1 position shows a net operational overspend against year-to-date budgets, partially offset by an underspend within reserves, resulting in the net £497k I&E deficit Trust position.

Month 1 year to date operational income and expenditure budget variances by service



The Mental Health directorate is overspending by £512k at Month 1. This is largely due to continuing high levels of agency staff to cover vacancies and in response to wait times. Spend for agency was £1.3m for the month of April. The average overall monthly expenditure run-rate for DMH increased in the second half of last year, correlating with the increase in agency spending. It is therefore imperative that the plans to reduce agency spending are implemented and then maintained in order to support a reduction in overall costs. The DMH deficit also includes a continuation of the Covid bank incentive payments, which results in increased costs of c. £100k per month.

The FYPC financial position at month 1 is an overspend of £63k. The Beacon Unit continues to face significant staffing pressures and high patient acuity resulting in high levels of agency. Langley ward overspends have also continued into this financial year. Both wards also saw low occupancy in the month resulting in an under recovery of income against budget. Healthy Together budgets reported an underspend due to staff vacancies in the month which was similar to the last financial year.

The LD financial position at month 1 reports an overspend of £85k. The Agnes Unit continues to incur significant agency costs due to staff sickness, acuity on the ward and through generally operating over all 5 pods (although a patient discharge resulted in one pod being closed during April). Community services remained underspent, albeit the rate of underspend reduced in the month mainly due to covering further vacancies.

The CHS Service is reporting a pay overspend of £56k for the first month of the year, with non-pay and income budgets initially reporting no variances. Bank and agency expenditure spend is £1.15m in the first month of which £78k is Covid related (at this stage last year, the bank and agency cost was £0.57m). The pressures within the Inpatient service continue and

are currently being offset by the significant vacancies that exist within the community nursing services. The bank and agency use within the inpatient wards remains high over April, 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.

Enabling Services are reporting a breakeven position as at M1.

Forecast position

The forecast position for the year is a deficit of £1.4m in line with the plan submitted by the Trust (and via the ICS) to NHSE/I. The £1.4m deficit is driven by the forecast impact of the increases in energy costs and also the general cost of living pressures. Whilst the Trust (and ICS) is in receipt of national funding to support inflationary cost increases, this funding has been assessed to be insufficient to cover actual cost rises.

The previous draft plan produced in March showed a £4.9m deficit, and this included £3.1m costs relating to delivery of LTP priorities. To support an improved financial position and the final April plan submission, the £3.1m cost was subsequently removed. In addition, an increase to the original efficiency target was actioned, to the effect that the overall deficit was reduced to the current £1.4m.

Both plan improvement actions introduce significant additional risk to the Trust, both in terms of the impact of not investing in priority services, and also in terms of finding additional efficiency savings when the original efficiency target was already extremely challenging. These risks have been communicated to the wider ICS so that they can be assessed as part of the wider system discussion.

The year-to-date planned position for April was a £497k deficit. Plans for subsequent months assume a gradual reduction to the in-month deficit, to the extent that this reaches a break-even position by the end of the first half of the financial year. The plan for the second half of the year sees the position move to a slight surplus, to deliver the overall deficit for the year of £1.4m.

This improvement to the position relies to some extent on efficiency savings coming on line across the year. However, the majority of the improvement is expected to be linked to a reduction in agency costs, which reached unprecedentedly high levels last financial year (£27m for 2022/23, £15m in 2021/22 and c. £8m - £10m during the preceding years).

Whilst the month 1 position has been assessed and reported at a fairly high level, there is no indication that agency costs have begun to reduce, with those identified for April appearing to show the highest monthly cost on record (although some caution is always advised when interpreting month 1 figures due to the impact of 2021/22 reserved creditors not yet being released).

At present, the year end forecast is assumed to be in line with the plan, however should clear month-on-month improvement not be evident by the end of quarter 1, it is likely that the Trust will need to report an off-plan position to NHSE/I.

Inflation cost pressures

As part of the national NHS price uplift, the Trust received a 2.8% uplift on NHS income as part of the 2022/23 planning round.

For pay costs, this was to support an assumed 2% cost of living rise, with 0.8% to cover the impact of the national insurance increase (0.8% being the overall net impact of the 1.25% increase on the NI rate, as this only affects pay costs over a certain threshold). Whilst the cost of living pay award has not yet been agreed, it is generally assumed that should a pay rise in excess of 2% be agreed, the national funding offer will flex accordingly. The impact of the NI uplift for LPT has been calculated and this is felt to be affordable within the 0.8% funding uplift. Overall therefore, pay inflation is not currently expected to create a cost pressure in 2022/23.

The same rate 2.8% inflation rate is also applied to non-pay. However the national funding uplift was agreed prior to the impact of the cost of energy increases being fully understood. Since then, assessments of the likely cost increases suggest a significant gap nationally between funding and costs for 2022/23. Currently there has been no firm indication from NHSE/I that the non-pay inflation impact will be re-assessed (although a separate data-gathering exercise was undertaken by NHSE/I in early April to understand the pressures being highlighted by organisations).

For LPT, this non-pay inflation gap has been calculated at £1.4m and this has been reflected in the financial plan (and as mentioned above, this is the driver of the overall £1.4m deficit). Updated cost estimates were based on information supplied by UHL via the Trust's Estates and FM services contract.

As actual energy charges start to be incurred, the position will continue to be monitored and reported in future updates.

Efficiency Savings

Efficiency savings

The Trust has an efficiency target of £5.6m for 2022/23. Given the absence of any material efficiency target (and none which has been allocated to operational directorates) since 2019/20, it has been challenging for services to adjust back to this way of managing financial delivery.

The original Trust target was £5.1m, and this was increased to £5.6m as part of the Trust's approach to improving the 2022/23 planned position in the final iteration of the financial plan.

Schemes to deliver the full £5.6m have been identified as a result of the work initiated by the Productivity and Efficiency group and the subsequent efforts of directorates to work up individual schemes. Formal EQIA sign-off has taken place for the majority of schemes and all of those implemented from month 1. However, there are significant delivery risks for a number of schemes, most notably with the agency reduction schemes, and also the additional £0.5m late requirement which relies on central savings that can't be confirmed at this stage of the year.

As a result of the high level financial position assessment for month 1, performance against individual schemes has not fully been assessed (this level of monitoring will be re-introduced from month 2, supported by the Productivity and Efficiency group meetings). However, approximately £80k of the April efficiency expectation relates to agency reduction, and it is clear that this has not happened. Therefore, whilst agency costs continue at current levels, overall efficiency savings delivery is likely to be significantly below target.

Provider Collaboratives update

The Trust is currently a partner in 3 provider collaboratives (1 as lead provider). As the collaboratives become more established, and as we move away from the indicative 'block' income arrangements that have prevailed during the Covid pandemic, it is anticipated that involvement in the collaboratives will expose the Trust to greater levels of financial risk (or reward).

A summary of the 3 collaboratives is given below:

Adult Eating Disorders (AED - LPT as Lead Provider)

The 2022/23 total budget for AED is £6.3m, of which £3.2m is paid to other providers within the collaborative and £3.1m has been allocated to LPT as a provider.

£2.1m relating to a 2021/22 underspend is expected to be carried forward into 2022/23 (not reflected in the above budget figures), to be invested in community projects to help prevent inpatient admissions.

CAMHS (NHFT as Lead Provider)

The total 2022/23 CAMHS PC budget is expected to be £25.9m for Tier 4 inpatient activity. Initial 2022/23 income for LPT is expected to be £1.5m based on 2021/22 activity x 2022/23 bed price. However, the arrangement has moved to cost-per-case for 2022/23 and during the year, income will be re-calculated on this basis. This could result in an income shortfall for LPT based on current activity levels, and so represents a financial risk.

Low Secure (Notts Healthcare FT – 'IMPACT' as Lead Provider)

The total 2022/23 Low Secure PC budget is expected to be c. £100m, of which the element relating to LPT services is £2.1m. Based on analysis conducted by the lead provider, there is a potential underlying shortfall within the overall funding available to the collaborative. Non-recurrent mitigations in 2021/22 meant that this did not impact financially on other providers in the collaborative last year. Going forward, as part of an agreed risk share process, any recurring shortfall could affect LPT income.

Statement of Financial Position (SoFP)

PERIOD: April 2022	2021/22 31/03/22 Draft (Restated) £'000's	2022/23 30/04/22 April £'000's
NON CURRENT ASSETS		
Property, Plant and Equipment	192,037	191,274
Intangible assets	4,818	4,784
IFRS16 - Right of use (ROU) assets	45,430	45,430
Trade and other receivables	932	933
Total Non Current Assets	243,217	242,421
CURRENT ASSETS		
Inventories	418	417
Trade and other receivables	8,087	12,795
Cash and Cash Equivalents	31,991	33,624
Total Current Assets	40,496	46,836
Non current assets held for sale	0	0
TOTAL ASSETS	283,713	289,257
CURRENT LIABILITIES		
Trade and other payables	(28,460)	(34,523)
Borrowings	(286)	(285)
Borrowings - IFRS16 ROU assets	(3,390)	(3,390)
Capital Investment Loan - Current	(185)	(186)
Provisions	(3,588)	(3,565)
Total Current Liabilities	(35,909)	(41,949)
NET CURRENT ASSETS (LIABILITIES)	4,587	4,887
NON CURRENT LIABILITIES		
Borrowings	(7,177)	(7,178)
Borrowings - IFRS16 ROU assets	(42,040)	(42,040)
Capital Investment Loan - Non Current	(3,021)	(3,021)
Provisions	(1,256)	(1,256)
Total Non Current Liabilities	(53,494)	(53,495)
TOTAL ASSETS EMPLOYED	194,310	193,813
TAXPAYERS' EQUITY		
Public Dividend Capital	101,831	101,830
Retained Earnings	39,058	38,561
Revaluation reserve	53,421	53,422
TOTAL TAXPAYERS EQUITY	194,310	193,813

Non-current assets

Property, plant, and equipment (PPE) amounts to £191.3m. Depreciation charges more than offset capital additions of £33k.

Due to the adoption of IFRS-16 leases from 1st April 2022, non-current assets have increased by £45.4m, with a corresponding liability shown against current and non-current borrowings. The opening balance sheet has been restated to include the transition of lease balances for Right Of Use assets.

The change of accounting treatment for IFRS-16 leases creates an additional 'cost' to the Trust's capital programme (this replaces our previous revenue lease cost and so does not impact on our overall net cashflow). An equivalent increase to our capital resource limit (the total amount the Trust can spend on capital) is anticipated but the national approach has not yet been confirmed.

Current assets

Current assets of £46.8m include cash of £33.6m and receivables of £12.8m.

Current Liabilities

Current liabilities amount to £42m and mainly relate to payables of £34.5m.

Net current assets / (liabilities) show net assets of £4.9m.

Working capital

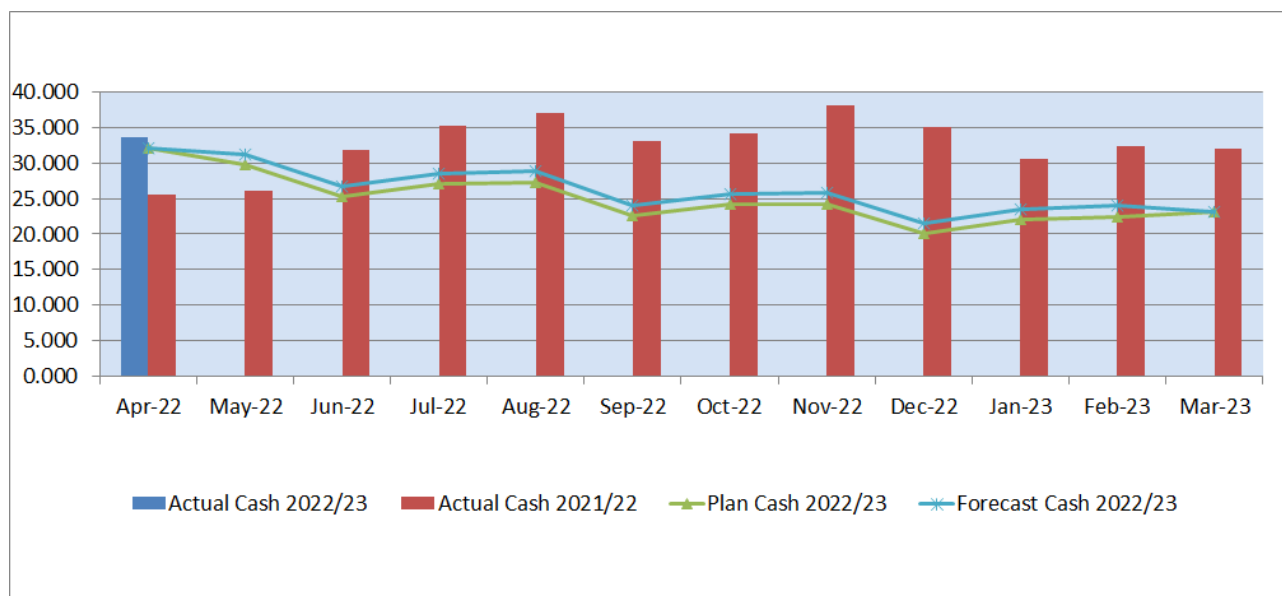
Cash and changes in working capital are reviewed on the following pages.

Taxpayers' Equity

April's deficit of £497k is reflected within retained earnings.

Cash and Working Capital

12 Months Cash Analysis Apr 22 to Mar 23



Cash – Key Points

The closing cash balance at the end of April was £33.6m, an increase of £1.9m during the month.

The positive cash movement is due to net favourable working capital movements: Receivables increased by £4.7m during the month, mainly due to an increase in accrued income and pre-payments. However an increase in payables of £6.1m more than offset this negative cash impact. The inclusion of new year expenditure accruals (due to outstanding supplier invoices) and the receipt of deferred income in April, have both contributed towards the increased cash balance.

The year end forecast is currently £23.1m. This represents a cash reduction of nearly £9m during the year. £6m of this is to support the in-year capital programme.

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

Receivables

Current receivables (debtors) total £12.8m; an increase of £4.7m during the month.

Receivables	Current Month April 2022					
	NHS	Non NHS	Emp's	Total	% Total	% Sales Ledger
	£'000	£'000	£'000	£'000		
Sales Ledger						
30 days or less	973	140	2	1,115	8.1%	46.5%
31 - 60 days	327	156	5	488	3.6%	20.3%
61 - 90 days	69	52	9	130	0.9%	5.4%
Over 90 days	211	249	206	666	4.9%	27.8%
	1,580	597	222	2,399	17.5%	100.0%
Non sales ledger	3,748	6,648	0	10,396	75.7%	
Total receivables current	5,328	7,245	222	12,795	93.2%	
Total receivables non current		933		933	6.8%	
Total	5,328	8,178	222	13,728	100.0%	0.0%

Debt greater than 90 days reduced by £85k since March and now stands at £666k. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 1 is 4.9% (last month: 8.1%). This is the first time that the Trust has been able to report over 90 days debt below 5% since this became a national target, and so represents a significant achievement. Additional processes were devised by the Accounts Receivable team to achieve this improved performance.

The non-current receivables balance stands at £933k. It comprises of a £249k long term debtor with NHSI to support the clinical pensions' tax provision and a £684k prepayment to cover PFI capital lifecycle costs.

The provision for bad debts stands at £320k; this has not moved from the closing 2021/22 balance.

Payables

The current payables position in Month 1 is £34.5m. This is an increase of £6.1m since the start of the year. Expenditure accruals and deferred income liabilities have increased – 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.

Provisions

Trust provisions have reduced by £25k since the start of the year and now stand at £4.8m.

Better Payment Practice Code (BPPC)

The specific target is to pay 95% of invoices within 30 days. The Trust achieved all of the 4 BPPC targets in April. Further details are shown in **Appendix B**.

Capital Programme 2022/23

Capital expenditure totals £33k for the first month of the year.

	Annual Plan	April Actual	Year End Forecast	Revision to Plan
Sources of Funds	£'000	£'000	£'000	£'000
Depreciation & technical adjustments	9,500	33	9,500	0
Dormitory elimination - Bradgate (PDC)	4,000	0	4,000	0
Agnes unit PFI lifecycle costs	100	0	100	0
Cash utilisation from previous years' surplus - LPT	3,633	0	3,633	0
Cash utilisation to support stroke ward reserve - ICS	1,000	0	1,000	0
Cash utilisation to support system resource reserve - ICS	1,532	0	1,532	0
IFRS-16 leases - borrowings	3,913	0	3,913	0
Total Capital funds	23,678	33	23,678	0
Application of Funds	£'000	£'000	£'000	£'000
Estates				
Estates Service Improvements	(6,395)	0	(6,395)	0
Estates backlog	(2,637)	0	(2,637)	0
Estates other rolling programmes	(1,090)	0	(1,090)	0
Estates Staffing	(431)	(33)	(431)	0
Estates & FM Transformation	(470)	0	(470)	0
Medical Devices	(200)	0	(200)	0
Estates Directorate bids	(2,847)	0	(2,847)	
	(14,070)	(33)	(14,070)	0
IT Programme				
IM&T Rolling Programmes	(1,705)	0	(1,705)	0
IM&T Directorate bids	(1,158)	0	(1,158)	0
	(2,863)	0	(2,863)	0
Other				
ICS limits allocation	(2,532)	0	(2,532)	0
Contingencies	(300)	0	(300)	0
IFRS16 Leases / ROU Assets	(3,913)	0	(3,913)	0
Total Capital Expenditure	(23,678)	(33)	(23,678)	0
(Over)/underspend	(0)	0	(0)	0
Total - excluding IFRS16 leases	(19,765)	(33)	(19,765)	0

Following the adoption of International Financial Reporting Standard (IFRS) 16 – Leases, on the 1st of April 2022, this year's capital plan now includes the impact/capitalisation of any new property and equipment leases. At the start of the year 5 new leases with a combined capitalisation of value of £3.9m were forecast. So far this year none have been approved.

A system approved capital limit of £2.5m has been allocated to the Trust; £1m is ringfenced for the Stroke ward and £1.5m relates to the system reserve. Plans to spend the system reserve, either by LPT or UHL need to be determined.

Capital leads are reviewing last year's out-turn and identifying those schemes that were not completed as at 31st March 2022 (due to delays in materials, site access etc). The financial impact of completing these schemes in this financial year will be included in next month's capital report, as the current plan will need to be flexed to accommodate any additional costs.

APPENDIX A - Statement of Comprehensive Income (SoCI)

Statement of Comprehensive Income for the period ended 30 April 2022	YTD Actual M1 £000	YTD Budget M1 £000	YTD Var. M1 £000
Revenue			
Total income	29,815	28,794	1,020
Operating expenses	(29,731)	(28,711)	(1,020)
Operating surplus (deficit)	83	83	0
Investment revenue	0	0	0
Other gains and (losses)	0	0	0
Finance costs	(119)	(119)	0
Surplus/(deficit) for the period	(35)	(36)	0
Public dividend capital dividends payable	(461)	(461)	0
I&E surplus/(deficit) for the period (before tech. adjs)	(497)	(497)	0
NHS Control Total performance adjustments			
Exclude gain on asset disposals	0	0	0
NHSE/I I&E control total surplus	(497)	(497)	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:	(496)	(497)	0
Trust EBITDA £000	1,234	1,234	0
Trust EBITDA margin %	4.1%	4.3%	-0.1%

APPENDIX B – BPPC performance

Trust performance – current month (cumulative) v previous

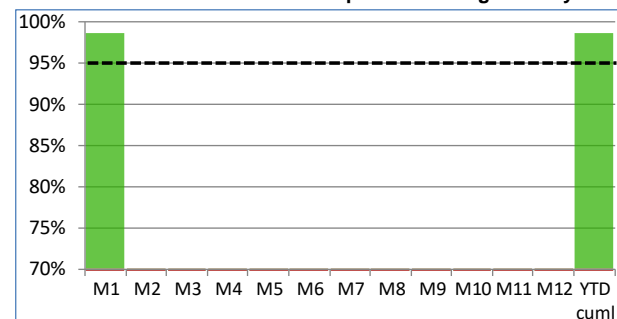
Better Payment Practice Code	April (Cumulative)	
	Number	£000's
Total Non-NHS trade invoices paid in the year	2,320	12,163
Total Non-NHS trade invoices paid within target	2,293	12,003
% of Non-NHS trade invoices paid within target	98.8%	98.7%
Total NHS trade invoices paid in the year	43	4,077
Total NHS trade invoices paid within target	43	4,077
% of NHS trade invoices paid within target	100.0%	100.0%
Grand total trade invoices paid in the year	2,363	16,240
Grand total trade invoices paid within target	2,336	16,080
% of total trade invoices paid within target	98.9%	99.0%

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

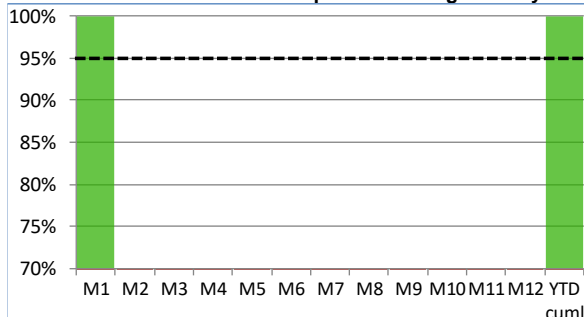
NON-NHS - No. of trade invoices paid within target 30 days



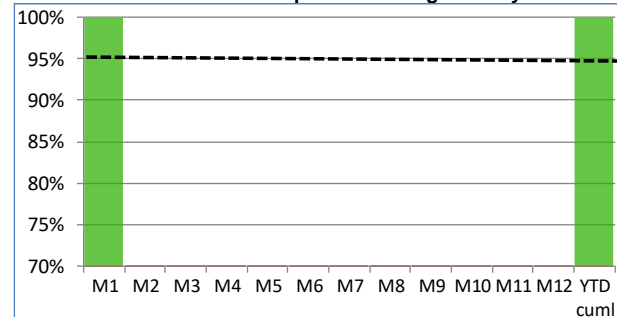
NON-NHS - Value of trade invoices paid within target 30 days



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

2022/23 Agency Expenditure	2021/22 analysis			2022/23
	2021/22 Outturn	2021/22 Avg	2021/22 Avg	2022/23 M1
	£000s Actual	£000s mth H1 Actual	£000s mth H2 Actual	£000s Actual
DMH				
Agency Consultant Costs	-3,586	-200	-398	-330
Agency Nursing	-6,589	-385	-713	-965
Agency Scient, Therap. & Tech	-203	-23	-11	-8
Agency Non clinical staff costs	-317	-38	-15	-16
Sub-total for Directorate - DMH	-10,694	-646	-1,137	-1,319
LEARNING DISABILITIES				
Agency Consultant Costs	-133	-9	-13	-37
Agency Nursing	-2,418	-154	-249	-200
Agency Scient, Therap. & Tech	-25	-3	-1	0
Agency Non clinical staff costs	-14	0	-2	-1
Sub-total for Directorate - LD	-2,590	-333	-528	-239
CHS				
Agency Consultant Costs	0	0	0	0
Agency Nursing	-5,864	-388	-589	-746
Agency Scient, Therap. & Tech	-639	-37	-69	-50
Agency Non clinical staff costs	-31	-4	-1	0
Sub-total for Directorate - CHS	-6,534	-430	-659	-796
FYPC				
Agency Consultant Costs	-754	-59	-67	-82
Agency Nursing	-4,172	-278	-417	-391
Agency Scient, Therap. & Tech	-48	-1	-7	-2
Agency Non clinical staff costs	-117	-7	-13	-2
Sub-total for Directorate - FYPC	-5,091	-345	-503	-476
Enabling, Hosted & reserves				
Agency Consultant Costs	-10	-2	0	-2
Agency Nursing	-89	0	-15	0
Agency Scient, Therap. & Tech	-290	-19	-29	-18
Agency Non clinical staff costs	-1,592	-97	-168	-99
Sub-total for Directorate - Enab/Host	-1,982	-119	-212	-119
TOTAL TRUST				
Agency Consultant Costs	-4,483	-270	-477	-450
Agency Nursing	-19,132	-1,206	-1,983	-2,302
Agency Scient, Therap. & Tech	-1,192	-77	-121	-79
Agency Non clinical staff costs	-2,072	-146	-199	-118
Total	-26,891	-1,706	-2,776	-2,949

An initial analysis of agency costs for April showed that these totalled £2.9m. Further work is required to validate the month 1 figures due to a greater level of estimation required at the start of the year and also due to the potential impact of the release of 2021/22 reserved creditors. At this level (£2.9m) this would be higher than any previous month.

Additional analysis in the table (left) provides comparative figures for 2021/22. Average monthly costs are shown for half-year 1 and half-year 2. This illustrates the significant increase in costs in the latter part of last financial year. A return even to H1 levels of cost would deliver significant savings in 2022/23, even above those anticipated in the plan.

An agency forecast for 2022/23 will be included in future reports.

APPENDIX D – Cash flow forecast

Statement of cash flows	Apr Forecast £'000	Apr Actual £'000	Apr Variance £'000	May Forecast £'000	Jun Forecast £'000	Jul Forecast £'000	Aug Forecast £'000	Sep Forecast £'000	Oct Forecast £'000	Nov Forecast £'000	Dec Forecast £'000	Jan Forecast £'000	Feb Forecast £'000	Mar Forecast £'000	Year Ending Forecast £'000
Cash flows from operating activities															
Operating surplus/(deficit)	83	83	0	184	246	340	417	502	579	642	667	653	627	622	5,562
Non-cash income and expense:															
Depreciation and amortisation	1,151	829	(322)	1,151	1,151	1,151	1,152	1,152	1,152	1,152	1,153	1,153	1,153	1,161	13,510
(Increase)/decrease in receivables	0	(4,708)	(4,708)	(500)	(500)	1,000	(500)	(500)	1,000	(500)	(500)	2,000	1,500	1,130	(1,078)
Increase/(decrease) in trade and other payables	156	6,063	5,907	(1,783)	(1,467)	873	913	(3,644)	607	617	(173)	35	274	(1,201)	1,114
Increase/(decrease) in provisions	0	(23)	(23)	0	(750)	0	0	(750)	0	0	(750)	0	0	770	(1,503)
All other movements in operating cash flows	1	2	1	1	1	1	0	0	0	0	(1)	(123)	(360)	399	(80)
Net cash generated from/(used in) operations	1,391	2,246	855	(947)	(1,319)	3,365	1,982	(3,240)	3,338	1,911	396	3,718	3,194	2,881	17,525
Cash flows from investing activities															
Purchase of intangible assets	0	0	0	0	0	0	0	0	0	0	0	0	0	(300)	(300)
Purchase of property, plant and equipment and investment property	(331)	(32)	299	(553)	(2,275)	(772)	(772)	(2,628)	(882)	(882)	(3,747)	(882)	(1,826)	(3,915)	(19,166)
Net cash generated from/(used in) investing activities	(331)	(32)	299	(553)	(2,275)	(772)	(772)	(2,628)	(882)	(882)	(3,747)	(882)	(1,826)	(4,215)	(19,466)
Cash flows from financing activities															
Public dividend capital received	0	0	0	0	0	0	0	2,000	0	0	0	0	0	2,000	4,000
Loans from Department of Health and Social Care - repaid	0	0	0	0	0	0	0	0	0	0	0	0	0	(163)	(163)
Capital element of lease payments	(306)	0	306	(306)	(306)	(306)	(306)	(306)	(306)	(306)	(306)	(306)	(306)	(518)	(3,578)
Capital element of PFI, LIFT and other service concession payments	0	0	0	0	0	0	0	0	0	0	0	0	0	(285)	(285)
Interest paid	(6)	(6)	0	(6)	(6)	(6)	(6)	(6)	(5)	(5)	(5)	(5)	(5)	(8)	(69)
Interest element of lease payments	(34)	(34)	0	(34)	(34)	(34)	(34)	(34)	(34)	(34)	(34)	(34)	(34)	(41)	(415)
Interest element of PFI, LIFT and other service concession obligations	(79)	(79)	0	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(79)	(77)	(946)
PDC dividend (paid)/refunded	(461)	(461)	0	(461)	(461)	(461)	(461)	(461)	(461)	(461)	(461)	(461)	(461)	(461)	(5,532)
Cash flows from (used in) other financing activities															0
Net cash generated from/(used in) financing activities	(886)	(580)	306	(886)	(886)	(886)	(886)	1,114	(885)	(885)	(885)	(885)	(885)	447	(6,988)
Increase/(decrease) in cash and cash equivalents	174	1,634	1,460	(2,386)	(4,480)	1,707	324	(4,754)	1,571	144	(4,236)	1,951	483	(887)	(8,929)
Cash and cash equivalents at start of period	31,990	31,990	0	33,624	31,238	26,758	28,465	28,789	24,035	25,606	25,750	21,514	23,465	23,948	31,990
Cash and cash equivalents at end of period	32,164	33,624	1,460	31,238	26,758	28,465	28,789	24,035	25,606	25,750	21,514	23,465	23,948	23,061	23,061

Note - The above table shows the planned cashflow forecast submitted to NHSE&I. The usual detailed cashflow showing receipts and payments by organisation or expenditure type will be included from Month 2.

APPENDIX E – Covid-19 expenditure, April 2022

Cost of Covid response

CATEGORY	AMH	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	1	2	0	0	0	0	0	0	3
Bank	102	39	0	0	0	0	0	0	141
Agency	0	38	0	0	0	0	0	0	38
Existing workforce additional shifts									
Substantive	0	0	0	0	0	7	0	0	7
Bank	0	0	16	9	0	18	0	0	43
Agency	0	0	0	0	0	0	0	0	0
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	4	0	0	0	0	0	0	0	4
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	13	0	0	0	13
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	1	0	0	1
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 FOR MONTH 1:	107	79	16	9	13	28	0	0	252
TOTAL YTD COVID COSTS:	107	79	16	9	13	28	0	0	252

Covid Vaccination costs

Total Covid vaccination costs incurred to date (April 22) are £719k. Virtually all the costs relate to staffing - £680k, plus £39k non-pay including support to SAIS, security costs at Feilding Palmer and medical supplies. The Trust plan assumes total vaccination costs of £2.5m for the 6 months to 30 September 2022.



Trust Board meeting 31/05/2022

Month 1 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 plan.

Decision required: N/A

Governance table

For Board and Board Committees:	Finance & Performance Committee	
Paper sponsored by:	Sharon Murphy, Director of Finance & Performance	
Paper authored by:	Amjad Kadri, Acting Head of Corporate Finance Jackie Moore, Financial Controller	
Date submitted:	23/05/2022	
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 20/05/2022	
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	