

# Finance Report for the period ended **31 August 2023**

For presentation at the  
**Trust Board meeting**  
**26 September 2023**

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## Executive Summary and overall performance against targets

1. This report presents the financial position for the period ended 31 August 2023 (month 5).
2. A net income and expenditure deficit (overspend) of £766k is reported for the period. This is an adverse variance of £26k compared to the year-to-date August plan which is a deficit of £740k.
3. Within the overall month 5 position, net operational budgets report a £1,395k overspend. The Estates position is overspent by £2,072k. All other directorates are underspending - DMH services are underspending by £434k, LD services by £145k, Enabling services by £40k, FYPC services by £33k, Hosted services by £23k and CHS services by £2k.
4. Central reserves report a temporary favourable variance of £1,369k which largely offsets the net directorate overspend leaving the residual £26k variance for the Trust as a whole.
5. Closing cash for August stood at £32.2m. This equates to 30.9 days' operating costs.

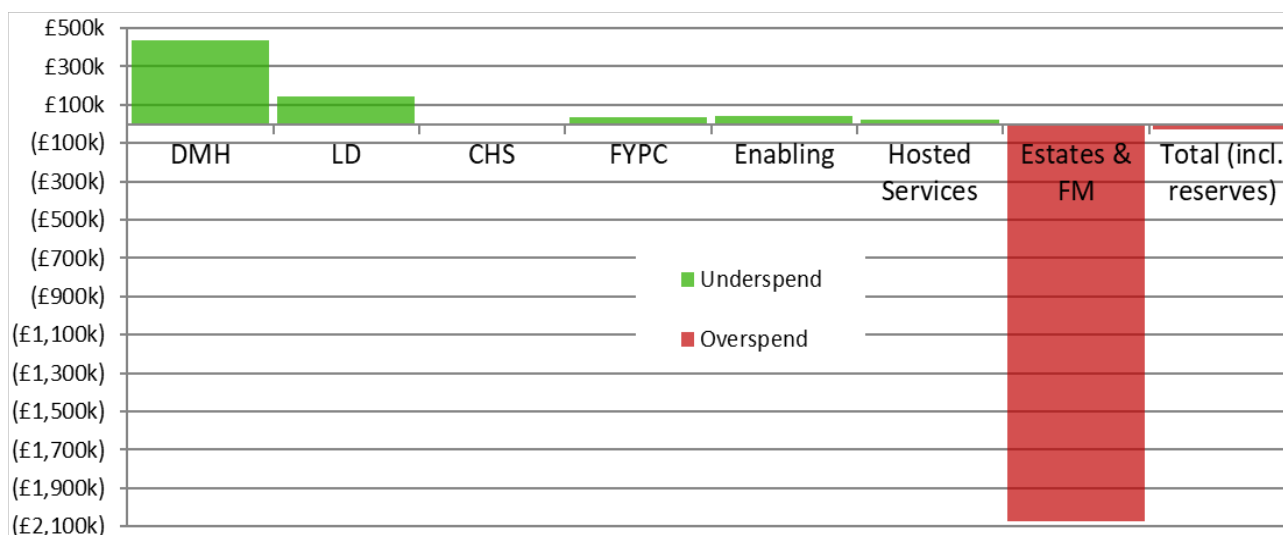
### Performance against key targets and KPIs

NHS Trust Statutory Duties	Year to date	Year end f'cast	Comments
1. Income and Expenditure break-even.	A	A	The Trust is reporting a financial deficit position at the end of August 2023. [see 'Service I&E position' and <b>Appendix A</b> ]. The level of deficit is broadly in line with plan. The year end forecast is currently assumed to deliver break-even in line with plan, but with significant risks.
2. Remain within Capital Resource Limit (CRL).	G	G	The capital spend for August is £3,468k, which is within expected 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 £32.2m. The year-end forecast is £25.9m.

Secondary targets	Year to date	Year end f'cast	Comments
5. Comply with Better Payment Practice Code (BPPC).	A	G	The target is to pay 95% of invoices within 30 days. Cumulatively the Trust achieved 3 of the 4 BPPC targets in August.
6. Achieve Efficiency Savings targets.	G	G	Efficiency schemes of £5.1m are currently being delivered which is in line with the YTD plan. The forecast for the year is also 100% delivery. Significant non recurrent schemes have been used to mitigate non delivery of some planned schemes. <b>[See 'efficiency savings update']</b> .
7. Deliver a financial surplus	n/a	n/a	The NHS Financial framework 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 retained cash balances in line with plan	G	G	A cash balance of £32.2m was achieved at the end of August 2023. The cash level is forecast to be £25.9m at the end of the year. <b>[See 'cash and working capital']</b>
9. Deliver capital investment in line with plan (within +/- 15% YTD planned spend levels)	G	G	Capital expenditure totals £3,468k <b>[See 'Capital Programme 2023/24']</b> .

## Income and Expenditure position

Directorate variances are shown in the table below and the total of these results in the net operational overspend of £1,395k. The total Trust position also includes the temporary central reserves underspend of £1,369k, resulting in the net £26k deficit against plan overall.



### Additional analysis of directorate performance

**The Mental Health directorate** is underspending by £434k as at Month 5, a favourable movement of £171k from M4. The underspend continues to be driven by vacancies, with reductions in bank and agency spend also apparent during the month – agency shifts total 1,600 which is the lowest number this year. Locum spend did increase slightly but this was due to additional investment funding. Partially offsetting the pay underspends, non-pay budgets are overspent by £103k, with pressures in FP10 (prescribing) budgets being a significant contributor. Income budgets are over-recovering due to out of county activity and education income.

**The FYPC** financial position at month 5 is a £34k underspend. This is an improvement from last month mainly as a result of continued vacancies and reduced agency offset against continued low occupancy on the Beacon and Welford wards, both of which are funded on a cost per case basis. It is anticipated that the Welford occupancy will increase as there are patients awaiting admission. The pay position reports an increased underspend due to vacancies and slippage against service lines. Agency costs were less than incurred for the similar period in 2022/23 and below trajectory. The non-pay position shows a small increase in the overspend for which a large proportion relates to audiology equipment necessary in support of patient assessments and supported by the directorate SMT. Income reports an under recovery due to low ward occupancy. CIPs are fully delivered at month 5 and are forecast to deliver in full for the year.

**The LD** financial position at month 5 shows an underspend of £144k. The pay budget is underspent by £115k as a result of continued vacancies in the community services. The

Agnes Unit reports an overspend of £180k which is slightly higher than trend as agency is still being incurred pending the introduction of additional HCSW staff. The non pay budget is underspent whilst income reports a break even. Agency costs are above trajectory, however £475k of the costs relate to the care of a patient which the ICB has agreed to fund. If this situation had not occurred agency would have been less than plan. The community budgets are underspending at month 5 in a similar vein to the last financial year. CIPs show full delivery at month 5 and also in the year end forecast.

**The CHS** service is reporting an underspend of £2k for the first 5 months of the year, which continues to represent a fairly static position overall.

Within this position, agency total costs have again increased in M5 (£1,048k – the highest spend this financial year) compared to M4 (£1,006k), with qualified nurse agency costs surpassing the average for last year.

Within non-pay, continence usage continues to create pressures against budgets.

Overall, vacancies are generally offsetting the above pressures.

Total year-to-date and forecast year end CIPs are showing full delivery. Shortfalls against the safer staffing agency reduction scheme are being offset by additional vacancy savings.

**Enabling Services** are underspending by £40k as at M5. This is a positive movement of £4k compared to last month. There are no material concerns to report, but the position does include a slight pressure and further risk relating to additional FP10 costs. These costs should be fully funded by the ICB, but currently not all of the income has been recovered. This issue will continue to be pursued, however the additional risk is not significant.

**Hosted services** are underspending by £23k. The majority of hosted budgets continue to break even. HIS budgets are slightly underspent, relating to LPT capital funded projects.

**Estates Services** are overspent by £2.1m as at M5. This is a negative movement of £580k compared to last month and is largely in line with the revised forecast trajectory. The pressures continue to be due to building and engineering cost variances, the use of agency and consultancy staff to cover vacancies, service charges for NHS Property Services and the Community Health Partnership and utility costs. Shortfalls against CIPs are also adding a further £290k pressure into the year-to-date position.

**Central reserve budgets** include a number of significant expectations relating to further financial gains and mitigations - including additional CIPs. Inclusion of these gains was required to offset large 23/24 directorate funding allocations and deliver a balanced financial plan. Reliance on these potential gains has introduced significant additional financial risk this year. Should all of the gains not ultimately be realised, the reserves position will move into deficit in the latter half of the year. This is reflected in the overall assessment of financial risks shown **Appendix E**.

Currently at month 5, the gains realised so far exceed the year-to-date central reserves budget and so produce a year-to-date underspend sufficient to offset the majority of the net operational overspend.

### **Forecast position**

The Trust continues to forecast a break-even year end position in line with plan, whilst noting the considerable risks outlined above.

A likely assessment of the current level of mitigated risk (as per **Appendix E**) produces a value of c.£5.9m (deficit). This is an improvement over last month (£7.2m likely risk) owing to improved directorate financial performance and greater confidence in the achievability of some of the central reserves gains. The executive team are reviewing additional financial recovery actions to deliver a break-even position and how they could be safely delivered.

Along with the values presented by system partners this figure is formally reported by the ICS as LPT's forecast risk. As explained in the central reserves section above, much of this risk relates to potential gains included in the original financial plan for 2023/24. Currently gains already realised exceed the budget in reserves, leading to a reserves underspend sufficient to offset the net operational overspend. However, further expected gains are profiled into the reserves budgets during the second half of the year. The impact of this on the total trust position can be seen below:

Month	1	2	3	4	5	6	7	8	9	10	11	12
Monthly plan phasing surplus/(deficit)	(302)	(195)	(124)	(83)	(36)	7	52	90	109	135	160	187
Cumulative plan phasing surplus/(deficit)	(302)	(497)	(621)	(704)	(740)	(733)	(681)	(591)	(482)	(347)	(187)	0
Net monthly reserves position	(463)	956	111	468	297	183	(688)	(746)	(630)	(721)	(676)	(514)

## Efficiency Savings

Year to date and forecast outturn CIP delivery by directorate is shown in the table below. This comprises the original 3% CIPs plus the further recovery actions agreed at plan stage:

SUMMARY								
Directorate	M5 YTD TARGET £000	M5 YTD DELIVERED £000	M5 YTD VARIANCE £000	ANNUAL TARGET £000	FORECAST OUTTURN £000	FOT VARIANCE £000	FORECAST RECURRENT £000	RECURRENT VARIANCE £000
CHS	996.1	996.1	0.0	2,459.7	2,460.0	0.3	628.0	(1,831.7)
FYPC	869.6	865.8	(3.8)	2,108.3	2,107.9	(0.3)	1,539.1	(569.2)
LD	198.4	198.9	0.5	480.3	480.3	0.0	319.0	(161.3)
DMH	1,488.0	1,454.6	(33.4)	3,935.5	3,935.5	0.0	2,713.5	(1,222.0)
Enabling	372.5	372.5	0.0	938.9	938.9	0.0	578.5	(360.4)
Estates	510.5	220.0	(290.5)	1,225.2	489.7	(735.5)	489.7	(735.5)
Trustwide	205.0	320.0	115.0	1,048.0	2,048.0	1,000.0	604.0	(444.0)
Unallocated recovery actions	453.9	666.0	212.1	1,176.0	1,480.7	304.7	138.0	(1,038.0)
Unidentified	0.0	0.0	0.0	2,569.2	2,000.0	(569.2)	2,000.0	(569.2)
<b>TOTAL LPT DELIVERY:</b>	<b>5,094.0</b>	<b>5,094.0</b>	<b>(0.0)</b>	<b>15,941.0</b>	<b>15,941.0</b>	<b>(0.0)</b>	<b>9,009.8</b>	<b>(6,931.2)</b>
Original NHSE plan profile:	5,248.0	5,094.0	(154.0)	15,941.0	15,941.0	(0.0)	10,919.0	(5,022.0)

- At month 5, £5,094k CIPs are being delivered. This is full delivery against the LPT YTD target, but a slight shortfall of £154k against the original NHSE plan target.
- Delivered CIPs include significant non-recurrent savings that are supporting the overall Trust financial position (e.g – balance sheet flexibility, reported in 'Trustwide' above). These savings are also reflected in the forecast outturn which also shows full delivery of the CIP target overall.
- As a result of the significant level of non-recurrent savings, recurrent savings are expected to be £9.0m against the total 2023/24 target of £15.9m. This £6.9m recurrent shortfall will be a significant pressure on the 24/25 planning assumptions.
- The table shows that all operational areas are delivering their CIP targets at month 5, with the exception of a minor shortfall in DMH and a shortfall in Estates.
- The unidentified balance of £2.6m remains a significant risk to the delivery of the CIP programme. The CIP forecast outturn assumes that this can be delivered via further recovery actions (including the proposed additional recovery plan actions).



## Statement of Financial Position (SoFP)

PERIOD: August 2023	2022/23 31/03/23 Audited	2023/24 31/08/23 August
	£'000's	£'000's
<b>NON CURRENT ASSETS</b>		
Property, Plant and Equipment	204,393	204,175
Intangible assets	6,420	5,769
IFRS16 - Right of use (ROU) assets	42,333	40,827
Trade and other receivables	989	989
<b>Total Non Current Assets</b>	<b>254,135</b>	<b>251,760</b>
<b>CURRENT ASSETS</b>		
Inventories	381	353
Trade and other receivables	21,209	19,286
Short term investments	0	0
Cash and Cash Equivalents	29,935	32,206
<b>Total Current Assets</b>	<b>51,525</b>	<b>51,845</b>
<b>Non current assets held for sale</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>305,660</b>	<b>303,605</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	(41,812)	(39,318)
Borrowings	(251)	(251)
Borrowings - IFRS16 ROU assets	(3,412)	(3,412)
Capital Investment Loan - Current	(185)	(103)
Provisions	(3,928)	(3,732)
Other liabilities	(4,759)	(7,664)
<b>Total Current Liabilities</b>	<b>(54,347)</b>	<b>(54,480)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>(2,822)</b>	<b>(2,635)</b>
<b>NON CURRENT LIABILITIES</b>		
Borrowings	(6,927)	(6,927)
Borrowings - IFRS16 ROU assets	(39,122)	(37,699)
Capital Investment Loan - Non Current	(2,858)	(2,858)
Provisions	(1,005)	(1,005)
<b>Total Non Current Liabilities</b>	<b>(49,912)</b>	<b>(48,489)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>201,401</b>	<b>200,636</b>
<b>TAXPAYERS' EQUITY</b>		
Public Dividend Capital	106,698	106,697
Retained Earnings	34,991	34,226
Revaluation reserve	59,712	59,713
<b>TOTAL TAXPAYERS EQUITY</b>	<b>201,401</b>	<b>200,636</b>

### Non-current assets

Property, plant, and equipment (PPE) amounts to £204.2m, and includes capital additions of £3.468m, offset by depreciation charges.

Right of Use leased assets account for £40.8m of total non-current assets. These have reduced since the start of the year due to monthly depreciation charges. The liability relating to these leases is split between current (£3.4m) and non-current (£38m) borrowings. The liability reduces once lease payments are made to the landlord.

### Current assets

Current assets of £51.8m mainly includes cash of £32.2m, and receivables of £19.3m.

### Current Liabilities

Current liabilities amount to £54.5m and mainly relate to trade and other payables of £39.3m.

Other liabilities of £7.7m relate to deferred income, of which the majority relates to provider collaborative income from previous years.

Net current assets / (liabilities) show net liabilities of £2.6m.

### Taxpayers' Equity

August's deficit of £766k is reflected within retained earnings.

## Cash

The closing cash balance at the end of August was £32.2m, an increase of £2.3m since the start of the financial year. Interest earned for the month was £223k, £64k more than the previous month, £4k of this increase relates to the additional interest earned (above current account rates) from the £20m that was deposited in the national loans fund to attract a higher return. Forecast annual interest is now estimated at c£2m (2022/23: £860k). The additional interest is helping to support the Trust's income & expenditure position.

The forecast closing cash balance at the end of the year has reduced by £1.039m this month and now stands at £25.9m. This reduction is due to the indicative approval of an additional system capital allocation of £1.039m, to support the extra capital investment on the dormitory scheme.

The closing cash position assumes a break-even I&E position at the end of the year and internal cash utilisation of £4m (previously £3m) to support this year's capital programme. The cashflow forecast will be monitored throughout the year to identify any changes to working capital assumptions.

## Receivables

Current receivables (debtors) total £19.3m; an increase of £456k during the month. Included in the receivables balance is £5m of accrued income, which includes outstanding income from the ICB, and £2m of prepayments.

Receivables	Current Month Aug 2023				% Total	% Sales Ledger
	NHS	Non NHS	Emp's	Total		
	£'000	£'000	£'000	£'000		
<b>Sales Ledger</b>						
30 days or less	3,268	2,323	39	5,630	27.77%	49.7%
31 - 60 days	1,460	746	11	2,217	10.93%	19.6%
61 - 90 days	575	98	1	674	3.32%	5.9%
Over 90 days	2,237	363	209	2,809	13.85%	24.8%
	7,540	3,530	260	11,330	55.88%	100.0%
<b>Non sales ledger</b>	4,636	3,320	0	7,956	39.24%	
<b>Total receivables current</b>	<b>12,176</b>	<b>6,850</b>	<b>260</b>	<b>19,286</b>	<b>95.12%</b>	
<b>Total receivables non current</b>		989		989	4.88%	
<b>Total</b>	<b>12,176</b>	<b>7,839</b>	<b>260</b>	<b>20,275</b>	<b>100.00%</b>	<b>0.0%</b>

Debt greater than 90 days increased by £61k since July and now stands at £2.8m. Receivables over 90 days should not account for more than 5% of the overall total receivables balance. The proportion at Month 5 is 13.85% (last month: 13.90%). Aged debt with UHL continues to be mainly responsible for the high aged debt value – it is our highest aged debtor (£2.1m), with its debt value increasing by £89k during the month. The trusts are

working together to resolve this issue. There was no movement against the £352k debt provision this month.

### **Payables**

The current payables position in Month 5 is £39.3m – a decrease of £2.5m since the start of the year. The payables value includes £21m of expenditure accruals, relating to expected charges for which invoices have not yet been approved or received. £4m of unapproved payables invoices are over 90 days old: £2.9m relate to disputed UHL estates recharges and £900k for disputed NHS Property Services invoices.

### **Better Payment Practice Code (BPPC)**

The specific target is to pay 95% of invoices within 30 days. The Trust achieved 3 of the 4 cumulative and in-month BPPC targets in August. The non-compliant target continues to relate to the number of NHS invoices paid late in the month. A review is currently being undertaken on the payment processes in specific areas not achieving either the NHS or non-NHS targets, including pharmacy, as these have underperformed since the start of the year. Further details are shown in **Appendix B**.

## Capital Programme 2023/24

Capital expenditure totals £3.468m at the end of August. Forecast annual spend on capital investment has increased by £1.039m this month to £19.3m, and comprises of £14.2m operational expenditure and £5m on new property leases.

	Annual Plan	Aug Actual	Year End Forecast	Revision to Plan
<b>Sources of Funds</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Depreciation & technical adjustments	9,790	4,079	9,790	0
Cash reserves	3,047	(611)	4,086	1,039
New PDC - Hinckley Hub	250	0	250	0
Agnes unit PFI lifecycle costs	100	0	100	0
Charitable funds - Coalville garden	55	0	0	(55)
IFRS-16 new leases	5,036	0	5,036	0
<b>Total Capital funds</b>	<b>18,278</b>	<b>3,468</b>	<b>19,262</b>	<b>984</b>
<b>Application of Funds</b>				
<b>Estates</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Strategic schemes	(4,781)	(1,371)	(4,909)	(128)
Estates capital staffing	(490)	(212)	(503)	(13)
Estates backlog	(1,747)	(315)	(1,793)	(46)
Estates directorate bids - new	(2,254)	(381)	(1,403)	851
Estates directorate bids - c/f	(1,471)	(354)	(1,621)	(150)
Estates rolling programme	(1,092)	(76)	(1,100)	(8)
Medical devices rolling programme	(200)	0	(200)	0
	<b>(12,034)</b>	<b>(2,709)</b>	<b>(11,529)</b>	<b>505</b>
<b>IT Programme</b>				
IM&T Rolling Programmes	(1,227)	(557)	(1,327)	(100)
IM&T Directorate bids	(396)	(89)	(200)	196
	<b>(1,623)</b>	<b>(646)</b>	<b>(1,527)</b>	<b>96</b>
Contingency	(500)	0	(1,057)	(557)
Revenue to capital transfers	0	(113)	(113)	(113)
IFRS16 new leases	(5,036)	0	(5,036)	0
Slippage	916	0	0	(916)
<b>Total Capital Expenditure</b>	<b>(18,278)</b>	<b>(3,468)</b>	<b>(19,262)</b>	<b>(984)</b>
<b>(Over)/underspend</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>Operational Capital Total - excluding IFRS16 leases</b>	<b>(13,242)</b>	<b>(3,468)</b>	<b>(14,226)</b>	<b>(984)</b>

The LLR system has been allocated £3.9m additional capital by NHSE as a result of delivering the planned 2022/23 revenue position. For LPT, this has resulted in the capital envelope has increasing by £1.039m this month following indicative approval by the ICB to increase the Trust's capital limit to help support the additional £3m dormitory works. The Trust has requested formal approval of the £1m limit increase and until this has been received, expenditure commitments will not be approved. The Capital Management Committee will re-prioritise the capital programme, to identify which schemes that were

previously paused, can be brought back into the programme for completion in this financial year.

The additional dormitory improvement works for Langley and Kirby wards has been estimated at £3.033m (profiled over two years), however this figure cannot be confirmed until Tilbury Douglas has provided the Guaranteed Maximum Price (GMP). £1.4m of the £3m has already been approved by the Board. The supporting business case reports for the overall £3m scheme are being presented at September's Capital Management Committee.

Changes made to the capital programme in August are shown in the table below.

In-Year Changes - Month 5	Scheme additions	Scheme reductions	Slippage Factor Redn/ (Increase)	Conting'y Impact (Redn)/ Increase	Diff
	£000	£000	£000	£000	£000
<b>Rev to cap transfers:</b>					
Rev to cap transfers - IT	26	0	0	(26)	0
	26	0	0	(26)	0
<b>Estates scheme virements:</b>					
Net Estates scheme changes (inc GMP increases)	0	(54)	10	44	0
	0	(54)	10	44	0
<b>Other:</b>					
Additional system allocation - scheme allocation tbc	0	0	0	1,039	1,039
	0	0	0	1,039	1,039
<b>Total</b>	<b>26</b>	<b>(54)</b>	<b>10</b>	<b>1,057</b>	<b>1,039</b>
<b>Estates scheme virements:</b>					
Trust Comms Rooms	(184)				
Ventilation	20				
Gwendolen windows replacement	110				
	<b>(54)</b>				

The contingency now amounts to £1.06m. This includes the additional £1.039m system limit increase that will be distributed to capital schemes once ICB approval has been formally confirmed.

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

Statement of Comprehensive Income for the period ended 31 August 2023	YTD Actual M5 £000	YTD Budget M5 £000	YTD Var. M5 £000
<b>Revenue</b>			
Total income	166,147	169,004	(2,857)
Operating expenses	(164,202)	(167,033)	2,831
<b>Operating surplus (deficit)</b>	<b>1,945</b>	<b>1,970</b>	<b>(26)</b>
Investment revenue	170	170	0
Other gains and (losses)	0	0	0
Finance costs	(415)	(415)	0
<b>Surplus/(deficit) for the period</b>	<b>1,700</b>	<b>1,725</b>	<b>(26)</b>
Public dividend capital dividends payable	(2,465)	(2,465)	0
<b>I&amp;E surplus/(deficit) for the period (before tech. adjs)</b>	<b>(766)</b>	<b>(740)</b>	<b>(26)</b>
<b>NHS Control Total performance adjustments</b>			
Exclude gain on asset disposals	0	0	0
<b>NHSE/I&amp;E control total surplus</b>	<b>(766)</b>	<b>(740)</b>	<b>(26)</b>
<b>Other comprehensive income (Exc. Technical Adjs)</b>			
Impairments and reversals	0	0	0
Gains on revaluations	0	0	0
<b>Total comprehensive income for the period:</b>	<b>(766)</b>	<b>(740)</b>	<b>(26)</b>
<b>Trust EBITDA £000</b>	<b>7,615</b>	<b>7,640</b>	<b>(26)</b>
<b>Trust EBITDA margin %</b>	<b>4.6%</b>	<b>4.5%</b>	<b>0.1%</b>

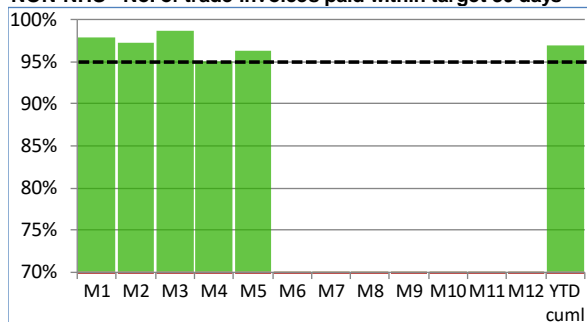
## APPENDIX B – BPPC performance

### Trust performance – current month

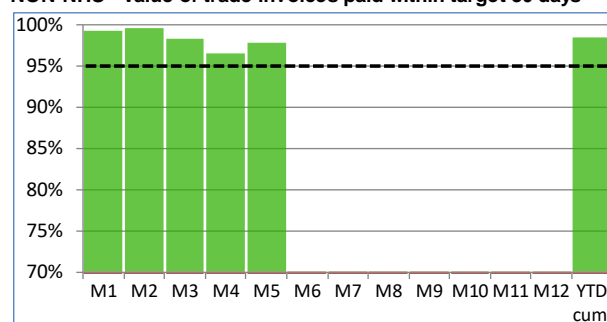
Better Payment Practice Code	August (Cumulative)		July (Cumulative)	
	Number	£000's	Number	£000's
Total Non-NHS trade invoices paid in the year	16,278	54,702	13,135	47,579
Total Non-NHS trade invoices paid within target	15,788	53,917	12,758	46,942
<b>% of Non-NHS trade invoices paid within target</b>	<b>96.99%</b>	<b>98.56%</b>	<b>97.13%</b>	<b>98.66%</b>
Total NHS trade invoices paid in the year	296	23,300	208	18,393
Total NHS trade invoices paid within target	267	22,750	184	17,913
<b>% of NHS trade invoices paid within target</b>	<b>90.20%</b>	<b>97.64%</b>	<b>88.46%</b>	<b>97.39%</b>
Grand total trade invoices paid in the year	16,574	78,002	13,343	65,972
Grand total trade invoices paid within target	16,055	76,667	12,942	64,855
<b>% of total trade invoices paid within target</b>	<b>96.87%</b>	<b>98.29%</b>	<b>96.99%</b>	<b>98.31%</b>

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

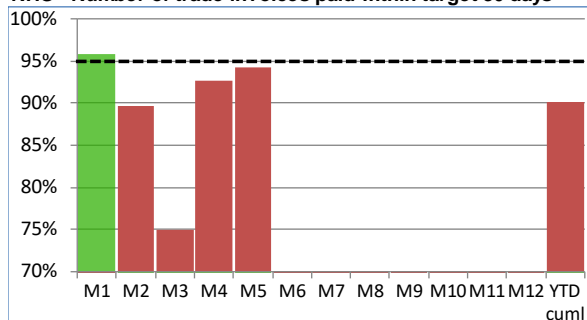
NON-NHS - No. of trade invoices paid within target 30 days



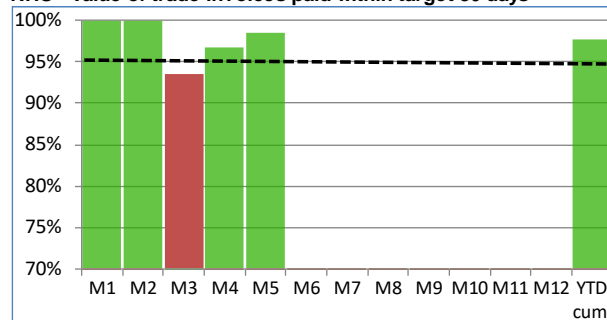
NON-NHS - Value of trade invoices paid within target 30 days



NHS - Number of trade invoices paid within target 30 days



NHS - Value of trade invoices paid within target 30 days





## APPENDIX C – Agency staff expenditure

2023/24 Agency Expenditure (unqualified nurse reported separately from 2023/24)	2022/23 Outturn £000s Actual	2022/23 Avg mth £000s Actual	2022/24 M1 £000s Actual	2023/24 M2 £000s Actual	2023/24 M3 £000s Actual	2023/24 M4 £000s Actual	2023/24 M5 £000s Actual	2023/24 M6 £000s F'cast	2023/24 M7 £000s F'cast	2023/24 M8 £000s F'cast	2023/24 M9 £000s F'cast	2023/24 M10 £000s F'cast	2023/24 M11 £000s F'cast	2023/24 M12 £000s F'cast	23/24 YTD £000s Actual	23/24 Year End £000s F'cast
<b>DMH</b>																
Consultant Costs	-4,339	-362	-533	-498	-402	-361	-368	-382	-362	-362	-362	-362	-362	-362	-2,162	-4,716
Nursing - Qualified	-10,351	-863	-367	-462	-355	-413	-457	-415	-435	-435	-457	-450	-450	-450	-2,053	-5,145
Nursing - Unqualified			-212	-211	-220	-146	-92	-125	-125	-125	-150	-150	-150	-150	-880	-1,855
Other clinical staff costs	-207	-17	-12	-15	-31	-6	-7	-10	-15	-15	-15	-15	-15	-15	-71	-171
Non clinical staff costs	-103	-9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub-total - DMH</b>	<b>-15,000</b>	<b>-1,251</b>	<b>-1,124</b>	<b>-1,185</b>	<b>-1,008</b>	<b>-926</b>	<b>-924</b>	<b>-932</b>	<b>-937</b>	<b>-937</b>	<b>-984</b>	<b>-977</b>	<b>-977</b>	<b>-977</b>	<b>-5,167</b>	<b>-11,888</b>
Spend relating to Investments	-3													0	0	0
<b>LEARNING DISABILITIES</b>																
Consultant Costs	-295	-25	-20	-18	-13	5	10	0	0	0	0	0	0	0	-36	-36
Nursing - Qualified	-2,268	-189	-98	-88	-97	-124	-80	-90	-75	-75	-75	-65	-65	-65	-487	-997
Nursing - Unqualified			-69	-73	-84	-124	-95	-70	-60	-60	-60	-50	-50	-50	-445	-845
Other clinical staff costs	-58	-5		11	0	0	0	0	0	0	0	0	0	0	11	11
Non clinical staff costs	-31	-3			0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub-total - LD</b>	<b>-2,652</b>	<b>-222</b>	<b>-187</b>	<b>-168</b>	<b>-194</b>	<b>-242</b>	<b>-165</b>	<b>-160</b>	<b>-135</b>	<b>-135</b>	<b>-135</b>	<b>-115</b>	<b>-115</b>	<b>-115</b>	<b>-957</b>	<b>-1,867</b>
Spend relating to Investments															0	0
Spend related to Pat funded by ICB			-84	-84	-84	-150	-73	0	0	0	0	0	0	0	-475	-475
<b>CHS</b>																
Consultant Costs	-73	-6	-9	-4	-34	-18	-20								-86	-86
Nursing - Qualified	-8,121	-677	-531	-580	-522	-647	-692	-620	-600	-570	-550	-550	-550	-550	-2,972	-6,962
Nursing - Unqualified			-339	-305	-246	-290	-291	-290	-270	-270	-270	-270	-270	-270	-1,472	-3,382
Other clinical staff costs	-499	-42	-37	-56	-43	-51	-45	-20	-20	-20	-20	-20	-20	-20	-231	-371
Non clinical staff costs	-13	-1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub-total - CHS</b>	<b>-8,705</b>	<b>-726</b>	<b>-915</b>	<b>-945</b>	<b>-846</b>	<b>-1,006</b>	<b>-1,048</b>	<b>-930</b>	<b>-890</b>	<b>-860</b>	<b>-840</b>	<b>-840</b>	<b>-840</b>	<b>-840</b>	<b>-4,760</b>	<b>-10,800</b>
Spend relating to surge ward	-1,075		-152	-132	-158	-140	-104	-160	-160	-160	-220	-210	-210	-210	-686	-2,016
Spend relating to other investments	-195														0	0
<b>FYPC</b>																
Consultant Costs	-1,135	-95	-100	-90	-109	-64	-69	-55	-55	-55	-55	-55	-55	-55	-432	-817
Nursing - Qualified	-3,907	-326	-170	-179	-162	-157	-170	-140	-140	-133	-133	-127	-127	-127	-839	-1,766
Nursing - Unqualified			-65	-79	-110	-11	-3	-20	-20	-20	-20	-20	-20	-20	-268	-408
Other clinical staff costs	-55	-5	-1	0	-5	0	0	0	0	0	0	0	0	0	-7	-7
Non clinical staff costs	-92	-8	-3	-4	-6	-2	0	0	0	0	0	0	0	0	-15	-15
<b>Sub-total - FYPC</b>	<b>-5,189</b>	<b>-434</b>	<b>-337</b>	<b>-353</b>	<b>-387</b>	<b>-240</b>	<b>-242</b>	<b>-215</b>	<b>-215</b>	<b>-208</b>	<b>-208</b>	<b>-202</b>	<b>-202</b>	<b>-202</b>	<b>-1,560</b>	<b>-3,012</b>
Spend relating to Investments															0	0
Spend related to Pat funded by ICB			-7	-9	-1	0	0	0	0	0	0	0	0	0	-17	-17
<b>ENAB, HOST AND RESERVES</b>																
Consultant Costs	5														0	0
Nursing - Qualified	95	8													0	0
Nursing - Unqualified				0	0	0	0	0	0	0	0	0	0	0	0	0
Other clinical staff costs	-174	-15	-6	-21	-8	11	3	0	0	0	0	0	0	0	-22	-22
Non clinical staff costs	-1,277	-106	-59	-181	-97	-211	-163	-87	-87	-87	-87	-87	-87	-87	-711	-1,320
<b>Sub-total - Enab/Host</b>	<b>-1,352</b>	<b>-113</b>	<b>-65</b>	<b>-203</b>	<b>-105</b>	<b>-200</b>	<b>-160</b>	<b>-87</b>	<b>-87</b>	<b>-87</b>	<b>-87</b>	<b>-87</b>	<b>-87</b>	<b>-87</b>	<b>-733</b>	<b>-1,342</b>
Spend relating to Investments	-11														0	0
<b>TOTAL TRUST</b>																
Consultant Costs	-5,836	-486	-662	-609	-558	-439	-447	-437	-417	-417	-417	-417	-417	-417	-2,716	-5,655
Nursing - Qualified	-24,550	-2,046	-1,166	-1,309	-1,137	-1,340	-1,399	-1,265	-1,250	-1,213	-1,215	-1,192	-1,192	-1,192	-6,350	-14,869
Nursing - Unqualified			-684	-667	-661	-571	-481	-505	-475	-475	-500	-490	-490	-490	-3,065	-6,490
Other clinical staff costs	-997	-83	-55	-83	-82	-52	-49	-30	-35	-35	-35	-35	-35	-35	-320	-560
Non clinical staff costs	-1,515	-126	-62	-185	-102	-213	-163	-87	-87	-87	-87	-87	-87	-87	-726	-1,335
<b>Total</b>	<b>-32,898</b>	<b>-2,741</b>	<b>-2,629</b>	<b>-2,854</b>	<b>-2,540</b>	<b>-2,615</b>	<b>-2,539</b>	<b>-2,324</b>	<b>-2,264</b>	<b>-2,227</b>	<b>-2,254</b>	<b>-2,221</b>	<b>-2,221</b>	<b>-2,221</b>	<b>-13,177</b>	<b>-28,909</b>
Total Trust - Surge Ward	-1,075		-152	-132	-158	-140	-104	-160	-160	-160	-220	-210	-210	-210	-686	-2,016
Total Trust - Investment / funded	-209		-91	-93	-85	-150	-73	0	0	0	0	0	0	0	-492	-492
<b>Total excl. covid/surge/investment:</b>	<b>-31,614</b>		<b>-2,386</b>	<b>-2,629</b>	<b>-2,297</b>	<b>-2,325</b>	<b>-2,362</b>	<b>-2,164</b>	<b>-2,104</b>	<b>-2,067</b>	<b>-2,034</b>	<b>-2,011</b>	<b>-2,011</b>	<b>-2,011</b>	<b>-11,999</b>	<b>-26,401</b>

Total agency costs for August are £2,539k. This is a decrease compared to July (£2,615k) and is lower than the average monthly cost across 2022/23. It is also the lowest monthly spend this financial year.

The current forecast for the year is £28.9m, which is in line with plan.

The 2023/24 costs include significant expenditure relating to the surge ward, and costs in FYPC & LD that have been funded by the ICB. Agency costs directly attributable to the surge ward are shown in the table. However, there are expected to be considerably more agency cost being incurred indirectly as a result of the surge ward, as backfill for substantive staff moving to positions within this area.



## APPENDIX D: 2023/24 Cashflow Forecast

2023/24 CASH-FLOW FORECAST	AUG	AUG	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	YTD	23/24
	FORECAST	ACTUAL	VARIANCE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	ACTUAL	FORECAST
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>OPENING BALANCE</b>	8,933	8,933	0	32,206	29,043	31,471	30,137	28,615	28,579	26,272	29,935	29,935
<b>INCOME</b>												
Leicester & Leicestershire CCG block contracts	26,811	29,881	3,070	28,587	26,811	26,811	26,811	26,811	26,811	31,657	131,957	326,256
Other CCG block contracts	139	136	(3)	1,024	314	314	314	314	314	314	665	3,573
East Midlands Provider Collaborative - CAMHS	240	360	120	120	120	120	120	120	120	120	600	1,440
Local Authorities block contracts	1,453	1,453	0	1,348	1,348	1,348	1,348	1,348	1,348	1,348	5,392	14,828
NHS England	717	688	(29)	717	717	717	717	717	717	717	3,603	8,622
UHL contract	0	0	0	1,434	239	239	239	239	239	239	0	2,868
MADEL	0	0	0	0	3,778	0	0	1,705	0	0	6,044	11,527
Hosted income - HIS & 360 Assurance	300	676	376	300	250	250	250	250	250	400	1,473	3,423
UHL rental income	0	0	0	762	127	127	127	127	127	127	0	1,524
Previous year's income	200	48	(152)	0	0	0	0	0	0	0	3,525	3,525
VAT	561	561	0	406	500	500	500	500	500	500	3,372	6,778
PDC for capital investment	0	0	0	0	0	0	0	0	0	250	0	250
Other income	21,376	20,946	(430)	1,466	1,354	1,316	1,366	1,516	1,416	2,666	16,741	27,841
<b>Total Receipts</b>	<b>51,797</b>	<b>54,749</b>	<b>2,952</b>	<b>36,164</b>	<b>35,558</b>	<b>31,742</b>	<b>31,792</b>	<b>33,647</b>	<b>31,842</b>	<b>38,338</b>	<b>173,372</b>	<b>412,455</b>
<b>PAYMENTS</b>												
Payroll	23,048	23,162	115	23,300	23,300	23,300	23,300	23,300	23,300	23,300	126,832	289,932
Capital	675	463	(212)	650	775	775	950	1,384	1,855	998	2,846	10,233
Non pay general expenditure	7,175	6,152	(1,023)	7,223	5,675	5,695	5,870	5,805	5,675	6,304	31,345	73,592
UHL contracts	186	0	(186)	93	279	93	93	93	93	93	279	1,116
NHS Property Services & Community Health Partnerships rents	1,759	484	(1,275)	1,989	691	691	691	691	816	1,046	1,059	7,674
Agency Nursing Costs	2,200	1,215	(985)	2,500	2,300	2,300	2,300	2,300	2,300	3,902	8,505	26,407
Turning Point	492	0	(492)	615	110	110	110	110	110	110	123	1,398
Public dividend capital payment (PDC)	0	0	0	2,957	0	0	0	0	0	2,957	0	5,914
Other finance costs (inc loan interest and principal repayments)	0	0	0	0	0	112	0	0	0	0	112	224
<b>Total Payments</b>	<b>35,535</b>	<b>31,476</b>	<b>(4,059)</b>	<b>39,327</b>	<b>33,130</b>	<b>33,076</b>	<b>33,314</b>	<b>33,683</b>	<b>34,149</b>	<b>38,710</b>	<b>171,101</b>	<b>416,490</b>
<b>CLOSING CASH BOOK BALANCE</b>	<b>25,196</b>	<b>32,206</b>	<b>7,011</b>	<b>29,043</b>	<b>31,471</b>	<b>30,137</b>	<b>28,615</b>	<b>28,579</b>	<b>26,272</b>	<b>25,900</b>	<b>32,206</b>	<b>25,900</b>

## APPENDIX E – Pressures, Mitigations and Risk analysis

The table below shows the current assessment of financial risks and mitigations, in best, likely and worst case scenarios.

Risk Scenarios - as at month 5 2023/24	Risk scenario Analysis			UNCONTROLLABLE COST ELEMENT OF RISK SCENARIOS		
Description	M5 BEST CASE	M5 LIKELY CASE	M5 WORST CASE	BEST	LIKELY	WORST
	£000	£000	£000	£000	£000	£000
22/23 budget break-even assumption	0	0	0			
Operational positions						
Mental Health Directorate	1,422	1,247	522			
Community Health Services	200	0	(800)	(269)	(369)	(569)
Families, Young People and Childrens Services	250	100	0			
Learning Disabilities	350	200	0			
Hosted Services	100	0	(250)			
Estates	(3,800)	(5,000)	(5,500)	(1,500)	(1,666)	(2,016)
Enabling Services	300	0	(300)			
Operational Services - sub-total:	(1,178)	(3,453)	(6,328)	(1,769)	(2,035)	(2,585)
Trustwide/Corporate - Currently residing in Reserves						
Pay inflation - ICS funding shortfall	0	0	(3,000)			(3,000)
Unallocated CIPs	(2,000)	(2,000)	(3,000)			
Risk of not realising planned 'Hypothetical valuations' savings	(60)	(60)	(1,250)		(60)	(1,250)
Risk of not achieving planned £2.7m non-recurrent expenditure gains	0	(518)	(818)			
Risk of not delivering planned £2.5m non-recurrent income target	(1,000)	(1,750)	(2,500)			
Risk of not receiving planned £1.8m national capital charges funding	210	210	(290)			(290)
Other reserves / balancing	1,172	695	349			(348)
SUB-TOTAL RISK SCENARIOS:	(2,856)	(6,876)	(16,837)	(1,769)	(2,095)	(7,473)
FURTHER MITIGATIONS CONFIRMED	BEST	LIKELY	WORST			
Additional directorate flexibility (TBC)	1,456	0	0			
Interest receivable - revised forecast	1,400	1,000	0			
NET MITIGATED RISK ASSUMPTION:	0	(5,876)	(16,837)	(1,769)	(2,095)	(7,473)



## Trust Board Meeting 26/09/2023

### Month 5 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 accept the reported year to date financial performance.

**Decision required:** N/A

#### Governance table

For Board and Board Committees:	Trust Board	
Paper sponsored by:	Sharon Murphy, Director of Finance & Performance	
Paper authored by:	Chris Poyser, Head of Corporate Finance Jackie Moore, Financial Controller	
Date submitted:	19/09/2023	
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):	Regular report issued to Accountability Framework Meeting, Executive Management Board, Finance & Performance Committee and Trust Board meeting.	
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	- 90 Inadequate control, reporting and management of the Trust's 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