

SWBH FINANCE REPORT

**Trust Board: 6th June 2019
Month 1 Financial Performance**

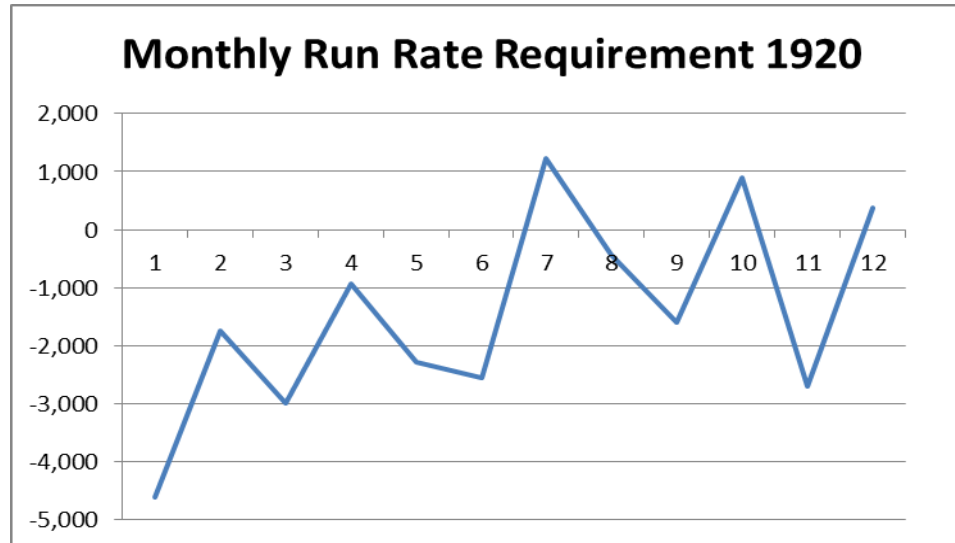
Contents

Slide	Description
3-4	Month 1 summary
5	Internal Budgets – monthly phasing of control total achievement
6	Income
7	Production Plan
8	Contract Income by Point of Delivery
9	Contract Income by Commissioner Cluster
10	Contract Income by Group
11	Pay
12-13	Agency Spend
14-15	Non-pay
16	CIP delivery versus forecast
17	CIP delivery by clinical group and corporate directorate
18-19	Income and Expenditure by Group and Directorate
20-25	Technical Section

Month 1 Summary

TABLE: YEAR TO DATE I&E PERFORMANCE

	Budget £000's	Actual £000's	Variance £000's
Patient Related Income	37,598	36,374	-1,225
Other Income	3,950	3,944	-6
Pay	-28,857	-27,813	1,044
Non Pay	-14,839	-14,617	222
Non Operational Costs	-2,465	-2,465	0
Net Income and Expenditure	-4,613	-4,577	35



- The table demonstrates achievement of the required run rate for Month 1, 2019/20.
- The graph shows the monthly trend of results required to achieve the 2019/20 control total of a deficit of £17.348m (before central support to reach overall break even).

Month 1 position summary

- **ANALYSIS**

- **Commissioner PRI was £1.1m adverse to control total.**

- Pass-through (£0.4m) (offset by favourable non-pay variances)
- Production Plan (£0.3m) (Based on first cut data, expected to improve as coding completed)
- Emergencies (£0.1m) (gross activity over-performance £1m for SWB locally blocked back to plan. Note that if the local agreement with SWB not in place the national blended payment rules would default to plan + 20% margin in 2019-20, and therefore the impact of the block arrangement is minimal)
- Community (£0.1m) (FP10's offset by favourable non-pay variance)

- **Other Patient Related Income was £0.125m adverse to control total.**

- **Other Income had a small adverse variance to control total**

- **Pay had a £1.05m favourable variance from plan. This was driven by vacancies exceeding temporary staff cover.**

- In terms of worked wte's there were 1,184 less than plan in month
- This was offset by the use of 791 temporary wtes
- Net 393 wte not covered by temporary solutions
- Note alignment of temporary usage not perfect to vacancies (ie temporary staff usage does not necessarily relate to vacancies).
- Note some vacancies offset by non-pay solutions (eg tests sent to outside reporting companies in Imaging)

- **Non Pay had a £0.222m favourable variance to control total**

- £0.4m driven by pass-through (offset by corresponding income under-performance)

- **FORWARD VIEW**

- **As delivery of the Production plan ramps up, and the Trust objective to fill all vacancies is achieved, the issue of grip and control on expenditure (both pay and non-pay) will come more into focus and important for continued financial stability.**

- **Fortuitous favourable expenditure variances will not be there to mask grip and control issues such as**

- Poor Rostering practice
- High sickness levels
- Poor non-pay ordering practices

Plan versus Actual, Income and Expenditure

TABLE: PERFORMANCE AGAINST PLAN

	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's	OUTTURN £000's
Plan (Pre-STF, FRF, MRET)	-4,613	-1,738	-2,981	-932	-2,286	-2,546	1,222	-432	-1,597	887	-2,707	373	-17,348
Actuals (Pre-STF, FRF, MRET)	-4,577												
Variance	35												

ANALYSIS

- Table above shows the phasing of the Trusts control total pre financial support.
- Average Monthly run-rate is required to be a deficit of £1.446m.
- Headline that April is considerably away from this average, but is in line with plan.
- April actual position does contain circa £1.0m of AfC payments made to people at the top of scale, and is a one off, and £0.35m of non-pay accruals used to square the position.
- Based on April actuals Trust needs to improve run rate by around £1.8m per month to comply with control total.
- The monthly run rate phasing by income and expenditure category is set out below.

	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's	OUTTURN £000's
1 - Patient Related Income	37,598	39,549	38,376	40,551	39,210	38,776	41,756	40,141	38,960	41,433	37,808	40,916	475,073
2 - Other Income	3,950	3,950	3,950	3,955	3,980	3,980	4,728	4,733	4,758	4,758	4,758	4,758	52,256
3 - Pay	-28,857	-27,955	-28,037	-28,218	-28,261	-28,261	-28,343	-28,340	-28,328	-28,304	-28,299	-28,301	-339,503
4 - Non Pay	-14,839	-14,816	-14,805	-14,755	-14,749	-14,576	-14,454	-14,501	-14,521	-14,534	-14,508	-14,535	-175,595
5 - Non Operational Costs	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-2,465	-29,579
Monthly Surplus / deficit	-4,613	-1,738	-2,981	-932	-2,286	-2,546	1,222	-432	-1,597	887	-2,707	373	-17,348

Income Year to Date Performance and Plan

TABLE: YEAR TO DATE INCOME PERFORMANCE

		Budget £000's	Actual £000's	Variance £000's
1 - Patient Related Income	SLAs: Main Healthcare Contracts	36,894	35,794	-1,099
	Income: NHS Trusts	120	136	16
	Income: Other NHS Bodies	223	177	-46
	Private Patients Income	252	155	-96
	Other Non Protected Income	110	111	1
1 - Patient Related Income Total		37,598	36,374	-1,225
2 - Other Income	Income: NHS Trusts	461	444	-17
	Income: Other NHS Bodies	420	360	-59
	Provision of Diagnostic Services	467	460	-7
	Provision of Facilities & Related Services	506	554	48
	Education & Training	1,502	1,512	11
	Research and Development	105	108	4
	Other Income	491	505	14
2 - Other Income Total		3,950	3,944	-6
Grand Total		41,548	40,317	-1,231

Income Analysis

Main Healthcare contract income reflects the first month's application of the novel contract with SWBCCG, blocking back some contract lines but incentivising delivery of waiting time and list reductions and localisation activity. The SWBCCG contract underperformed in Period 1, primarily a shortfall in performance on planned care activity that will be recovered in year.

Production Plan

	April	May	June	July	August	September	October	November	December	January	February	March	Outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Plan Value	£11,024	£11,767	£11,456	£12,279	£12,223	£12,116	£13,789	£12,724	£11,972	£13,165	£11,987	£13,092	£147,595
Plan Actual	£10,585												
Difference	-£439												

Production Plan Analysis

The production plan comprises core activity for each commissioner, activity to deliver reduction to waiting list and waiting times and planned activity from localisation.

The difference in period 1 comprises shortfalls against this plan in cardiology and orthopaedic daycases and in first outpatient activity in general surgery, neurology and orthopaedics.

Recovery plans will be put in place to address these shortfalls in future months.

Main Contract Income: Year to Date by Point of Delivery

Point of Delivery	Activity Plan	Activity Actual	Activity Diff	Price Plan £000	Price Actual £000	Price Diff £000
A&E	18,126	19,327	1,201	£2,431	£2,461	£31
ARD	41	31	-10	£5	£4	-£1
Community	55,787	54,119	-1,667	£3,380	£3,320	-£60
DC	3,367	3,243	-124	£2,959	£2,757	-£202
EL	568	595	27	£1,635	£1,701	£66
Emergencies	3,883	4,351	468	£8,585	£8,500	-£85
Emergency Short Stay	593	541	-52	£459	£439	-£20
Maternity	1,527	1,384	-143	£1,457	£1,389	-£68
OCD	1,193	1,273	80	£654	£697	£43
OCL	322,222	311,156	-11,065	£7,560	£7,024	-£536
OP New	18,845	17,783	-1,062	£3,299	£3,178	-£122
OP Procedures	7,918	8,464	547	£1,413	£1,486	£73
OP Review	29,820	27,737	-2,083	£2,260	£2,102	-£158
OP Telephone	1,645	1,986	341	£39	£43	£3
Unbundled	5,464	4,924	-540	£575	£514	-£61
XBD	657	446	-211	£184	£180	-£4
Grand Total	471,655	457,361	-14,294	£36,894	£35,794	-£1,100

Analysis

The contract agreement with SWBCCG constrained payment for overperformance in A&E and for emergency activity in period 1, whilst planned care did not deliver to plan in daycases and new outpatients.

The difference to contract in other contract lines reflects lower income than plan for pass through drugs and devices which is offset by lower than planned expenditure on the same.

Main Contract Income: Year to Date by Commissioner Cluster

Purchaser Cluster	Activity Plan	Activity Actual	Activity Diff	Price Plan £000	Price Actual £000	Price Diff £000
NHS Sandwell and West Birmingham CCG	381,222	362,197	-19,025	£24,211	£23,636	-£575
NHS Birmingham and Solihull CCG	73,966	77,778	3,812	£5,926	£6,461	£535
Associate CCGs	7,778	9,116	1,339	£1,482	£1,738	£255
NHS England	5,487	5,202	-285	£3,979	£2,781	-£1,198
Sandwell Council	0	0	0	£842	£842	£0
Other Commissioners	3,203	3,068	-135	£454	£337	-£117
Grand Total	471,655	457,361	-14,294	£36,894	£35,794	-£1,100

Analysis

Lower than plan performance on the Sandwell & West Birmingham contract reflects an underperformance in planned care, principally in daycases (cardiology and orthopaedics) and in new outpatients (general surgery, neurology and orthopaedics). The £1.1m underperformance in the period on the NHS England contract is primarily driven by lower than expected income from pass through drugs and devices which will be offset by lower than planned expenditure. A level of underperformance is also reported against emergency and some planned care activity for NHSE which will resolve once all coding and grouping is complete. This will reallocate activity to NHSE specialised services that is currently reported against CCG commissioners.

Main Contract Income: Year to Date by Group

Group	Activity Plan	Activity Actual	Activity Diff	Price Plan £000	Price Actual £000	Price Diff £000
Central	0	0	0	£97	£40	-£57
Corporate	9,249	11,211	1,962	£413	£385	-£28
Imaging	311,688	294,601	-17,087	£1,455	£1,449	-£6
Medicine & Emergency Care	37,535	38,657	1,122	£12,241	£11,891	-£350
Primary Care, Community and Therapies	63,672	63,472	-200	£5,650	£5,383	-£267
Surgical Services	38,828	39,500	672	£10,498	£10,042	-£456
Women & Child Health	10,683	9,920	-763	£6,540	£6,604	£64
Grand Total	471,655	457,361	-14,294	£36,894	£35,794	-£1,100

Analysis

The contract difference in period 1 is driven by underperformance in planned care and pass through drugs and devices. These impact primarily on Medicine & Emergency Care (pass through drugs and devices, offset by compensating reductions in expenditure), Primary Care, Community and Therapies (planned care daycases and new outpatients) and Surgical Services (planned care daycases and new outpatients).

Pay Year to Date Performance and Plan

TABLE 1: YEAR TO DATE PERFORMANCE AGAINST PAY PLAN

	Budget £000's	Actual £000's	Variance £000's
Medical Staffing	-7,988	-6,663	1,325
Management	-1,278	-1,112	165
Administration and Estates	-2,719	-2,336	383
Healthcare Assistants and Support Staff	-3,317	-2,751	567
Qualified Nursing and Midwifery	-9,535	-7,766	1,769
Scientific, Therapeutic and Technical	-3,595	-3,081	514
Bank Staff	-121	-2,316	-2,195
Agency Staff	-108	-1,501	-1,393
Other Pay	-197	-288	-91
TOTAL PAY	-28,857	-27,813	1,044

TABLE 2: YEAR TO DATE PERFORMANCE AGAINST PAY PLAN BY STAFF TYPE

	Budget £000's	Actual £000's	Variance £000's
Medical Staffing	-8,062	-7,993	68
Management	-1,278	-1,112	165
Administration and Estates	-2,766	-2,641	125
Healthcare Assistants and Support Staff	-3,348	-3,271	76
Qualified Nursing and Midwifery	-9,584	-9,157	427
Scientific, Therapeutic and Technical	-3,624	-3,350	274
Other Pay	-197	-288	-91
TOTAL PAY	-28,857	-27,813	1,044

Pay Analysis

- Table 1 above shows the pay position by staff Group with temporary staff broken out between bank and agency
- Table 2 shows the pay position with temporary staff within the relevant staff group.
- At month 1, all staff groups are showing a favourable variance to budget, even post use of temporary staff.
- At this stage of the year performance against the NHSI agency cap is of significant concern (see next page), where in April the Trust was 69% above the cap.
- Staff Groups where agency expenditure was expected to be closed off (A&C and Scientific and Therapeutic do not seem to have been closed off).
- Looking forward, as recruitment ramps up in line with the Trusts objective to achieve safe, permanent staffing levels, grip and control becomes vital in order to maintain financial balance. Effective rostering, annual leave management, sickness management all need to deliver to support reduction/elimination of vacancies.

Agency spend

TABLE: NHSI PLAN AGENCY

NHSI PLAN	Apr-19 £000s	May-19 £000s	Jun-19 £000s	Jul-19 £000s	Aug-19 £000s	Sep-19 £000s	Oct-19 £000s	Nov-19 £000s	Dec-19 £000s	Jan-20 £000s	Feb-20 £000s	Mar-20 £000s	TOTAL £000s
Nursing & Midwifery	-354	-354	-354	-354	-354	-354	-354	-354	-354	-354	-354	-359	-4,253
Scientific & Therapeutic	-54	-54	-54	-54	-54	-54	-54	-54	-54	-54	-54	-54	-648
HCA's	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-24
Consultants	-123	-123	-123	-123	-123	-123	-123	-123	-123	-123	-123	-123	-1,476
Career/Staff Grades	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-41	-492
Trainee Grades	-252	-252	-252	-252	-252	-252	-252	-252	-252	-252	-252	-252	-3,024
A&C	-61	-61	-61	-61	-61	-61	-61	-61	-61	-61	-61	-61	-732
TOTAL	-887	-887	-887	-887	-887	-887	-887	-887	-887	-887	-887	-892	-10,649

TABLE: ACTUAL AGENCY EXPENDITURE

ACTUALS	Apr-19 £000s	May-19 £000s	Jun-19 £000s	Jul-19 £000s	Aug-19 £000s	Sep-19 £000s	Oct-19 £000s	Nov-19 £000s	Dec-19 £000s	Jan-20 £000s	Feb-20 £000s	Mar-20 £000s	TOTAL £000s
Nursing & Midwifery	-510												
Scientific & Therapeutic	-183												
HCA's	0												
Consultants	-233												
Career/Staff Grades	-113												
Trainee Grades	-389												
A&C	-73												
TOTAL	-1,501												

TABLE: VARIANCE FROM NHSI PLAN

VARIANCE	Apr-19 £000s	May-19 £000s	Jun-19 £000s	Jul-19 £000s	Aug-19 £000s	Sep-19 £000s	Oct-19 £000s	Nov-19 £000s	Dec-19 £000s	Jan-20 £000s	Feb-20 £000s	Mar-20 £000s	TOTAL £000s
Nursing & Midwifery	-156												
Scientific & Therapeutic	-129												
HCA's	2												
Consultants	-110												
Career/Staff Grades	-72												
Trainee Grades	-137												
A&C	-12												
TOTAL	-614												

Agency Analysis

- First Table shows NHSI plan for agency by staff type. Second table show actual expenditure, and the final table the variance from the NHSI plan.
- All staff groups except HCA's are showing an adverse variance to the plan.
- Next page shows where the agency spend is being incurred.

Table 8: Agency Spend by Type and Group

TABLE: AGENCY EXPENDITURE BY GROUP AND TYPE

GROUP	STAFF GROUP	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's
Medicine & Emergency Care	Healthcare Assistants and Support Staff	0											
	Medical Staffing	-325											
	Qualified Nursing and Midwifery	-230											
	Scientific, Therapeutic and Technical	-5											
TOTAL Medicine & Emergency Care		-560	0	0	0	0	0	0	0	0	0	0	0
Surgical Services	Medical Staffing	-287											
	Qualified Nursing and Midwifery	-157											
	Scientific, Therapeutic and Technical	-86											
TOTAL Surgical Services		-530	0	0	0	0	0	0	0	0	0	0	
Women & Child Health	Administration and Estates	-8											
	Medical Staffing	-80											
	Qualified Nursing and Midwifery	-58											
	Scientific, Therapeutic and Technical	-6											
TOTAL Women & Child Health		-152	0	0	0	0	0	0	0	0	0	0	
Primary Care, Community and Therapies	Administration and Estates	0											
	Medical Staffing	-43											
	Qualified Nursing and Midwifery	-18											
	Scientific, Therapeutic and Technical	-19											
TOTAL Primary Care, Community and Therapies		-81	0	0	0	0	0	0	0	0	0	0	
Imaging	Qualified Nursing and Midwifery	-26											
	Scientific, Therapeutic and Technical	-39											
TOTAL Imaging		-64	0	0	0	0	0	0	0	0	0	0	
Corporate	Administration and Estates	-65											
TOTAL Corporate		-65	0	0	0	0	0	0	0	0	0	0	
Central	Qualified Nursing and Midwifery	-21											
	Scientific, Therapeutic and Technical	-28											
TOTAL Central		-49	0	0	0	0	0	0	0	0	0	0	
TOTAL AGENCY		-1,501	0	0	0	0	0	0	0	0	0	0	

Agency Analysis

- Medicine and Emergency Care remain the biggest consumers of agency staff, closely followed by Surgical Services.
- In terms of those staff groups where expenditure was expected to be closed off:
- **Admin & Clerical** Interpreters (£28k), and Finance (£18k) were the biggest users. The latter is being looked at to assess whether it is consultancy rather than agency. Gynae-Oncology (£8k) and BCA (£7k) were the next biggest users.
- **Scientific & Therapeutic** Theatres (£55k) Orthotics (£30k) Imaging (£38k) were the biggest users in April.
- Theatre usage relates to staffing required to achieve production plan.

Non-pay Year to Date Performance and Plan

TABLE: YEAR TO DATE PERFORMANCE AGAINST NON PAY PLAN

	Budget £000's	Actual £000's	Variance £000's
Drugs and Blood Products	-3,492	-3,109	383
Medical Equipment and Consumables	-3,355	-3,212	143
Energy and Utilities	-962	-933	29
Hotel Service Costs	-471	-430	41
IT Equipment and Consumables	-439	-430	9
Postage, Printing and Stationery	-261	-366	-104
Staff Related Expenditure	-198	-149	49
Servs Rec'd: NHS Bodies	-1,704	-1,825	-121
Serv Rec'd:Non NHS Bodies	-1,021	-1,230	-209
Facilities Related Costs	-465	-396	70
CNST Contributions	-1,104	-1,104	0
Other Costs	-1,366	-1,433	-67
Recharges	0	0	0
TOTAL - NON PAY	-14,839	-14,617	222
Depreciation	-1,448	-1,428	20
Interest Receivable	5	-16	-20
Interest Payable	-187	-187	1
PDC Dividend	-819	-819	0
Profit / (Loss) on Asset Disposals	-16	-16	0
TOTAL - NON OPERATIONAL COSTS	-2,465	-2,465	0
TOTAL	-17,304	-17,082	222

NON PAY ANALYSIS

- Favourable variance to control total largely driven by under-performance against pass-through contact lines.
- In terms of categories that have adverse variances.
 - Postage Printing and Stationary there are a lot of small variances, largest adverse variances are within IT and Operations (Unity driven)
 - Services Received NHS Trusts, Black Country Pathology, mainly Hub Costs (£114k), Maternity Pathway (£28k)
 - Services Received Non NHS, IT (£100k) external consultancy
- **Looking Forward, delivery of production plan and within that localisation will see an increase non-pay expenditure. Grip and control with key areas remains vital. Recruitment to posts is also vital to reduce reliance on external providers and the associated premium costs.**

CIP delivery versus Forecast

PHASED CIP PLAN BY CATEGORY

	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's	TOTAL £000's
Group Specific Procurement Savings	10	23	35	38	38	40	40	40	40	43	49	49	444
NHSSC	72	72	72	72	72	72	72	72	72	72	72	70	860
NHSSC - Profit Share	0	0	0	0	0	0	45	45	45	45	45	45	269
Pharmacy Savings	57	7	7	11	17	42	42	47	47	47	47	47	416
Procurement Unallocated	0	0	0	0	0	0	200	200	200	200	200	200	1,200
Reserves Release	68	68	68	68	68	68	68	68	68	68	68	68	812
TOTAL NON PAY SAVING	206	170	181	189	195	221	466	471	471	474	480	478	4,001
Margin	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,337	16,000
TOTAL CIP PLAN	1,539	1,503	1,514	1,522	1,528	1,554	1,799	1,804	1,804	1,807	1,813	1,815	20,001

% 7.69% 7.51% 7.57% 7.61% 7.64% 7.77% 8.99% 9.02% 9.02% 9.03% 9.06% 9.08% 100.00%

CIP DELIVERY BY CATEGORY

	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's	TOTAL £000's
Group Specific Procurement Savings	10												
NHSSC	76												
NHSSC - Profit Share	0												
Pharmacy Savings	57												
Procurement Unallocated	0												
Reserves Release	68												
TOTAL NON PAY CIP	211	0	0	0	0	0	0	0	0	0	0	0	0
Margin	1,300												
TOTAL CIP DELIVERY	1,511												

VARIANCE FROM PLAN

	Apr-19 £000's	May-19 £000's	Jun-19 £000's	Jul-19 £000's	Aug-19 £000's	Sep-19 £000's	Oct-19 £000's	Nov-19 £000's	Dec-19 £000's	Jan-20 £000's	Feb-20 £000's	Mar-20 £000's	TOTAL £000's
Group Specific Procurement Savings	0												
NHSSC	4												
NHSSC - Profit Share	0												
Pharmacy Savings	0												
Procurement Unallocated	0												
Reserves Release	0												
TOTAL NON PAY CIP	5												
Margin	-33												
TOTAL CIP DELIVERY	-28												

CIP Performance by Clinical Group & Corporate Directorate against forecast

Cost Improvement Programmes	Forecast Outturn £'000	Year to Date CIP Delivery			Likely Achievement (excl. mitigations) £'000	Variance from plan £'000
		Achieved £'000	Forecast £'000	Variance £'000		
Medicine and Emergency Care	343	26	21	5	343	0
Surgical Services	604	32	41	(9)	604	0
Women and Child Health	121	10	9	1	121	0
Primary Care, Community and Therapies	85	6	4	1	85	0
Imaging	22	2	1	0	22	0
Sub-Total Clinical Groups	1,176	75	76	(2)	1,176	0
Strategy and Governance	19	0	0	0	19	0
Finance	0	0	0	0	0	0
Medical Directors Office	1	0	0	0	1	0
Operations	277	54	52	1	277	0
People & Organisation Development	1	0	0	0	1	0
Estates & New Hospital Project	201	0	5	(5)	201	0
Corporate Nursing Services	45	11	4	7	45	0
Sub-Total Corporate	544	65	62	4	544	0
Central	18,280	1,371	1,401	(30)	18,280	0
Other				0	0	0
Total CIPs	20,000	1,511	1,539	(28)	20,000	0
Annual Target 19/20	20,000				20,000	
(Deficit)/Excess of Schemes Above Plan	0					

CIP ANALYSIS

Final split of NHSSC Funding model changes different from those apportioned to Directorates. Overall value increased from an estimated £0.86m to £0.916m.

The small variances within Groups and Corporate Directorates largely by this issue

Variance in Central driven by small under-delivery on the Margin plan. Once activity is fully coded this is expected to be mitigated.

Income and Expenditure by Group

TABLE: INCOME AND EXPENDITURE BY GROUP

		Apr-19 £000s	May-19 £000s	Jun-19 £000s	Jul-19 £000s	Aug-19 £000s	Sep-19 £000s	Oct-19 £000s	Nov-19 £000s	Dec-19 £000s	Jan-20 £000s	Feb-20 £000s	Mar-20 £000s	TOTAL £000s
1 - Patient Related Income	Medicine & Emergency Care	12,367												12,367
	Surgical Services	10,034												10,034
	Women & Child Health	6,643												6,643
	Primary Care, Community and Therapies	5,332												5,332
	Imaging	1,453												1,453
	Corporate	543												543
	Central	2												2
1 - Patient Related Income Total		36,374	0	0	0	0	0	0	0	0	0	0	0	36,374
2 - Other Income	Medicine & Emergency Care	47												47
	Surgical Services	210												210
	Women & Child Health	70												70
	Primary Care, Community and Therapies	66												66
	Imaging	731												731
	Corporate	1,018												1,018
	Central	1,802												1,802
2 - Other Income Total		3,944	0	0	0	0	0	0	0	0	0	0	0	3,944
3 - Pay	Medicine & Emergency Care	-6,987												-6,987
	Surgical Services	-6,796												-6,796
	Women & Child Health	-3,835												-3,835
	Primary Care, Community and Therapies	-3,450												-3,450
	Imaging	-1,216												-1,216
	Corporate	-5,003												-5,003
	Central	-527												-527
3 - Pay Total		-27,813	0	0	0	0	0	0	0	0	0	0	0	-27,813
4 - Non Pay	Medicine & Emergency Care	-2,455												-2,455
	Surgical Services	-2,559												-2,559
	Women & Child Health	-1,141												-1,141
	Primary Care, Community and Therapies	-1,596												-1,596
	Imaging	-1,372												-1,372
	Corporate	-4,129												-4,129
	Central	-1,365												-1,365
4 - Non Pay Total		-14,617	0	0	0	0	0	0	0	0	0	0	0	-14,617
5 - Non Operational Costs	Central	-2,465												-2,465
5 - Non Operational Costs Total		-2,465	0	0	0	0	0	0	0	0	0	0	0	-2,465
Grand Total		-4,577	0	0	0	0	0	0	0	0	0	0	0	-4,577

Income and Expenditure by Group and Directorate

GROUP	DIRECTORATE	Annual Budget £000's	Budget £000's	Actuals £000's	Variance £000's
Medicine & Emergency Care	Emergency Care	23,476	1,777	1,858	81
	Admitted Care	21,289	1,328	1,114	-214
Medicine & Emergency Care Total		44,765	3,105	2,972	-133
Surgical Services	General Surgery	22,305	1,435	1,190	-245
	Specialist Surgery	21,558	1,434	1,144	-290
	Theatres	-23,802	-2,028	-2,007	22
	Anaesthetics, Pain Management and Critical Care	-9,190	-802	-594	208
	Ophthalmology	14,781	841	1,156	316
Surgical Services Total		25,653	879	889	11
Women & Child Health	Gynaecology, Gynae-Oncology	5,215	397	455	58
	Maternity & Perinatal Medicine	11,500	819	995	176
	Acute & Community Paediatrics	4,924	320	288	-32
Women & Child Health Total		21,640	1,536	1,737	201
Primary Care, Community and Therapies	iBeds	-5,028	-450	-389	61
	Ambulatory Therapies	-946	-117	-3	114
	iCares	4,463	329	385	56
	Community Medicine	6,293	442	358	-84
Primary Care, Community and Therapies Total		4,783	204	352	148
Imaging	Breast Screening	1,670	159	142	-17
	Diagnostic Radiology	-1,773	-180	-131	49
	Interventional Radiology	1,085	82	79	-3
	Nuclear Medicine	-189	-6	18	25
	Black Country Pathology	-3,975	-425	-513	-88
Imaging Total		-3,182	-369	-404	-34
Corporate	Strategy and Governance	-28,019	-2,456	-2,390	66
	Finance	-4,450	-386	-379	7
	Medical Directors Office	-2,330	-240	-214	26
	Operations	-18,662	-1,606	-1,580	26
	People & Organisation Development	-6,821	-594	-585	8
	Estates & New Hospital Project	-17,389	-1,379	-1,277	102
	Corporate Nursing Services	-12,864	-1,132	-1,145	-14
Corporate Total		-90,535	-7,793	-7,571	222
Central Total		-20,471	-2,174	-2,553	-379
NET I&E (Pre-PSF, FRF, MRET)		-17,348	-4,613	-4,577	35

SWBH
External Reporting
MAY 2019 – MONTH 1

Technical section - Contents

Slide	Description
22	SOFP
23	Capital
24	SOCF
25	Working Capital Metrics

Finance Report

SOFP

Month 1 2019/20

Sandwell & West Birmingham Hospitals NHS Trust

STATEMENT OF FINANCIAL POSITION 2019/20

	Balance as at 31st March 2019	Balance as at 30th April 2019	NHSI Planned Balance as at 30th April 2019	Variance to plan as at 30th April 2019	NHSI Plan as at 30th April 2019	Forecast 30st April 2019
	£000	£000	£000	£000	£000	£000
Non Current Assets						
Property, Plant and Equipment	463,039	464,457	466,526	(2,069)	609,389	609,389
Intangible Assets	169	165	106	59	106	106
Trade and Other Receivables	194	184	67	117	67	67
Current Assets						
Inventories	4,709	4,709	4,742	(33)	4,742	4,742
Trade and Other Receivables	47,770	45,628	47,344	(1,716)	47,344	47,344
Cash and Cash Equivalents	27,966	21,472	13,919	7,553	12,434	12,434
Current Liabilities						
Trade and Other Payables	(74,732)	(71,401)	(66,851)	(4,550)	(75,982)	(75,982)
Provisions	(2,353)	(1,268)	(1,855)	587	(1,855)	(1,855)
Borrowings	(1,268)	(2,354)	(1,062)	(1,292)	(1,062)	(1,062)
DH Loan	0	0	0	0	0	0
Non Current Liabilities						
Provisions	(3,325)	(3,325)	(3,454)	129	(3,454)	(3,454)
Borrowings	(29,440)	(29,244)	(29,041)	(203)	(27,076)	(27,076)
DH Loan	0	0	0	0	0	0
	432,729	429,023	430,441	(1,418)	564,653	564,653
Financed By						
Taxpayers Equity						
Public Dividend Capital	247,717	247,717	251,936	(4,219)	381,604	381,604
Retained Earnings reserve	166,902	163,196	156,122	7,074	160,666	160,666
Revaluation Reserve	9,052	9,052	13,325	(4,273)	13,325	13,325
Other Reserves	9,058	9,058	9,058	0	9,058	9,058
	432,729	429,023	430,441	(1,418)	564,653	564,653

Analysis

- The NHSI planned balances are as per the final draft plan submission of 4th April.
- The SOFP shows a very small variance overall from that with no major variance from plan at Month 1.

Finance Report

Capex

Month 1 2019/20

Capital Programme Monitoring 2019/20		2019/20 In Year position YTD			
		YTD to period 1			
Summary	Programme Heading	Annual NHSI Plan	YTD	YTD Spend	YTD Variance
		Apr-19	NHSI Plan	To Period	(YTD F/Cast vs YTD Spend)
		£000's	£000's	£000's	£000's
SUMMARY	Estates	17,050	791	226	565
SUMMARY	Informatics	9,236	902	1,041	-139
SUMMARY	Equipment	4,033	117	0	117
SUMMARY	Sub-Total Main CRL programme	30,319	1,810	1,267	543
SUMMARY	Technical / Charitable	2,631	207	54	153
SUMMARY	TOTAL CORE TRUST WIDE PROGRAMME	32,950	2,018	1,321	697
SUMMARY	Midland Met Construction	113,460	0	0	0
SUMMARY	EWP & Continuance	7,023	584	1,540	-955
SUMMARY	Reconfiguration	13,739	1,134	0	1,134
SUMMARY	TOTAL NON CORE PROGRAMME	134,222	1,718	1,540	179
SUMMARY	TOTAL: EVERYTHING (CORE & NON CORE)	167,172	3,736	2,861	875

- The above table shows Month 1 capex against the NHSI 4th April plan submission
- It should be noted that the Trust has indicated some slippage against the Midland Met replacement contractor in response to programme changes and national capital budgetary pressures. This is timing slippage only.

Finance Report

SOCF

Month 1 2019/20

Sandwell & West Birmingham Hospitals NHS Trust												
CASH FLOW 2019/20												
	April	May	June	July	August	September	October	November	December	January	February	March
ACTUAL/FORECAST	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Receipts												
SLAs: SWB CCG	23,307	27,268	27,268	27,268	23,268	27,268	32,165	26,644	27,389	25,187	25,824	29,930
Associates	7,573	6,466	6,466	6,466	10,466	6,466	1,166	6,466	6,466	7,141	7,141	7,141
Other NHS	1,576	0	0	0	0	0	759	734	1,193	1,361	774	701
Specialised Services	3,693	3,896	3,896	3,896	3,896	3,896	3,540	3,787	2,583	3,942	3,890	431
PSF Funding and Taper Relief	0	0	0	10,302	0	0	0	0	0	7,448	0	0
Over Performance	0	0	0	0	0	0	0	0	0	0	0	0
Education & Training - HEE	149	0	4,476	0	0	4,476	0	0	4,405	0	0	4,405
Public Dividend Capital	0	1,750	1,879	14,439	12,545	12,545	14,098	14,098	14,098	11,177	11,177	11,177
Loans	0	0	0	0	0	0	0	0	0	0	0	0
Other Receipts	3,696	2,425	2,425	2,425	2,425	1,925	2,225	1,725	3,475	2,425	2,425	2,075
Total Receipts	39,994	41,805	46,410	64,796	52,600	56,576	53,953	53,454	59,610	58,680	51,232	55,860
Payments												
Payroll	14,620	14,103	14,103	14,354	14,103	14,103	14,355	14,259	14,104	15,255	14,104	13,603
Tax, NI and Pensions	10,316	10,080	10,080	10,080	10,080	10,080	10,130	10,130	10,130	10,130	10,130	10,130
Non Pay - NHS	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Non Pay - Trade	13,714	11,823	11,457	12,718	12,854	11,358	14,572	17,112	13,863	13,737	10,821	10,603
Non Pay - Capital	3,526	3,937	4,311	17,531	15,701	15,847	16,571	16,663	16,752	14,085	14,126	14,385
Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0
PDC Dividend	0	0	0	0	0	5,995	0	0	0	0	0	5,995
Repayment of Loans & Interest	0	0	0	0	0	0	0	0	0	0	0	0
BTC Unitary Charge	440	440	440	440	440	440	440	440	440	440	440	440
NHS Litigation Authority	1,415	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	0	0
Other Payments	906	94	94	89	93	93	163	189	239	299	239	119
Total Payments	46,487	43,131	43,139	57,865	55,925	60,570	58,884	61,447	58,182	56,600	51,410	56,825
Cash Brought Forward	27,966	21,472	20,146	23,417	30,347	27,021	23,027	18,096	10,103	11,531	13,611	13,433
Net Receipts/(Payments)	(6,494)	(1,326)	3,271	6,930	(3,325)	(3,994)	(4,931)	(7,993)	1,428	2,080	(178)	(965)
Cash Carried Forward	21,472	20,146	23,417	30,347	27,021	23,027	18,096	10,103	11,531	13,611	13,433	12,468

Analysis

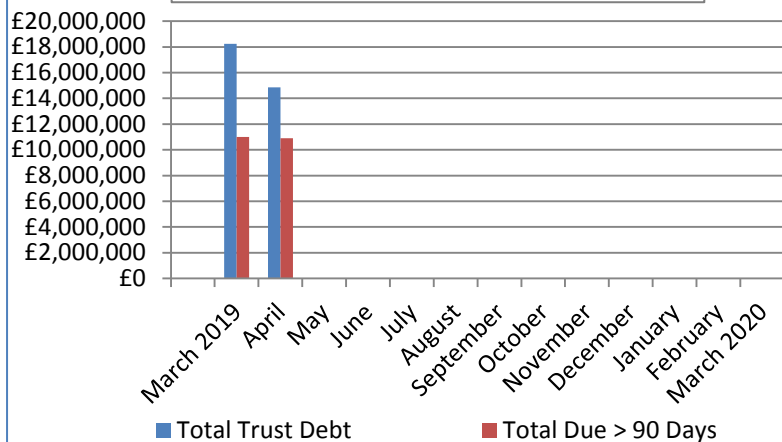
- This cash flow incorporates YTD M1 actual movements and a full year forecast.
- The plan submission on 4.4.19 anticipated cash borrowing of circa £3.4m over one month only. This latest forecast indicates that borrowing may not be necessary due to the higher than expected cash balance at 31.3.19. This requirement will be reviewed as we progress through the year and will be impacted by any changes to assumptions inherent within the plan.
- Over the medium term delivery of I&E plans are the key determinant of cash borrowing requirements, as well as capital investment.

Finance Report

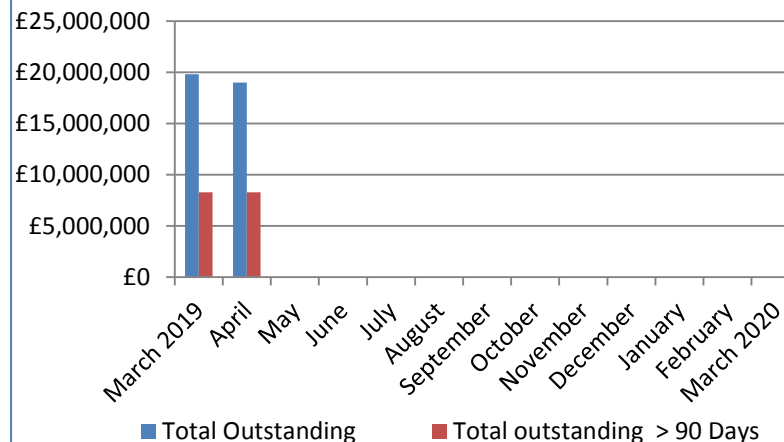
Aged Receivables, Aged Payables, BPPC and Cash Forecast

Month 1 2019/20

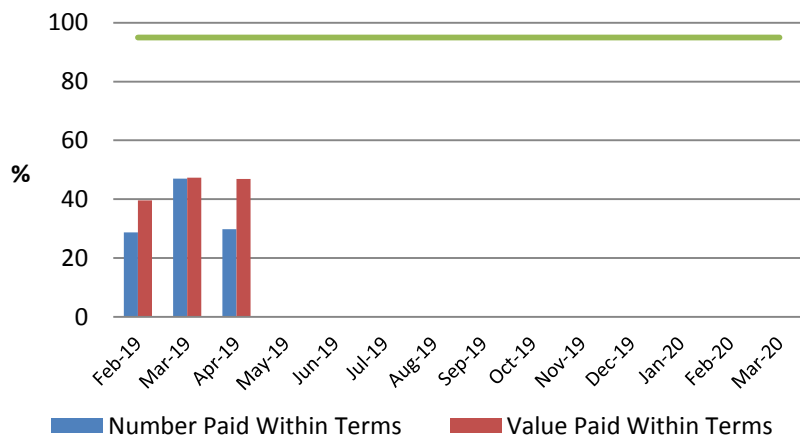
Aged Receivables 2019-20



Aged Payables 2019-20



Annual BPPC Performance



Analysis

- Aged Receivables - Overall Debt reduced as invoices were settled by Sandwell CCG and Sandwell MBC. The aged profile remained static as historic non NHS debts aged further. Progress has been made on negotiations of these debts and The Trust expects improvement prior to 31st March 2020.
- Payables reduced at 30th April as the Trust continued to make progress resolving the payment of older invoices and is expecting to report a further improved Payables position at the end of March 2020 as progress is made on resolving historical NHS invoice issues.
- BPPC remains low and is below the 95% target. This will continue to be managed in line with non-NHS creditor improvement and cash balances.