

Trust Board Meeting: Wednesday 8 July 2015

TB2015.83

Title	Financial Performance to 31 May 2015
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Status	A paper for report.
History	Regular report

Board Lead	Mr Mark Mansfield, Director of Finance and Procurement			
Key purpose	Strategy	Assurance	Policy	Performance

Summary

This report informs the Board of the Trust's financial position for the first two months of the financial year 2015/16.

Contents

The report contains information on the following:

- The Trust's Statement of Comprehensive Income [income & expenditure (I&E)] position after the first two months of the year (Pages 3 to 11), including:
 - Statements on the Trust's overall I&E position Pages 3 & 4
 - Details about its income and expenditure position Pages 5 to 9
 - Details about its savings programme Page 10
 - Details about non-operational income & expenditure Page 11
- The Statement of Financial Position at 31 May 2015 Pages 12 & 13
- The Statement of Cashflow and cashflow forecast Pages 14 & 15
- The Trust performance against Monitor's Continuity of Services rating Pages 16
- The position of the capital programme Page 17

Statement of Comprehensive Income (Income & Expenditure Account) – including Research

I&E (including R&D)	Annual Plan £000	Year to Date		
		Plan £000	Actual £000	Variance £000
Operating Income				
Commissioning Income	773,630	125,096	124,055	(1,041)
PP, Overseas & RTA Income	13,480	2,240	1,396	(844)
Other Income	135,121	23,685	24,051	366
Total Income	922,231	151,021	149,502	(1,519)
Operating Expenditure				
Pay	(497,997)	(84,333)	(86,082)	(1,749)
Non-Pay	(364,320)	(58,979)	(56,306)	2,673
Total Expenditure	(862,317)	(143,312)	(142,388)	924
EBITDA	59,914	7,709	7,114	(595)
Non-Operating Expenditure	(63,490)	(10,579)	(10,527)	52
Retained Surplus/(Deficit)	(3,576)	(2,870)	(3,413)	(543)
Technical Adjustments	3,576	593	587	(6)
Break Even Surplus	0	(2,277)	(2,826)	(549)

- The figures shown in the table on the left reflect the way in which financial performance is reported in the Trust's Statutory Statements.
- The Trust's financial position was £0.5m worse than plan against its break even duty after the first two months of the year.
- Commissioning income was £1.0m below plan. However significant caution needs to be taken regarding this figure as it is based on only one month's data, and some of that data was incomplete. Further details are shown on Page 5 of this report.
- Private patient income was below plan after the first two months of 2015/16 but, again, there may be some "catch up" in the collection and invoicing of activity over the next few months – see Page 6.
- Non-pay is affected by phasing differences in the plan relating to PFI contracts and utilities, and the release of provisions and old year accruals. Further information is shown on Page 9.

Statement of Comprehensive Income (Income & Expenditure Account) – excluding Research

Research & Development	Annual	Year to Date		
	Plan	Plan	Actual	Variance
	£000	£000	£000	£000
Income				
Other Income	44,869	7,425	6,185	(1,240)
Total Income	44,869	7,425	6,185	(1,240)
Expenditure				
Pay	(35,291)	(5,829)	(4,996)	833
Non-Pay	(9,578)	(1,596)	(1,189)	407
Total Expenditure	(44,869)	(7,425)	(6,185)	1,240
EBITDA	0	0	0	0

- At the end of May expenditure on research & development (R&D) was £1.2m less than plan with pay being £0.8m below plan and non-pay £0.4m less than anticipated. R&D income for this amount should therefore be adjusted to take this into account, resulting in an adverse variance for R&D against plan on “other” income.

I&E (excluding R&D)	Annual	Year to Date		
	Plan	Plan	Actual	Variance
	£000	£000	£000	£000
Operating Income				
Commissioning Income	773,630	125,096	124,055	(1,041)
PP, Overseas & RTA Income	13,480	2,240	1,396	(844)
Other Income	90,252	16,260	17,866	1,606
Total Income	877,362	143,596	143,317	(279)
Operating Expenditure				
Pay	(462,706)	(78,504)	(81,086)	(2,582)
Non-Pay	(354,742)	(57,383)	(55,117)	2,266
Total Expenditure	(817,448)	(135,887)	(136,203)	(316)
EBITDA	59,914	7,709	7,114	(595)
Non-Operating Expenditure	(63,490)	(10,579)	(10,527)	52
Retained Surplus/(Deficit)	(3,576)	(2,870)	(3,413)	(543)
Technical Adjustments	3,576	593	587	(6)
Break Even Surplus	0	(2,277)	(2,826)	(549)

- This table **excludes** the effect of R&D activities on the Trust’s financial position. It sets out the underlying operational performance in healthcare activities.
- The information about income and expenditure presented in the remainder of this report is based on this position: The Trust’s operational activities excluding R&D.

Commissioning Income – Analysis of Activity and Activity-Related Income

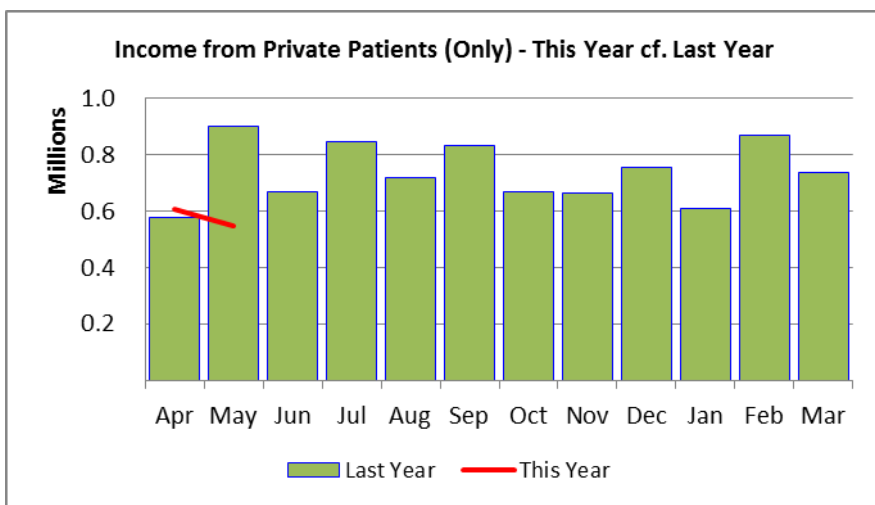
Activity	Activity - Year-to-Date				Income - Year-to-Date			
	YTD Plan	YTD Actual	YTD Diff.	YTD Diff. %	Plan £000	Actual £000	Diff. £000	Diff. %
Elective (incl. day cases)	18,013	16,856	(1,157)	(6.4%)	27,305	26,148	(1,157)	(4.2%)
Non-Elective	12,753	12,884	131	1.0%	27,050	27,725	675	2.5%
Out-Patients	163,648	172,768	9,120	5.6%	30,278	31,037	759	2.5%
Chemotherapy	5,180	5,232	51	1.0%	882	858	(24)	(2.7%)
Critical Care	8,435	8,198	(237)	(2.8%)	9,610	9,976	366	3.8%
Excess Beds	7,035	6,651	(384)	(5.5%)	1,775	1,698	(77)	(4.3%)
Drugs & Devices (Pass Through)					18,832	18,785	(47)	(0.2%)
Other Activity					10,840	10,375	(465)	(4.3%)
Total before Adjustments					126,572	126,602	30	0.0%
Adjustment for Thresholds					(2,014)	(2,851)	(837)	
Penalties & Denials						(234)	(234)	
Winter Funding from 2014/15					538	538		
Commissioning Income					125,096	124,055	(1,041)	(0.8%)

- The Trust's commissioning income position for the first two months of the year was calculated from data from one month only. There is therefore a considerable amount of estimation within the figures.
- Some data was also missing from the Month 1 system and estimates have had to be made for this income and activity.
- These early figures suggest that elective activity was below plan, with non-elective and out-patient work ahead of plan. Income from "pass through" drugs and devices was close to plan.
- Initial Month 2 income figures for actual performance indicate that May activity trends increased from those reflected in this report.

Private Patient, Overseas and Road Traffic Accident (RTA) Income

Analysis - PP, Overseas, RTA	Annual	Year to Date		
	Plan £000	Plan £000	Actual £000	Variance £000
PP, Overseas & RTA Income				
Private Patients	11,024	1,830	1,088	(742)
Overseas Patients	106	18	69	51
RTA Income	2,350	392	239	(153)
Total - PP, Overseas, RTA	13,480	2,240	1,396	(844)

- Income from private and overseas patients, and road traffic accidents (RTAs) was below plan up to the end of May.



Other Income

Other Income (excl. R&D)	Annual Plan £000	Year-to-Date		
		Plan £000	Actual £000	Variance £000
Other Income				
Training & Education	44,727	8,488	9,804	1,316
Research	4,278	713	985	272
Income Generation	3,653	609	561	(48)
Rental Revenues	1,926	320	294	(26)
Patient Transport	193	32	50	18
Donations	595	99	145	46
Other Income & Charges	34,880	5,999	6,027	28
Total - Other Income	90,252	16,260	17,866	1,606

- “Other” income is £1.6m above plan if funding for R&D projects is excluded.
- Training & education funding is not all received in equal twelfths throughout the year and the amount credited to the Trust after the first two months of 2015/16 is ahead of the planned amount. This will equal itself out over the course of the year.

Pay Expenditure – Analysis by Staff Group

OUH (excluding R&D)		Year to Date		
Staff Group	Staff Type	Plan £000	Actual £000	Variance £000
Consultants	Payroll	16,666	16,140	526
	Bank			
	Agency			
	Total	16,666	16,140	526
Other Medical Staff	Payroll	11,486	11,047	439
	Bank		280	(280)
	Agency	(8)	594	(602)
	Total	11,478	11,921	(443)
Nurses & Midwives	Payroll	23,391	21,150	2,241
	Bank	28	1,490	(1,462)
	Agency	(27)	2,763	(2,790)
	Total	23,392	25,403	(2,011)
Scientific, Tech., Therapeutic	Payroll	10,239	9,670	569
	Bank		36	(36)
	Agency	6	761	(755)
	Total	10,245	10,467	(222)
Other Staff	Payroll	16,636	15,905	731
	Bank	16	566	(550)
	Agency	71	684	(613)
	Total	16,723	17,155	(432)
OUH (excluding R&D)	Payroll	78,418	73,912	4,506
	Bank	44	2,372	(2,328)
	Agency	42	4,802	(4,760)
	Total	78,504	81,086	(2,582)

- The table on the left shows the year-to-date spend on pay by staff group against plan (excluding R&D).
- The overspend on pay is occurring mainly against the budgets for nurses and midwives where the cost of bank & agency staff exceeds the savings being made on payroll vacancies.
- The Trust has spent £0.38m on overtime payments in the first two months of the year. This compares to £0.40m in 2014/15.
- £1.44m has been spent on medical staff sessional payments compared to £1.43m in the first two months of 2014/15.

Non-Pay Expenditure

Year-to-Date Spend v. Plan

	Year-to-Date		
	Plan £000	Actual £000	Variance £000
OUH (excluding R&D)			
Activity-Related Spend	14,321	14,357	(36)
Services Received	1,693	1,820	(127)
Other Expenditure	22,537	20,155	2,382
Sub-Total - excl. Pass Thru'	38,551	36,332	2,219
Pass Through Costs	18,832	18,785	47
Total Non-Pay excl. Reserves	57,383	55,117	2,266
Reserves			
Total Non-Pay	57,383	55,117	2,266

- Non-pay expenditure to date is £2.2m underspent if the impact of “pass through” drugs and devices is disregarded.
- The “other expenditure” figure is affected by the release of accruals relating to 2014/15. The phasing of the plan for PFI contract payments and utilities also have resulted in favourable variances on this line.
- The table below left shows that non-pay spend for the first two months of 2015/16 is less than the average spend for the period December 2014 to February 2015 although the amount being paid for “pass through” drugs and devices has increased.

Ave. 14-15	Ave. 15-16	Diff. to
M9 - M11	M1 - M2	M9 - M11
£000	£000	£000

Non-Pay

Activity-Related Spend	7,783	7,583	(200)
Services Received	1,127	890	(237)
Other Expenditure	7,673	7,371	(302)
Sub-Total (excl. Pass Through)	16,583	15,844	(739)
Pass Through Costs	9,052	9,393	341
Total Non-Pay	25,635	25,237	(398)

Analysis of the Savings Programme

Theme	Plan £000	YTD Plan £000	YTD Act. £000	Diff. £000
Divisional Efficiency	17,172	2,212	2,103	(109)
Transformation	14,861	1,905	1,072	(833)
Workforce	5,604	933	873	(60)
Other	14,180	2,251	2,249	(2)
Total	51,817	7,300	6,297	(1,003)
Analysis of Savings by Type				
Savings - Pay (Skill Mix)	12,510	1,910	1,493	(417)
Savings - Pay (WTE reductions)	4,196	487	444	(43)
Savings Non Pay	19,887	2,655	2,582	(73)
Income	15,224	2,248	1,778	(470)
Total	51,817	7,300	6,297	(1,003)
Recurrent & Non-Rec. Savings				
Recurrent	49,201	6,881	5,922	(959)
Non-Recurrent	2,616	419	375	(44)
Total	51,817	7,300	6,297	(1,003)
Analysis of Savings by Risk Rating				
High	7,179	782	348	(434)
Medium	18,226	2,536	1,999	(537)
Low	26,412	3,982	3,950	(32)
Total	51,817	7,300	6,297	(1,003)

- The Trust has delivered £6.3m in savings after the first two months of the year. This represents 86.3% of the year-to-date plan.
- £2.6m of Divisional schemes are non-recurrent. Divisions will have to identify alternative recurrent plans ahead of 2016/17.

Non-EBITDA Income & Expenditure

The year-to-date position, and full year plan, figures for the Trust's non-EBITDA items of income & expenditure are shown below:

Non-EBITDA Items	Annual Plan £000	Year to Date		
		Plan £000	Actual £000	Variance £000
Non-Operating Items				
Depreciation	(35,900)	(5,983)	(6,040)	(57)
Investment Revenue	238	39	50	11
Other Gains & Losses	(200)	(33)		33
Finance Costs	(20,494)	(3,414)	(3,348)	66
PDC Dividend Payable	(7,134)	(1,188)	(1,189)	(1)
Total for Non-Op. Items	(63,490)	(10,579)	(10,527)	52
<i>Technical Adjustments</i>				
IFRIC 12 Technical Deficit (PFI)	437	70	73	3
Donated Asset Income	(269)	(45)		45
Donated Asset Depreciation	3,408	568	514	(54)
Total for Technical Adjs.	3,576	593	587	(6)
Overall Impact on Break Even	(59,914)	(9,986)	(9,940)	46

Non-Operating Items – refers to items of income or expenditure that are not regarded as being directly associated with the day-to-day running costs of the Trust and are included in a summary line in the Statement of Comprehensive Income on Pages 3 & 4 of this report.

- “Other Gains & Losses” is a technical accounting adjustment that is made following the disposal of assets.

Technical Adjustments – refers to items of income or expenditure that are included within the Trust's income & expenditure in the Statement of Comprehensive Income on Pages 3 & 4 of this report but are not included under NHS accounting rules when the Trust's financial duty to break even is measured.

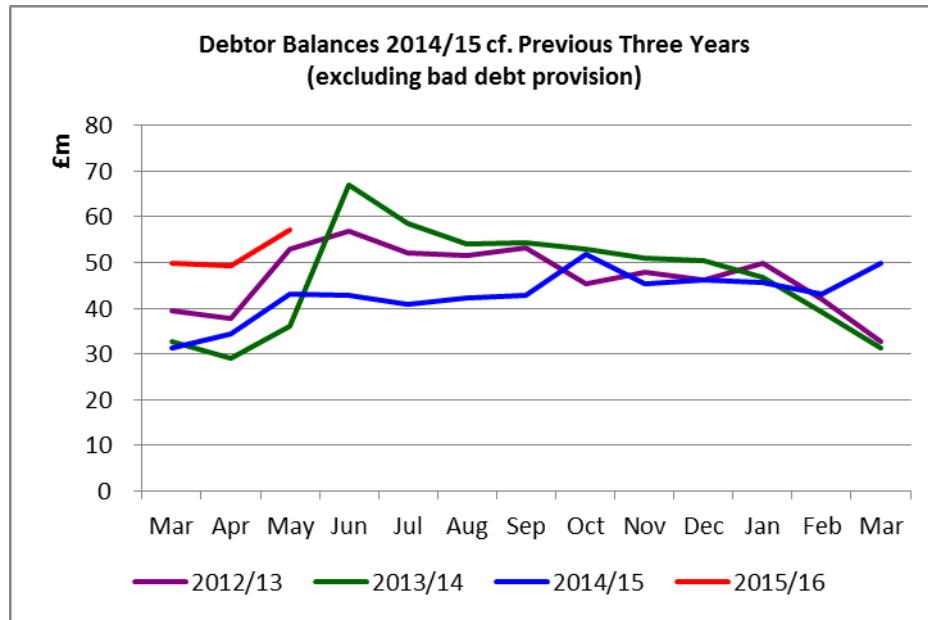
- The IFRIC 12 “technical adjustment” reflects the impact on the Trust's financial position resulting from its PFI buildings being classified as “on balance sheet” rather than “off balance sheet” following the adoption of IFRS by the NHS. If the effect of this change is to worsen the position of the Statement of Comprehensive Income then the financial impact is removed as a technical adjustment. The adjustment for this to date is £73,000.
- Donated asset accounting adjustments for additions and depreciation are not included in the Trust's performance against its break even duty. They are also removed as “technical adjustments”.
- Technical adjustments could also be made for accounting entries relating to any impairment in the value of the Trust's assets, or any reversal of impairments made in previous years. Any adjustments for impairments in 2015/16 will only be known when the District Valuer assesses the value of the Trust's estate at 31 March 2016 (or before then if the Trust is required to produce part-year accounts).

Statement of Financial Position (Balance Sheet)

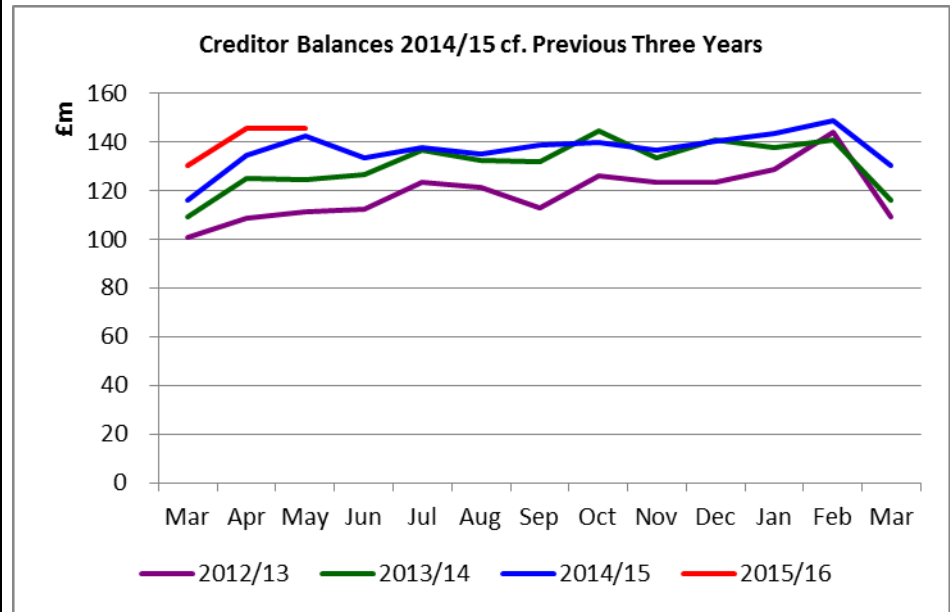
	Opening Balance 01-Apr-15	Closing Balance 31-May-15	Movement	Mvmt. In Month
NON-CURRENT ASSETS				
Property, Plant & Equipment	652,888	648,450	(4,438)	(2,213)
Intangible Assets	11,212	10,682	(530)	(265)
Trade & Other Receivables	5,091	5,378	287	390
NON-CURRENT ASSETS	669,191	664,510	(4,681)	(2,088)
CURRENT ASSETS				
Inventories	14,715	15,078	363	(33)
Trade & Other Receivables	42,212	49,837	7,625	6,320
Cash & Cash Equivalents	79,383	86,438	7,055	(9,193)
CURRENT ASSETS	136,310	151,353	15,043	(2,906)
CURRENT LIABILITIES				
Trade & Other Payables	(129,882)	(145,194)	(15,312)	2,246
Borrowings	(10,874)	(10,563)	311	127
Current Provisions	(2,476)	(2,302)	174	
CURRENT LIABILITIES	(143,232)	(158,059)	(14,827)	2,373
NET CURRENT ASSETS/(LIABILITIES)	(6,922)	(6,706)	216	(533)
NON-CURRENT LIABILITIES				
Borrowings	(263,185)	(261,957)	1,228	643
Trade & Other Payables	(16,359)	(16,359)		
Non-Current Provisions	(2,559)	(2,732)	(173)	
NON-CURRENT LIABILITIES	(282,103)	(281,048)	1,055	643
TOTAL ASSETS EMPLOYED	380,166	376,756	(3,410)	(1,978)
FINANCED BY TAXPAYERS EQUITY				
Public Dividend Capital	208,115	208,115		
Retained Earnings	25,076	21,663	(3,413)	(1,981)
Revaluation Reserve	145,232	145,235	3	3
Other Reserve	1,743	1,743		
TOTAL TAXPAYERS EQUITY	380,166	376,756	(3,410)	(1,978)

- Payments on capital expenditure in the first two months of 2015/16 have been less than the depreciation charge for the same period.
- The increase in trade & other receivables is partly due to increases in prepayments following the payment of annual maintenance contracts. The majority of the increase is for accrued income where commissioning income data was incomplete (see also Page 5) and follows the trends of previous years (see Page 13).
- Total debtors are 5.4% of planned turnover (April = 4.5%). Further information about the receivables position can be found on Page 13.
- Cash fell by £9.2m in the month – see Page 14 for further details.
- Trade & other payables reduced by £2.2m in the month and again follows the trends of previous years (see Page 13).
- Current payables was 16.8% of planned operating expenditure at the end of the month (April = 16.8%).
- The fall in borrowings reflects the regular repayments on the capital element of the contracts with the Trust's PFI providers. These repayments are made through the monthly PFI unitary payments.

Analysis of Accounts Receivable (Debtors)



Analysis of Accounts Payable (Creditors)



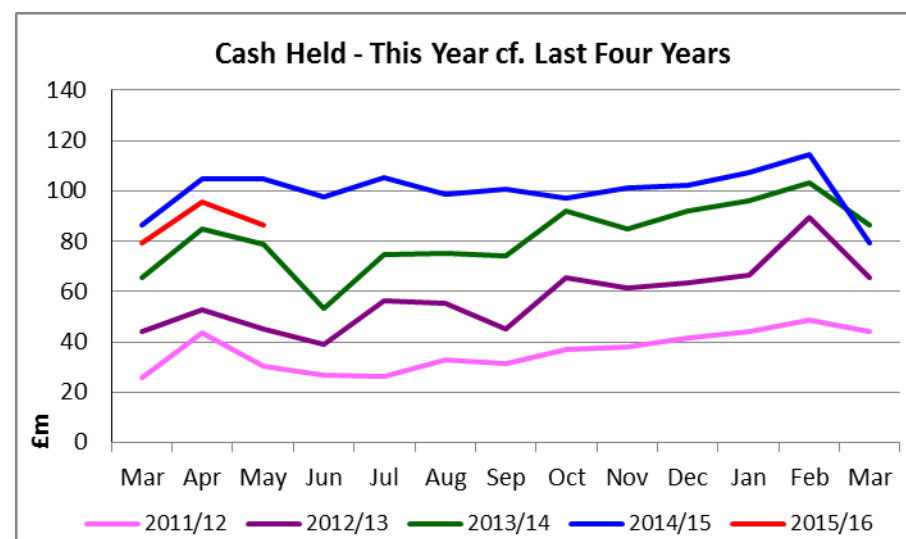
This Month	NHS	Non-NHS	TOTAL	TOTAL %
	£000s	£000s	£000s	
0-30 days overdue	20,120	3,662	23,782	74.2%
31-60 days	249	1,058	1,307	4.1%
61-90 days	327	242	569	1.8%
In excess of 90 days	2,872	3,516	6,388	19.9%
A/R Debtors	23,568	8,478	32,046	100.0%

Better Payment Practice Code Performance			
		2015/16	
		Number	Value (£000)
Non-NHS	Bills paid in the year	16,985	43,486
	Bills paid within target	15,848	40,355
		93.3%	92.8%
NHS	Bills paid in the year	804	15,681
	Bills paid within target	701	15,438
		87.2%	98.5%
All	Bills paid in the year	17,789	59,167
	Bills paid within target	16,549	55,793
		93.0%	94.3%

Statement of Cashflows

	Dec 2014	Jan 2015	Feb 2015	Mar 2015	April 2015	May 2015
	£000	£000	£000	£001	£000	£000
Cash Flows from Operating Activities						
Operating Surplus/(Deficit)	1,369	3,179	2,684	(15,973)	807	267
Depreciation & Amortisation	2,951	3,017	2,964	3,612	3,021	3,019
Impairments & Reversals				18,959		
Interest Paid	(1,685)	(1,685)	(1,685)	(1,768)		
Dividend Paid				(4,537)	(1,661)	(1,661)
Receipt of Donated Assets		(466)		(252)		
(Increase) in Inventories	(827)	43	(950)	(174)	(396)	33
(Increase) in Trade & Other Receivables	(483)	1,023	2,544	(6,942)	(1,796)	(6,980)
Increase in Trade & Other Payables	3,175	2,417	4,029	(14,582)	20,044	(1,610)
Increase in Provisions	(34)	(203)	(157)	172		
Cash Flow from Operating Activities	4,467	7,325	9,430	(21,485)	20,019	(6,931)
Cash Flows from Investing Activities						
Interest Received	27	24	28	25	29	21
(Payments) for Fixed Assets	(2,088)	(1,534)	(1,012)	(11,736)	(3,032)	(1,513)
Cash Flow from Investing Activities	(2,061)	(1,510)	(984)	(11,711)	(3,003)	(1,492)
Cash Flows from Financing Activities						
Capital Loans - Repayment of Principal				(702)		
Capital Element of Finance Leases & PFI	(1,073)	(806)	(1,522)	(1,042)	(769)	(769)
Cash Flow from Financing Activities	(1,073)	(806)	(1,522)	(1,744)	(769)	(769)
Net Increase/(Decrease) in Cash	1,333	5,010	6,924	(34,940)	16,247	(9,192)
Cash - Beginning of the Period	101,057	102,389	107,399	114,323	79,383	95,630
Cash - End of the Period	102,389	107,399	114,323	79,383	95,630	86,438

- The Trust's cashflow for the last six months is shown in the table left.
- The Trust has £7.06m more cash than at the start of the year with the trend in cash following the pattern seen in previous years.
- The fall in cash in May was partly because there were five payment runs in the month. The Trust also made large payments to some of its main suppliers.
- The Trust held enough cash to cover 36 working days of planned operating expenditure at 31 May 2015. (April = 40 days)



Cashflow Forecast

	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16	Apr 16	May 16
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cash Flows from Operating Activities													
Operating Surplus/(Deficit)	267	2,226	2,599	(1,103)	1,556	3,482	2,438	(225)	1,020	5,177	5,770	2,136	2,154
Depreciation & Amortisation	3,019	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,992	2,932	3,118	3,118
Interest Paid		(1,661)	(1,661)	(1,661)	(1,835)	(1,661)	(1,661)	(1,661)	(1,661)	(1,661)	(1,986)	(1,674)	(1,674)
Dividend Paid	(1,661)				(3,566)						(3,565)		
(Increase) in Inventories	33	(434)	(150)	(44)	(373)	(167)	209	(891)	45	(1,024)	973	3,585	19
(Increase) in Trade & Other Receivables	(6,980)	3,946	1,417	1,588	342	(4,746)	5,411	(2,314)	(4,002)	3,886	10,579	1,417	(9,424)
Increase in Trade & Other Payables	(1,610)	(7,285)	(11,423)	(5,135)	7,455	3,700	(3,287)	2,005	1,670	6,195	(36,580)	17,227	2,942
Increase in Provisions													
Cash Flow from Operating Activities	(6,931)	(216)	(6,226)	(3,363)	6,571	3,600	6,102	(94)	64	15,565	(21,878)	25,809	(2,865)
Cash Flows from Investing Activities													
Interest Received	21	20	20	20	20	20	20	20	20	20	20	16	17
(Payments) for Fixed Assets	(1,513)	(2,689)	(388)	(2,520)	(374)	(3,881)	(2,972)	(3,571)	(4,361)	(4,261)	(1,864)	(4,184)	(5,282)
Cash Flow from Investing Activities	(1,492)	(2,669)	(368)	(2,500)	(354)	(3,861)	(2,952)	(3,551)	(4,341)	(4,241)	(1,844)	(4,168)	(5,265)
Cash Flows from Financing Activities													
Public Dividend Capital Received		642											
Capital Loans - Repayment of Principal					(702)						(702)		
FT Liquidity			22,000										
Loans repaid to DH - FT Liquidity Loans					(1,100)						(1,100)		
Capital Element of Finance Leases & PFI	(769)	(778)	(778)	(778)	(778)	(778)	(778)	(778)	(778)	(778)	(1,278)	(1,160)	(601)
Cash Flow from Financing Activities	(769)	(136)	21,222	(778)	(2,580)	(778)	(778)	(778)	(778)	(778)	(3,080)	(1,160)	(601)
Net Increase/(Decrease) in Cash	(9,192)	(3,021)	14,628	(6,641)	3,637	(1,039)	2,372	(4,423)	(5,055)	10,546	(26,802)	20,481	(8,731)
Cash - Beginning of the Period	95,630	86,438	83,417	98,045	91,404	95,041	94,002	96,374	91,951	86,896	97,442	70,640	91,121
Cash - End of the Period	86,438	83,417	98,045	91,404	95,041	94,002	96,374	91,951	86,896	97,442	70,640	91,121	82,390

- A rolling 12-month cash forecast is shown in the table above.
- If the Trust is authorised to become a Foundation Trust then it may utilise a revolving working capital facility of £22m in the month prior to authorisation. This is reflected in the July cashflow forecast in line with the Trust's original plan for the year.

Risk Rating – Continuity of Services

At the end of May the Trust’s Continuity of Service scores are:

	Measure	Score
Liquidity	Ratio Days = -9.2	2
Capital Servicing Capacity	Ratio = 1.18	1

The two separate scores give an overall score of **2**. This overall score for the year-to-date is the same as the one in the Trust’s financial plans submitted to the Trust Development Authority (TDA).

Financial Criteria	Weight	Risk Rating	Metrics
Liquidity Ratio (Days)	50%	Working Capital	(21,851)
		Annual Operating Expenses	853,068
		Ratio (Days)	(9.22)
		Score	2
Capital Servicing Capacity	50%	Revenue Available	7,164
		Annual Debt Service	6,075
		Ratio	1.18
		Score	1
Overall Risk Rating			2

Financial Criteria	Score:	2	3	4	Ratio Days	Score
Liquidity Ratio (Days)	Days	-14	-7	0	-9.2	2

Financial Criteria	Score:	2	3	4	Ratio	Score
Capital Servicing Capacity	Ratio	1.25	1.75	2.50	1.18	1

Capital Programme

OUH Capital Programme 2015/16	Annual Plan £000s	Mth 2 Plan £000s	Mth 2 Actual £000s	Mth 2 Variance £000s
<i>Gross Capital Spend</i>				
Capital Technology Fund - Genomics Designation	642			
Medical and Surgical Equipment	1,200		218	218
Lease Buyouts	500			
Estates General and Ward Relocations/Refurbishments	5,827	356	137	(219)
Major Equipment including CTs, ultrasounds etc	4,431	676	12	(664)
Small Schemes	600		84	84
IT/EPR	3,250	542	147	(395)
Estates New Development Works	4,755	392	7	(385)
R&D	425	70	88	18
Donations	269	45		(45)
Welcome Centre	3,000			
PFI Lifecycle	2,232	372	372	
Finance Leases	500			
JR Theatre Remodelling - Trust funded element	100	16	5	(11)
Adult Critical Care - Trust funded element	60			
Radiotherapy: Milton Keynes - Trust funded element	500	42		(42)
Radiotherapy Swindon	3,549	296		(296)
EPR Reprocurement	3,911			
Energy Centre	9,000			
Gross Capital Spend	44,751	2,807	1,070	(1,737)

- The Trust has charged £1.1m against its capital programme in the first two months of the year. This is £1.7m less than planned.
- The capital programme, and year-to-date slippage against schemes, will be reviewed and monitored by the relevant project managers throughout the year and, if necessary, schemes brought forward from the 2016/17 programme to offset any slippage.

Capital Resource Limit 2015/16	Annual Plan £000s	Mth 2 YTD Plan £000s	Mth 2 YTD Act. £000s	Mth 2 Variance £000s
Total Capital Programme Spend	44,751	2,807	1,070	1,737
Asset Retirements	(200)	(33)		(33)
Donations	(269)	(45)		(45)
Capital Resource Limit 2015/16	44,282	2,729	1,070	1,659

Conclusion

The Board is asked to note the content of this report.

Mr Mark Mansfield, Director of Finance and Procurement
Mr Kevin Davis, Senior Business Partner

June 2015