



Western Health
and Social Care Trust

Financial Performance Report for the month ended 31 January 2018

**Presented to Trust Board on
1 March 2018**

Western Health and Social Care Trust

Financial Performance Report for the month ended 31 January 2018

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1. Key Messages

The Trust is reporting a deficit of £3.302m (0.6%) for the ten months ending 31 January 2018. The Trust is experiencing additional expenditure in year mainly within domiciliary and medical locum costs which are being covered from other budget opportunities within the overall Trust Financial Plan for 2017/18.

The Trust is forecasting a year end deficit to £2.274m and has been assured that this is in line with the regional HSC Financial Plan. The Trust needs to maintain expenditure in line with the overall Trust Plan and continue to address any off plan issues arising during the remainder of the year.

The Trust has achieved its forecast position in 2017/18 through one-off measures including over £39m of additional non-recurrent funding. As a result, the Trust is facing a recurrent funding deficit in the circa of £54m after accounting for recurrent savings commenced in 2017/18 and the 1% pay award for 2017/18. This deficit is the opening deficit before accounting for new pressures in 2018/19 including inflationary, demographic growth and other inescapable cost pressures, pay uplifts or new developments.

At this stage, the Trust does not have sufficient information from DoH/HSCB on new funding for 2018/19 to determine the extent to which the opening deficit can be reduced. The Western Trust will continue to feed into the DoH financial planning process and have commenced the 2018/19 planning process internally.

2. Financial Plan 2017/18

The Trust has revised its forecast year end deficit for 2017/18 to £2.274m in line with the Regional HSC Financial Plan and we are awaiting further clarification from DOH as to how this residual deficit is to be addressed.

The Trust has achieved the forecast position through one-off, non-repeatable measures including over £39m of additional non-recurrent funding.

The following table summarises the allocations received during the year which have reduced the reported forecast year-end deficit.

Table 1 - Summary of Forecast Year End Deficit

	Financial Plan £'000
Projected Deficit 2017/18 - original	59,737
HSCB Allocation August 2017 (recurrent /NR)	(36,244)
Revised Forecast Deficit August 2017	23,493
Negative Allocation RE: Savings Plan Target	14,053
HSCB Allocation 22 Sept 2017 non recurrent	(5,638)
Savings Plan Delivery – Low Impact Measures	(5,428)
International Nurse Recruitment Programme	(1,364)
Winter Resilience Allocation non recurrent	(700)
HSCB Allocation non recurrent	(22,142)
Revised Project Deficit – January 2018	2,274

3. Financial Position as at 31 January 2018**Table 2 - Summary of Financial Position**

	Original Annual Plan £'000	Revised Annual Plan £'000	Actual as at Mth 10 £'000
Income	576,391	636,514	525,244
Expenditure:			
- Pay	400,445	397,798	327,928
- Non Pay	235,182	240,990	200,618
Deficit	59,236	2,274	3,302

The Trust is reporting a deficit of £3.302m (0.6%) for the ten months ending 31 January 2018.

4. Financial Position by Directorate

This section details the financial position by Directorate as at 31 January 2018 and includes an analysis of the main reasons for any over/underspends.

Table 3 - Summary Financial Performance by Directorate

Directorate	Budget £'000	Expenditure £'000	Variance		Dec Variance	
			£'000	%	£'000	%
Acute Services	152,053	152,834	781	0.5%	848	0.6%
Primary Care & Older People	129,228	130,015	787	0.6%	968	0.8%
Women & Childrens	73,818	75,965	2,147	2.9%	1,835	2.8%
Adult Mental Health & Disability	67,747	67,787	40	0.1%	41	0.1%
Performance & Service Improvement	35,374	34,940	(434)	(1.2%)	(421)	(1.3%)
Finance & Contracting	2,898	2,851	(47)	(1.6%)	(40)	(1.5%)
Human Resources	3,440	3,290	(150)	(4.4%)	(125)	(4.0%)
Medical	2,378	2,359	(19)	(0.8%)	(23)	(1.1%)
Corporate	2,004	1,930	(74)	(3.7%)	(83)	(4.6%)
Trust Wide Corporate Services	481	482	1	0.2%	(2)	(0.5%)
Corporate Non Pay	55,823	56,093	270	0.5%	533	1.1%
Total	525,244	528,546	3,302	0.6%	3,531	0.8%

Main Reasons for Over/Under Spends**Acute Services**

The Directorate is reporting a deficit of £0.781m (0.5%) as at 31 January 2018. The Acute Directorate is experiencing an increase in expenditure due to cover for vacancies in Altnagelvin - Emergency Department and SWAH - General Specialist Medicine.

The forecast position for the Directorate is breakeven after the application of corporate solutions to support part of this cost pressure which has been factored into the Trust Financial Plan for 2017/18.

Primary Care & Older People Services

The Directorate is reporting a deficit of £0.787m (0.6%) as at 31 January 2018. The forecast position for the Directorate is breakeven after the application of corporate solutions which has been factored into the Trust Financial Plan for 2017/18.

Women & Children's Services

The Directorate is reporting a deficit of £2.147m (2.9%) as at 31 January 2018 which mainly relates to pay and non-pay pressures within Looked After Children services which have seen an increase in the numbers from 555 to 628 from April 2016 to January 2018. The Directorates projected deficit in the Trust's financial plan for 2017/18 is £2.0m.

Adult Mental Health & Disability Services

The Directorate is reporting a deficit of £0.040m (0.1%) as at 31 January 2018 which mainly relates to Independent Nursing Home costs. The Directorate's projected deficit in the Trust's Financial Plan for 2017/18 is £0.3m. The financial performance at 31 January 2018 is in line with the Trust's financial plan.

Support Directorates

The Support Directorates are underspent mainly due to vacancy control and restraint on non-pay expenditure. .

Corporate Non Pay Budgets

Corporate non pay budgets are overspent by £0.27m (0.5%) mainly due to Pharmacy and maintenance contracts.

Appendices 1-3 provide further detail in relation to pay and non-pay variances across Directorates.

Other Income

The Trust Financial Plan is projecting £38m of other income for 2017/18 mainly from private independent homes income and HSE.

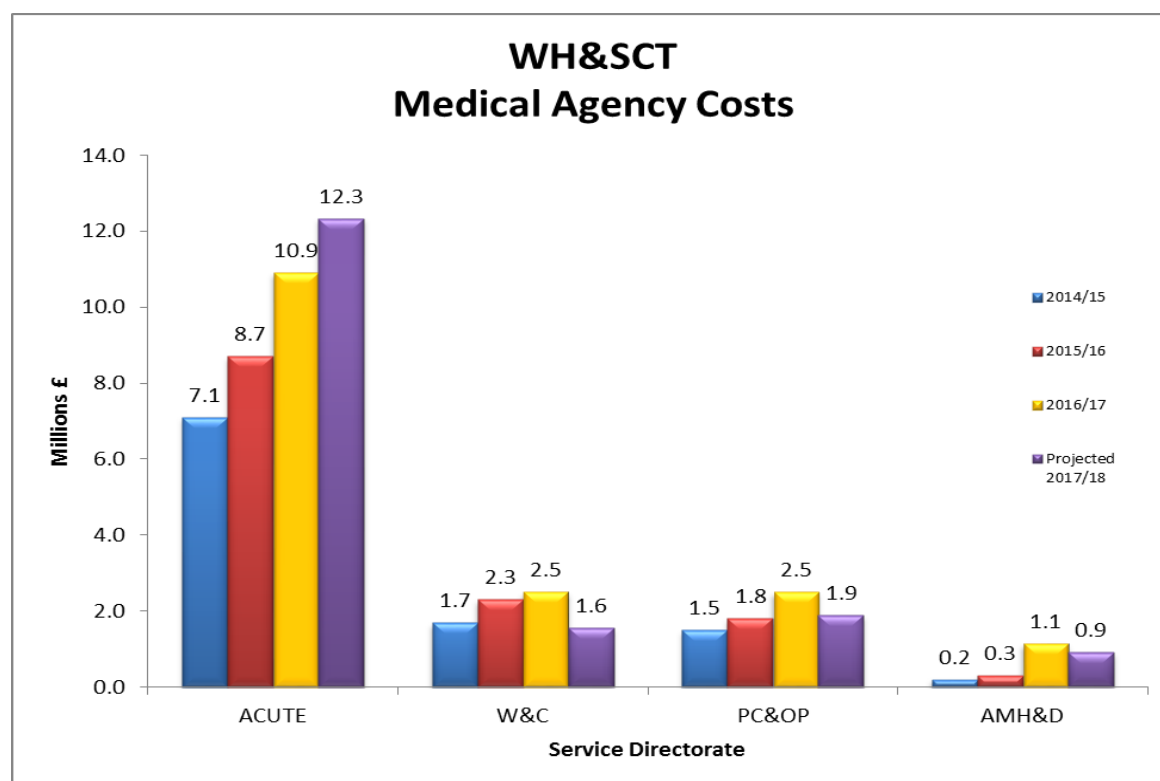
Other Pay Costs

Table 4 – Agency/Bank/Overtime Costs by Directorate

Directorate	Cum January 2018				Increase / (Decrease) over Nov 2017 %	Increase / (Decrease) over the avg of 2016-17 %
	Agency £'000	Bank £'000	Overtime £'000	Total £'000		
Acute Services	13,712	1,436	882	16,030	10.6%	18.0%
Adult Mental Health & Disability	1,655	2,047	81	3,783	(0.7%)	5.0%
Primary Care & Older People	3,252	1,860	174	5,286	(9.7%)	(4.0%)
Women & Childrens	2,798	1,432	360	4,590	1.9%	4.8%
Performance & Service Improvement	1,309	1,159	245	2,713	(9.1%)	4.0%
Other Directorates	164	4	11	179	59.9%	104.6%
Total	22,890	7,938	1,753	32,581	3.3%	9.5%

The cumulative agency expenditure of £22.9m includes £13.9m on medical agency staff representing 61% of the total expenditure on agency staff. The graph below outlines the

medical agency expenditure by Directorate for the last three years and includes a projection for 2017/18 based on Month 10 expenditure. The Acute Directorate is experiencing an increase in expenditure due to cover for vacancies in Altnagelvin - Emergency Department and SWAH - General Specialist Medicine.



5. Elective Care

The HSCB has confirmed a number of allocations for Elective Care in 2017/18. The following table shows the indicative allocations and the Trust's financial assessment of the liability.

	Description	Trust Plan £'000	HSCB Indicative Allocation £'000
1	In House Q1/2	750	750
2	In House Q4	495	605
3	In House Virement to IS		(110)
4	Red Flag (WH&SCT)	147	147
5	In House – Endoscopy Q2	64	64
6	In House – Endoscopy Q3/4	320	320
7	In House – Echoes Q3/4	63	63
8	Audiology	60	60
9	IS Washthrough T&O	20	20
10	IS – Q3	800	800
11	IS – Q4	683	573
12	IS Q4 Virement from IH		110

The HSCB will monitor actual and forecast activity and expenditure levels to ensure the agreed outcomes are achieved in both activity and waiting times.

The Trust is reporting a breakeven position for the ten months ended 31 January 2018 in relation to Elective Care. The Trust has budget matched in house based on the activity recorded on the Trust PAS system as at 31 January 2018. An analysis of the financial performance is detailed below:

Elective Care Financial Performance

	Description	HSCB Indicative Allocation £'000	Budget £'000	Actual £'000	Variance £'000
1.	Independent Sector				
	1.1 Washthrough	20	20	20	0
	1.2 Q3/4	1,483	697	697	0
2.	In House				
	2.1 In House	1,839	882	882	0
3.	Admin Plan	Incl. above	139	139	0
4.	Audiology	60	49	49	0
	Total	3,402	1,787	1,787	0

6. Financial Targets Monitoring 2017/18

The Trust has an internal financial savings target (including QiCR) amounting to £14.8m and plans has been developed in full to meet this target.

The financial monitoring of the Trusts QICR plans as at 31 January 2018 is reporting savings achieved of £1.387m (87.8%) against a target of £1.579m.

The financial monitoring of the external savings plan at 31 January 2018 is reporting savings achieved of £3.475m (92.6%) against a target of £3.751m leaving a shortfall of £0.276m which is mainly due to specialist placements. The HSCB has confirmed that they will not be providing the Trust with an allocation for the ECR placements in-year. Other opportunities are being considered to close this gap in year.

7. Capital Resource Limit

The Trust has received an updated Capital Resource Limit (CRL) letter from the DoH confirming both specific and general capital allocations for 2017/18. The Trust has been allocated £38.9m as summarised in the table below:

Table 5 – Capital Resource Limit Monitoring

Project	£'000
Omagh Local Hospital	3,159
Radiotherapy	2,585
Altnagelvin Tower Block (Phase 5.1)	16,232
Theatres Altnagelvin	2,408
Cranny, Omagh	2,448
ICT	3,508
General Capital	8,055
Fire Safety	500
Other Asset Sales	-9
Total	38,886

The monitoring of the above projects is still anticipating that the Trust will contain Capital expenditure within the CRL allocation of £38.9m.

8. Prompt Payment Target

The following table summarises the prompt payment target monitoring as at 31 January 2018:

Table 6 – Prompt Payment Target

Prompt Payment Target		This Month (Number)	Cumulative to Date (Number)
1	Total bills paid	21,923	184,464
2	Total bills paid within 30 days of receipt of undisputed invoice	18,447	166,079
3	% bills paid within 30 days of receipt of undisputed invoice	84.1%	90.0%
4	Total bills paid within 10 working days	14,099	140,847
5	% bills paid within 10 working days	64.3%	76.4%

Lesley Mitchell
Director of Finance

APPENDICES

**Pay Budgetary Performance
Summary By Professional Heading
For 10 Months Ending 31st January 2018**

Directorate / Division	January 2018				December 2017	
	Budget £'000	Expenditure £'000	Variance £'000	%	Variance £'000	%
Acute Services						
Medical	45,483	45,249	(234)	(0.51%)	(151)	(0.37%)
Nursing	48,571	50,092	1,521	3.13%	1,464	3.36%
Social Services	19	39	20	105.26%	17	89.47%
Allied Health Professions	460	620	160	34.78%	144	34.87%
Psychology	336	295	(41)	(12.20%)	(33)	(10.86%)
Specialist Professions	11,489	12,021	532	4.63%	466	4.53%
Medical Technical Officers	2,791	2,393	(398)	(14.26%)	(365)	(14.58%)
Pharmacy	5,341	5,323	(18)	(0.34%)	(12)	(0.25%)
Dental	79	11	(68)	(86.08%)	(61)	(85.92%)
Administration	10,034	10,233	199	1.98%	80	0.89%
Estates	98	0	(98)	(100.00%)	(87)	(100.00%)
Support Services	364	564	200	54.95%	166	50.92%
Internal Savings Plan 2017-18	1,606	0	(1,606)	(100.00%)	(1,275)	(100.00%)
Total Acute Services	126,671	126,840	169	0.13%	353	0.31%
Adult Mental Health & Disability						
Medical	3,332	3,797	465	13.96%	447	15.03%
Nursing	18,643	17,512	(1,131)	(6.07%)	(1,050)	(6.25%)
Social Services	13,120	13,416	296	2.26%	141	1.18%
Allied Health Professions	582	475	(107)	(18.38%)	(110)	(20.37%)
Psychology	1,145	1,192	47	4.10%	43	4.20%
Administration	2,375	2,254	(121)	(5.09%)	(52)	(2.47%)
Support Services	209	233	24	11.48%	(13)	(6.99%)
General	20	18	(2)	(10.00%)	0	0.00%
Total Adult Mental Health & Disability	39,426	38,897	(529)	(1.34%)	(594)	(1.67%)
Primary Care & Older People						
Medical	3,431	3,232	(199)	(5.80%)	(160)	(5.09%)
Nursing	24,443	25,103	660	2.70%	590	2.69%
Social Services	14,094	15,120	1,026	7.28%	943	7.50%
Allied Health Professions	15,221	15,232	11	0.07%	14	0.10%
Psychology	223	211	(12)	(5.38%)	(9)	(4.52%)
General/Specialist Professions	154	152	(2)	(1.30%)	(3)	(2.16%)
Medical Technical Officers	164	149	(15)	(9.15%)	(11)	(7.53%)
Administration	5,149	5,291	142	2.76%	129	2.79%
Support Services	0	5	5	100.00%	8	100.00%
Internal Savings Plan 2017-18	1,036	0	(1,036)	(100.00%)	(829)	(100.00%)
Total Primary Care & Older People	63,915	64,495	580	0.91%	672	1.17%
Women & Childrens						
Medical	9,352	9,014	(338)	(3.61%)	(249)	(2.97%)
Nursing	20,162	20,185	23	0.11%	42	0.23%
Social Services	20,111	21,703	1,592	7.92%	1,405	7.78%
Allied Health Professions	576	446	(130)	(22.57%)	(108)	(21.91%)
Psychology	819	783	(36)	(4.40%)	(33)	(4.52%)
Medical Technical Officers	611	598	(13)	(2.13%)	(12)	(2.19%)
Dental	602	622	20	3.32%	21	3.92%
Administration	3,906	3,852	(54)	(1.38%)	(91)	(2.60%)
Support Services	223	290	67	30.04%	60	30.15%
External Savings Plan 2017-18	(276)	0	276	(100.00%)	184	(100.00%)
Internal Savings Plan 2017-18	491	0	(491)	(100.00%)	(393)	(100.00%)
Total Women & Childrens	56,577	57,493	916	1.62%	826	1.63%
Medical						
Nursing	693	672	(21)	(3.03%)	(26)	(4.17%)
Allied Health Professions	33	36	3	9.09%	3	10.34%
Medical	33	39	6	18.18%	6	21.43%
Administration	1,521	1,531	10	0.66%	15	1.10%
Total Medical	2,280	2,278	(2)	(0.09%)	(2)	(0.10%)
Performance Management & Service Improvement						
Medical	0	0	0	100.00%	0	100.00%
Nursing	160	199	39	24.38%	36	24.66%
Social Services	0	51	51	100.00%	46	100.00%
Allied Health Professions	112	92	(20)	(17.86%)	(16)	(15.84%)
Medical Technical Officers	420	408	(12)	(2.86%)	(17)	(4.40%)
Administration	7,319	7,067	(252)	(3.44%)	(235)	(3.56%)
Estates	4,261	4,146	(115)	(2.70%)	(109)	(2.84%)
Support Services	16,696	16,563	(133)	(0.80%)	(137)	(0.91%)
External Savings Plan 2017-18	0	0	0	100.00%	0	100.00%
Total Performance Management & Service Improvement	28,968	28,526	(442)	(1.53%)	(432)	(1.66%)
Finance						
Administration	2,841	2,815	(26)	(0.92%)	(16)	(0.63%)
Total Finance	2,841	2,815	(26)	(0.92%)	(16)	(0.63%)
Human Resources						
Medical	199	215	16	8.04%	14	7.78%
Nursing	337	320	(17)	(5.04%)	(11)	(3.65%)
Social Services	34	34	0	0.00%	0	0.00%
Allied Health Professions	52	51	(1)	(1.92%)	1	2.17%
Administration	2,462	2,377	(85)	(3.45%)	(85)	(3.83%)
Total Human Resources	3,084	2,997	(87)	(2.82%)	(81)	(2.92%)
Corporate / Trustwide						
Medical	203	282	79	38.92%	70	36.84%
Nursing	113	279	166	146.90%	149	167.42%
Administration	2,051	1,761	(290)	(14.14%)	(273)	(14.77%)
Support Services	0	15	15	100.00%	14	100.00%
Apprenticeship Levy	1,250	1,250	0	0.00%	0	0.00%
Total Corporate / Trustwide	3,617	3,587	(30)	(0.83%)	(40)	(1.23%)
Total	327,379	327,928	549	0.17%	686	0.23%

Cumulative all Directorates	January 2018				December 2017	
	Budget £'000	Expenditure £'000	Variance £'000	%	Variance £'000	%
Medical	62,033	61,828	(205)	(0.33%)	(23)	(0.04%)
Nursing	113,122	114,362	1,240	1.10%	1,194	1.18%
Social Services	47,378	50,363	2,985	6.30%	2,552	5.99%
Allied Health Professions	17,036	16,952	(84)	(0.49%)	(72)	(0.47%)
Psychology	2,523	2,481	(42)	(1.66%)	(32)	(1.42%)
Specialist Professions	11,643	12,173	530	4.55%	463	4.44%
Medical Technical Officers	3,986	3,548	(438)	(10.99%)	(405)	(11.30%)
Pharmacy	5,341	5,323	(18)	(0.34%)	(12)	(0.25%)
Dental	681	633	(48)	(7.05%)	(40)	(6.59%)
Administration	37,658	37,181	(477)	(1.27%)	(528)	(1.56%)
Estates	4,359	4,146	(213)	(4.89%)	(196)	(5.00%)
Support Services	17,492	17,670	178	1.02%	98	0.62%
General	20	18	(2)	(10.00%)	0	0.00%
Apprenticeship Levy	1,250	1,250	0	0.00%	0	0.00%
External Savings Plan 2017-18	(276)	0	276	(100.00%)	184	(100.00%)
Internal Savings Plan 2017/18	3,133	0	(3,133)	(100.00%)	(2,497)	(100.00%)
Total Cumulative	327,379	327,928	549	0.17%	686	0.23%

Non Pay Budgetary Performance
Cumulative for the 10 months ended 31st January 2018

BUDGET HEADING	JANUARY 2018				DECEMBER 2017	
	BUDGET £'000	EXPENDITURE £'000	VARIANCE £'000 %		VARIANCE £'000 %	
OTHER TREATMENT DEPTS	70	59	(11)	(15.7)	(3)	(4.7)
XRAY	1,468	1,343	(125)	(8.5)	(95)	(7.2)
PHARMACY	13,791	14,548	757	5.5	794	6.5
LABS	4,910	5,334	424	8.6	316	7.2
CATERING	2,430	2,172	(258)	(10.6)	(236)	(10.8)
PATIENTS CLOTHING	679	812	133	19.6	120	19.8
STAFF UNIFORMS	370	349	(21)	(5.7)	(22)	(6.6)
HEAT, LIGHT & POWER	5,936	5,869	(67)	(1.1)	(71)	(1.4)
BUILDING & ENGINEERING	2,649	2,928	279	10.5	247	10.6
PHARMACY - MAINTENANCE & REPAIRS	1,611	1,728	117	7.3	115	8.0
BEDDING & LINEN	361	362	1	0.3	(6)	(1.8)
RENT, RATES, INSURANCE & WATER	5,985	5,820	(165)	(2.8)	(137)	(2.5)
GENERAL SERVICES	2,101	2,121	20	1.0	166	9.8
ADMIN & LEGAL	988	864	(124)	(12.6)	(114)	(12.8)
TRANSPORT	993	855	(138)	(13.9)	(126)	(14.2)
POSTAGES & TELEPHONES	1,183	1,009	(174)	(14.7)	(140)	(13.2)
TRAVEL & COURSES	7,052	6,499	(553)	(7.8)	(478)	(7.5)
HOTEL SERVICES	1,203	1,159	(44)	(3.7)	(47)	(4.3)
CHILDCARE SERVICES	2,655	3,252	597	22.5	541	22.6
SOCIAL SERVICES	1,112	1,003	(109)	(9.8)	(109)	(11.0)
DISABILITY SERVICES	2,898	3,197	299	10.3	347	12.0
FOSTERCARE & ADOPTION	6,816	7,410	594	8.7	526	8.5
DOMICILARY CARE	25,252	26,011	759	3.0	632	2.8
ACCESS TARGETS - INDEPENDENT SECTOR	717	717	0	0.0	0	0.0
INFORMATION TECHNOLOGY	1,225	1,472	247	20.2	227	20.6
HIRE OF VEHICLES/TAXIS	618	581	(37)	(6.0)	(55)	(10.0)
TRUST AGENCY AGREEMENTS	4,840	4,894	54	1.1	57	1.3
CONTROLLED EQUIPMENT	425	425	0	0.0	0	0.0
CARE CONTRACTS & GRANT AID	16,577	16,654	77	0.5	86	0.6
INDEPENDENT HOMES	49,328	49,626	298	0.6	379	0.9
PFI	16,634	16,623	(11)	(0.1)	(13)	(0.1)
STAFF ADVERTISING	195	130	(65)	(33.3)	(56)	(32.0)
DRUGS	14,793	14,792	(1)	(0.0)	0	0.0
TOTAL	197,865	200,618	2,753	1.4	2,845	1.6