



Western Health  
and Social Care Trust

# **Financial Performance Report for the month ended 31 March 2018**

**Presented to Trust Board on  
3 May 2018**

# **Western Health and Social Care Trust**

## **Financial Performance Report for the month ended 31 March 2018**

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## **1. Key Messages**

As at 31 March 2018 the Trust is reporting a breakeven position adjusted for a surplus in the VES allocation of £62,000. The Trust has been advised by the DOH to report any funding not spent in-year from the VES allocation as a surplus in the year end accounts.

The Trust has experienced additional expenditure amounting to £1m above the original forecast cost pressures in 2017/18 mainly within domiciliary care, medical locums, nursing and social workers agency costs which were covered in-year from other budget opportunities within the overall Trust Financial Plan.

The Trust has underachieved in the external savings plan by £460k and the internal QICR plan by £340k and both have been covered by other opportunities in-year.

The Trust has achieved the year end financial position in 2017/18 through one-off measures including over £39.8m 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 achieved 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 is reporting a breakeven position as outlined above.

The Trust has achieved the forecast position through one-off, non-repeatable measures including over £39.8m of additional non-recurrent funding.

The following table summarises the allocations received during the year which have contributed to the reported forecast year-end breakeven position.

<b>Table 1 - Summary of Forecast Year End Deficit</b>	<b>Financial Plan £'000</b>
Projected Deficit 2017/18 – original	59,737
HSCB Allocation August 2017 (recurrent /NR)	(36,244)
<b>Revised Forecast Deficit August 2017</b>	<b>23,493</b>
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)
HSCB Allocation non recurrent – anticipated	(2,274)
<b>Revised Projected Breakeven Position – March 2018</b>	<b>0</b>

### **Financial Position as at 31 March 2018**

**Table 2 - Summary of Financial Position**

	<b>Original Annual Plan £'000</b>	<b>Actual as at Mth 12 £'000</b>
Income	576,391	645,192
Expenditure:		
- Pay	400,445	400,132
- Non Pay	235,182	244,998
<b>Deficit/(Surplus)</b>	<b>59,236</b>	<b>(62)</b>

The Trust is reporting a surplus of £62,000 (0.0%) as at 31 March 2018 (forecast pending annual accounts out-turn) which is in relation to an under-spend in the VES allocation. The Trust has been advised by the DOH to report any funding not spent in-year from the VES allocation as a surplus in the year end accounts.

### **3. Financial Position by Directorate**

This section details the financial position by Directorate as at 31 March 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		Feb Variance	
			£'000	%	£'000	%
Acute Services	185,268	186,210	942	0.5%	755	0.4%
Primary Care & Older People	156,926	157,855	929	0.6%	569	0.4%
Women & Childrens	92,496	92,870	374	0.4%	631	0.8%
Adult Mental Health & Disability	82,840	82,885	45	0.1%	39	0.1%
Performance & Service Improvement	43,575	42,855	(720)	(1.7%)	(497)	(1.3%)
Finance & Contracting	3,505	3,455	(50)	(1.4%)	(47)	(1.5%)
Human Resources	4,162	3,984	(178)	(4.3%)	(176)	(4.6%)
Medical	2,910	2,910	0	0.0%	(6)	(0.2%)
Corporate	2,387	2,325	(62)	(2.6%)	(76)	(3.5%)
Trust Wide Corporate Services	588	578	(10)	(1.7%)	(12)	(2.2%)
Corporate Non Pay	67,748	69,203	455	0.7%	0	0.0%
Corporate Solutions	1,787		(1,787)	(100.0)	0	0.0%
<b>Total</b>	<b>645,192</b>	<b>645,130</b>	<b>(62)</b>	<b>(0.0%)</b>	<b>1,180</b>	<b>0.2%</b>

### **Main Reasons for Over/Under Spends**

#### **Acute Services**

The Directorate is reporting a deficit of £0.942m (0.5%) as at 31 March 2018 which mainly relates to premium cost nursing agency and non pay.

#### **Primary Care & Older People Services**

The Directorate is reporting a deficit of £0.929m (0.6%) as at 31 March 2018, which mainly relates to In-house Domiciliary Care and Disability budgets.

#### **Women & Children's Services**

The Directorate is reporting a deficit of £0.374m (0.4%) as at 31 March 2018 which is mainly due to the underachievement of planned savings relating to childcare specialist placements in the External Savings Plan.

#### **Adult Mental Health & Disability Services**

The Directorate is reporting a deficit of £0.045m (0.1%) as at 31 March 2018 which mainly relates to Independent Nursing Home costs.

#### **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 reporting a deficit of £0.455m (0.7%) as at 31 March 2018 which mainly relates to overspends in Pharmacy and Heat, Light & Power offset by underspends in Catering and Postage & Telephones.

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

### **Other Income**

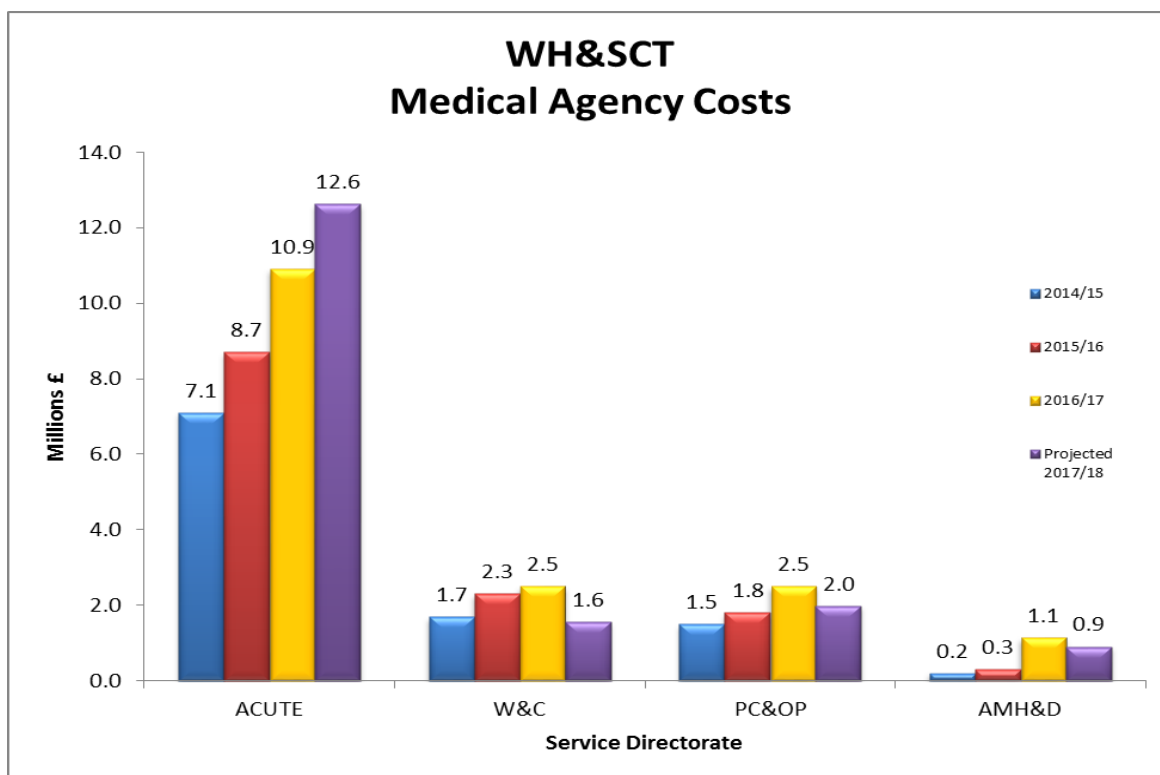
The Trust Financial Plan is projecting £34m of other income for 2017/18 mainly from private independent homes income and HSE.

### **Other Pay Costs**

**Table 4 – Agency/Bank/Overtime Costs by Directorate**

Directorate	Cum March 2018				Increase / (Decrease) over Feb 2017 %	Increase / (Decrease) over the avg of 2016-17 %
	Agency £'000	Bank £'000	Overtime £'000	Total £'000		
Acute Services	16,924	1,802	1,140	19,866	15.9%	21.9%
Adult Mental Health & Disability	2,050	2,513	95	4,658	12.2%	7.8%
Primary Care & Older People	4,201	2,262	243	6,706	44.6%	1.5%
Women & Childrens	3,388	1,792	431	5,611	13.3%	6.8%
Performance & Service Improvement	1,642	1,360	294	3,296	10.1%	5.3%
Other Directorates	204	12	14	230	77.8%	119.0%
<b>Total</b>	<b>28,409</b>	<b>9,741</b>	<b>2,217</b>	<b>40,367</b>	<b>19.6%</b>	<b>13.0%</b>

The cumulative agency expenditure of £28.4m includes £17.1m on medical agency staff representing 60% of the total expenditure on agency staff. The graph below outlines the medical agency expenditure by Directorate for the last four years. The Acute Directorate is experiencing an increase in expenditure due to cover for vacancies in Altnagelvin - Emergency Department and SWAH - General Specialist Medicine.



#### 4. Elective Care

##### Financial Performance Report at 31 March 2018

The Trust is reporting an underspend of £763,000 for the twelve months ended 31 March 2018 in relation to Elective Care. The Trust has budget matched in house and independent sector expenditure based on the activity recorded on the Trust PAS system as at 31 March 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
<b>1.</b>	<b>Independent Sector</b>				
	1.1 Washthrough	20	20	20	0
	1.2 Q3/4	1,483	1,483	1,147	(336)
<b>2.</b>	<b>In House</b>				
	2.1 In House	1,662	1,662	1,246	(416)
<b>3.</b>	<b>Admin Plan</b>	177	177	167	(10)
<b>4.</b>	<b>Audiology</b>	76	76	75	(1)
	<b>Total</b>	<b>3,418</b>	<b>3,418</b>	<b>2,655</b>	<b>(763)</b>

## 5. 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 March 2018 is reporting savings achieved of £2.327m (87.3%) against a target of £2.667m leaving a shortfall of £0.340m which is mainly due to underachievement of savings in maximising attendance / accessing cover, procurement and estates rationalisation offset by an overachievement of savings in medical workforce reform.

The financial monitoring of the external savings plan at 31 March 2018 is reporting savings achieved of £4.968m (91.5%) against a target of £5.428m leaving a shortfall of £0.460m which is mainly due to specialist placements.

## 6. 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 £40.7m as summarised in the table below:

**Table 5 – Capital Resource Limit Monitoring**

<b>Project</b>	<b>£'000</b>
Omagh Local Hospital	3,336
Radiotherapy	2,650
Altnagelvin Tower Block (Phase 5.1)	16,481
Theatres Altnagelvin	2,445
Cranny, Omagh	2,495
ICT	4,795
General Capital	8,055
Fire Safety	500
Disposals	-46
Other Asset Sales	-9
<b>Total</b>	<b>40,702</b>

The overall year end capital position is breakeven.



## 7. Prompt Payment Target

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

**Table 6 – Prompt Payment Target**

<b>Prompt Payment Target</b>		<b>Month 12</b>	<b>Cumulative to 31 March 2018</b>
1	Total bills paid	21,880	225,435
2	Total bills paid within 30 days of receipt of undisputed invoice	19,340	202,480
<b>3</b>	<b>% bills paid within 30 days of receipt of undisputed invoice</b>	<b>88.4%</b>	<b>89.8%</b>
4	Total bills paid within 10 working days	16,249	170,706
<b>5</b>	<b>% bills paid within 10 working days</b>	<b>74.3%</b>	<b>75.7%</b>

**Lesley Mitchell**  
Director of Finance

# APPENDICES



**Pay Budgetary Performance  
Summary By Professional Heading  
For 12 Months Ending 31st March 2018**

Directorate / Division	March 2018				February 2018	
	Budget £'000	Expenditure £'000	Variance £'000	%	Variance £'000	%
<b>Acute Services</b>						
Medical	55,272	55,417	145	0.26%	(174)	(0.35%)
Nursing	59,282	61,142	1,860	3.14%	1,721	3.18%
Social Services	19	43	24	126.32%	23	119.50%
Allied Health Professions	563	750	187	33.21%	175	34.11%
Psychology	404	348	(56)	(13.86%)	(49)	(13.15%)
Specialist Professions	14,076	14,660	584	4.15%	551	4.29%
Medical Technical Officers	3,405	2,933	(472)	(13.86%)	(435)	(13.93%)
Pharmacy	6,548	6,458	(90)	(1.37%)	(41)	(0.68%)
Dental	96	13	(83)	(86.46%)	(76)	(86.24%)
Administration	12,197	12,362	165	1.35%	160	1.43%
Estates	119	0	(119)	(100.00%)	(109)	(100.00%)
Support Services	447	727	280	62.64%	240	59.15%
Internal Savings Plan 2017-18	2,268	0	(2,268)	(100.00%)	(1,937)	(100.00%)
<b>Total Acute Services</b>	<b>154,696</b>	<b>154,853</b>	<b>157</b>	<b>0.10%</b>	<b>49</b>	<b>0.03%</b>
<b>Adult Mental Health &amp; Disability</b>						
Medical	4,086	4,825	739	18.09%	646	17.36%
Nursing	22,478	21,273	(1,205)	(5.36%)	(1,105)	(5.36%)
Social Services	16,026	16,385	359	2.24%	347	2.37%
Allied Health Professions	736	574	(162)	(22.01%)	(142)	(21.24%)
Psychology	1,496	1,466	(30)	(2.01%)	16	1.24%
Administration	2,967	2,703	(264)	(8.90%)	(217)	(8.09%)
Support Services	257	277	20	7.78%	22	9.50%
General	27	22	(5)	(18.52%)	(4)	(16.27%)
<b>Total Adult Mental Health &amp; Disability</b>	<b>48,073</b>	<b>47,525</b>	<b>(548)</b>	<b>-1.14%</b>	<b>(436)</b>	<b>(0.99%)</b>
<b>Primary Care &amp; Older People</b>						
Medical	4,211	3,956	(255)	(6.06%)	(242)	(6.30%)
Nursing	29,737	30,632	895	3.01%	727	2.67%
Social Services	17,135	18,447	1,312	7.66%	1,125	7.17%
Allied Health Professions	18,587	18,600	13	0.07%	3	0.02%
Psychology	273	263	(10)	(3.66%)	(11)	(4.40%)
General/Specialist Professions	187	183	(4)	(2.14%)	(4)	(2.12%)
Medical Technical Officers	202	180	(22)	(10.89%)	(19)	(10.26%)
Administration	6,263	6,484	221	3.53%	153	2.67%
Support Services	0	5	5	100.00%	5	100.00%
Internal Savings Plan 2017-18	1,450	0	(1,450)	(100.00%)	(1,243)	(100.00%)
<b>Total Primary Care &amp; Older People</b>	<b>78,045</b>	<b>78,750</b>	<b>705</b>	<b>0.90%</b>	<b>495</b>	<b>0.69%</b>
<b>Women &amp; Childrens</b>						
Medical	11,376	11,031	(345)	(3.03%)	(345)	(3.32%)
Nursing	24,620	24,643	23	0.09%	38	0.17%
Social Services	25,715	26,448	733	2.85%	694	2.96%
Allied Health Professions	750	547	(203)	(27.07%)	(169)	(25.37%)
Psychology	1,010	970	(40)	(3.96%)	(42)	(4.53%)
Medical Technical Officers	744	724	(20)	(2.69%)	(14)	(2.12%)
Dental	743	755	12	1.62%	14	2.09%
Administration	4,799	4,715	(84)	(1.75%)	(60)	(1.38%)
Support Services	271	357	86	31.73%	75	30.37%
External Savings Plan 2017-18	(460)	0	460	(100.00%)	0	100.00%
Internal Savings Plan 2017-18	687	0	(687)	(100.00%)	(221)	(100.00%)
Unfunded Budgets			0	100.00%	0	100.00%
<b>Total Women &amp; Childrens</b>	<b>70,255</b>	<b>70,190</b>	<b>(65)</b>	<b>-0.09%</b>	<b>(30)</b>	<b>-0.05%</b>
<b>Medical</b>						
Nursing	841	829	(12)	(1.43%)	(16)	(2.01%)
Allied Health Professions	39	43	4	10.26%	4	10.29%
Medical	44	53	9	20.45%	7	18.43%
Administration	1,867	1,874	7	0.37%	11	0.65%
<b>Total Medical</b>	<b>2,791</b>	<b>2,799</b>	<b>8</b>	<b>0.29%</b>	<b>6</b>	<b>0.26%</b>
<b>Performance Management &amp; Service Improvement</b>						
Medical	0	0	0	100.00%	0	100.00%
Nursing	184	232	48	26.09%	41	23.06%
Social Services	0	52	52	100.00%	52	100.00%
Allied Health Professions	137	108	(29)	(21.17%)	(25)	(19.70%)
Medical Technical Officers	510	514	4	0.78%	(15)	(3.15%)
Specialist Professions	0	1	1	100.00%	1	100.00%
Administration	8,917	8,526	(391)	(4.38%)	(293)	(3.60%)
Estates	5,139	5,028	(111)	(2.16%)	(118)	(2.50%)
Support Services	20,231	20,177	(54)	(0.27%)	(105)	(0.57%)
<b>Total Performance Management &amp; Service Improvement</b>	<b>35,118</b>	<b>34,638</b>	<b>(480)</b>	<b>(1.37%)</b>	<b>(463)</b>	<b>(1.44%)</b>
<b>Finance</b>						
Administration	3,438	3,402	(36)	(1.05%)	(31)	(0.99%)
<b>Total Finance</b>	<b>3,438</b>	<b>3,402</b>	<b>(36)</b>	<b>(1.05%)</b>	<b>(31)</b>	<b>(0.99%)</b>
<b>Human Resources</b>						
Medical	241	259	18	7.47%	17	7.54%
Nursing	413	385	(28)	(6.78%)	(23)	(6.18%)
Social Services	41	42	1	2.44%	0	1.02%
Allied Health Professions	63	58	(5)	(7.94%)	(2)	(4.26%)
Administration	2,989	2,903	(86)	(2.88%)	(90)	(3.27%)
<b>Total Human Resources</b>	<b>3,747</b>	<b>3,647</b>	<b>(100)</b>	<b>(2.67%)</b>	<b>(98)</b>	<b>(2.86%)</b>
<b>Corporate / Trustwide</b>						
Medical	230	328	98	42.61%	90	41.37%
Nursing	140	327	187	133.57%	172	134.42%
Administration	2,463	2,134	(329)	(13.36%)	(307)	(13.55%)
Support Services	0	19	19	100.00%	17	100.00%
Apprenticeship Levy	1,520	1,520	0	0.00%	(0)	(0.00%)
<b>Total Corporate / Trustwide</b>	<b>4,353</b>	<b>4,328</b>	<b>(25)</b>	<b>(0.57%)</b>	<b>(27)</b>	<b>(0.69%)</b>
<b>Corporate Solutions</b>	<b>1,787</b>	<b>0</b>	<b>(1,787)</b>	<b>(100.00%)</b>	<b>0</b>	<b>100.00%</b>
<b>Total</b>	<b>402,303</b>	<b>400,132</b>	<b>(2,171)</b>	<b>(0.54%)</b>	<b>(536)</b>	<b>(0.15%)</b>

Cumulative all Directorates	March 2018				February 2018	
	Budget £'000	Expenditure £'000	Variance £'000	%	Variance £'000	%
Medical	75,460	75,869	409	0.54%	(2)	(0.00%)
Nursing	137,695	139,463	1,768	1.28%	1,554	1.23%
Social Services	58,936	61,417	2,481	4.21%	2,242	4.16%
Allied Health Professions	20,875	20,680	(195)	(0.93%)	(156)	(0.82%)
Psychology	3,183	3,047	(136)	(4.27%)	(85)	(2.98%)
Specialist Professions	14,263	14,844	581	4.07%	548	4.21%
Medical Technical Officers	4,861	4,351	(510)	(10.49%)	(482)	(10.84%)
Pharmacy	6,548	6,458	(90)	(1.37%)	(41)	(0.68%)
Dental	839	768	(71)	(8.46%)	(62)	(8.08%)
Administration	45,900	45,103	(797)	(1.74%)	(675)	(1.61%)
Estates	5,258	5,028	(230)	(4.37%)	(227)	(4.69%)
Support Services	21,206	21,562	356	1.68%	255	1.31%
General	27	22	(5)	(18.52%)	(4)	(16.27%)
External Savings Plan 2017-18	(460)	0	460	(100.00%)	0	100.00%
Internal Savings Plan 2017-18	4,405	0	(4,405)	(100.00%)	(3,401)	(100.00%)
Corporate Solutions	1,787	0	(1,787)	(100.00%)		
<b>Total Cumulative</b>	<b>402,303</b>	<b>400,132</b>	<b>(2,171)</b>	<b>(0.54%)</b>	<b>(536)</b>	<b>(0.15%)</b>

**Non Pay Budgetary Performance  
Cumulative for the 12 months ended 31st March 2018**

BUDGET HEADING	MARCH 2018				FEBRUARY 2018	
	BUDGET £'000	EXPENDITURE £'000	VARIANCE £'000 %		VARIANCE £'000 %	
OTHER TREATMENT DEPTS	95	71	(24)	(25.3)	(16)	(21.1)
XRAY	1,757	1,593	(164)	(9.3)	(134)	(8.4)
PHARMACY	17,119	17,326	207	1.2	299	1.9
LABS	5,813	6,338	525	9.0	457	8.5
CATERING	2,926	2,607	(319)	(10.9)	(292)	(10.9)
PATIENTS CLOTHING	822	984	162	19.7	142	19.0
STAFF UNIFORMS	447	434	(13)	(2.9)	(25)	(6.2)
HEAT, LIGHT & POWER	7,298	7,741	443	6.1	60	0.9
BUILDING & ENGINEERING	3,518	3,652	134	3.8	258	8.7
PHARMACY - MAINTENANCE & REPAIRS	1,943	2,191	248	12.8	148	8.3
BEDDING & LINEN	433	433	0	0.0	(4)	(1.0)
RENT, RATES, INSURANCE & WATER	7,179	7,051	(128)	(1.8)	(129)	(2.0)
GENERAL SERVICES	2,506	2,724	218	8.7	79	3.6
REVENUE SCHEMES	1,010	1,010	0	0.0	0	0.0
ADMIN & LEGAL	1,196	1,035	(161)	(13.5)	(161)	(14.7)
TRANSPORT	1,200	1,051	(149)	(12.4)	(155)	(14.2)
POSTAGES & TELEPHONES	1,433	1,236	(197)	(13.7)	(186)	(14.2)
TRAVEL & COURSES	8,500	7,864	(636)	(7.5)	(596)	(7.7)
HOTEL SERVICES	1,443	1,400	(43)	(3.0)	(46)	(3.5)
CHILDCARE SERVICES	3,441	3,917	476	13.8	406	12.9
SOCIAL SERVICES	1,342	1,226	(116)	(8.6)	(132)	(10.7)
DISABILITY SERVICES	4,038	4,582	544	13.5	259	7.9
FOSTERCARE & ADOPTION	8,701	8,860	159	1.8	302	3.9
DOMICILARY CARE	30,758	31,581	823	2.7	844	3.0
ACCESS TARGETS - INDEPENDENT SECTOR	1,167	1,167	0	0.0	0	0.0
INFORMATION TECHNOLOGY	1,763	2,031	268	15.2	291	21.9
HIRE OF VEHICLES/TAXIS	733	689	(44)	(6.0)	(24)	(3.5)
TRUST AGENCY AGREEMENTS	5,793	5,795	2	0.0	43	0.8
CONTROLLED EQUIPMENT	419	416	(3)	(0.7)	0	0.0
CARE CONTRACTS & GRANT AID	20,959	20,816	(143)	(0.7)	46	0.3
INDEPENDENT HOMES	59,046	59,183	137	0.2	80	0.1
PFI	19,959	19,937	(22)	(0.1)	(24)	(0.1)
STAFF ADVERTISING	222	147	(75)	(33.8)	(73)	(35.0)
DRUGS	17,910	17,910	0	0.0	(0)	(0.0)
<b>TOTAL</b>	<b>242,889</b>	<b>244,998</b>	<b>2,109</b>	<b>0.9</b>	<b>1,716</b>	<b>0.8</b>