

South Tees Hospitals

NHS Foundation Trust

Meeting / Committee	Board of Directors	Meeting Date	31 May 2012
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This paper is for	Action/Decision	Assurance X	Information
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Title	Financial Position for the period ending 30 April 2012
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Purpose	The purpose of this report is to advise the Board of the financial position as at the end of April 2012.
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Summary	<p>The income and expenditure position shows a deficit of £1.5million. This is £0.2 million behind the planned £1.3 million.</p> <p>This is the first report against a new plan so we should be cautious about drawing conclusions at this stage in the year</p>
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Prepared by	Chris Newton and senior members of the Finance team	Presented by	Chris Newton
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Recommendation	The Board of Directors is asked to note and comment on the financial position and action identified in response to the position.
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Implications	Legal	Financial X	Safety & Quality	Strategic X	Risk & Assurance X
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Financial Position for the period ending 30 April 2012

1 Introduction

The income and expenditure position shows a deficit of £1.5million. This is £0.2 million behind the planned £1.3 million.

This is the first report against a new plan so we should be cautious about drawing conclusions at this stage in the year. The main areas driving the April 2012 variance against the plan are:

- Income is in line with plan;
- Underspend against pay budget of £0.146 million;
- Overspend against non-pay budget of £0.420 million.

2 Income

Although income is on plan Road Traffic Accident and Private patient income are behind plan. Initial investigation indicates that this relates mainly to timing issues. We will continue to review the position in detail and will monitor these areas to see if this becomes a trend that we need to respond to.

3 Pay

Pay is underspent on several staff groups and have been off-set in part by overspends in medical agency £0.220 million and nursing agency £0.162 million.

4 Non-pay

Drugs is overspent by £0.310 million, £0.2 of this relates to high cost drugs. We will continue to review the position in detail and monitor this area of spend. We did recognise a pressure in budget setting and provided a reserve that has been included in the position but expenditure still exceeds the budget. The balance of overspend relates to a shortfall in the delivery of the productivity and efficiency plan.

5 Productivity and Efficiency

The trust has delivered £0.808 million (82%) of its plan. Some divisions still need to identify further schemes to deliver their target.

6 Summary of divisional performance

A summary of divisional performance is attached for information.

7 Recommendation

The Board of Directors is asked to note and comment on the financial position and action identified in response to the position.

Summary of Divisional performance

Division	P&E Target 2012/13 £'s	YTD P&E Target at April'12 £'s	YTD P&E Actual at April'12 £'s	Recurring YTD P&E Actual at April'12 £'s	Non Recurring		Reported Financial Position at April'12 £'s
					YTD P&E Actual at April'12 £'s	YTD P&E Variance at April'12 £'s	
					£'s	£'s	
Acute Medicine	1,699,379	74,509	66,928	66,928	0	(7,581)	(144,233)
Surgery	1,073,904	13,568	7,910	7,910	0	(5,658)	61,943
Women and Children	846,222	65,505	33,619	19,938	13,681	(31,886)	(14,235)
Specialty Medicine	1,773,581	97,601	72,118	72,118	0	(25,483)	(229,725)
Cardiothoracic Services	1,243,810	60,685	44,998	29,950	15,048	(15,688)	(56,404)
Trauma	1,104,053	82,838	91,423	57,229	34,194	8,585	263,018
Neurosciences	586,548	39,790	35,449	28,929	6,519	(4,342)	41,867
					0		
Anaesthesia & Theatres	810,351	53,673	35,428	35,428	0	(18,245)	(32,636)
Pathology	800,000	155,310	147,701	60,729	86,972	(7,609)	(72,188)
Radiology	406,696	45,923	48,397	42,259	6,138	2,474	4,791
Clinical Support Services	194,118	-20,517	-29,656	-29,656	0	(9,139)	(29,875)
Community Services	1,005,901	72,122	59,030	25,359	33,671	(13,092)	(129,921)
Academic	250,000	12,951	11,667	10,250	1,417	(1,285)	3,509
Chief Executive	162,515	8,049	8,108	8,108	0	59	5,556
Director of Operations	734,000	29,629	29,629	18,468	11,161	0	(6,649)
Finance	353,771	20,402	20,402	10,894	9,508	0	3,481
Healthcare Governance	3,425,048	16,056	23,303	7,491	15,812	7,247	6,756
Human Resources	115,031	2,741	3,524	3,524	0	783	(6,552)
IT & Health Records	845,435	74,480	74,479	7,319	67,160	(1)	(9,174)
Planning	1,826,000	84,785	23,681	20,351	3,330	(61,104)	(34,657)
PFI	1,400,000	0	0	0	0	0	(63,130)
Capital Charges	0	0	0	0	0	0	29,434
Trust Income	0	0	0	0	0	0	38,785
Central	0	0	0	0	0	0	137,990
MDHU	0	0	0	0	0	0	83
Total	20,656,362	990,101	808,137	503,526	304,611	(181,964)	(232,168)