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Gloucestershire Health and Care
NHS Foundation Trust

AGENDA ITEM: 10.1 /0124



Finance Report Month 9



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Overview

- At month 9 the Trust has a surplus of £3.166m compared with a plan of £0.149m
- The Trust's reported forecast position is a £3m surplus in line with the system forecast at month 8
- 23/24 net Capital spend to month 9 is £8.644m against an original plan of £11.058m, and the forecast outturn is £12.295m
- Cash at the end of month 9 is £46.231m
- Cost improvement programme has delivered £4.116m of recurring savings against a ytd plan of £4.659m. Forecast is £5.443m against plan of £5.443m.
- Non recurring savings delivered to date of £3.843m compared with the plan of £3.33m. Forecast is £4.440m against plan of £4.440m.
- The Trust spent £5.989m on agency staff up to month 9. This equates to 3.7% ytd of total pay, excluding centrally funded employers contribution to pensions of 6.3%, and matches the agency expenditure ceiling of 3.7%.
- December agency spend continues on the downward trend of previous months at 3.05% of total pay
- System position at month 9 is a £1.752m favourable variance to plan, an improvement of £7.195m on last month. The reported system forecast is a £1.651m deficit related to industrial action costs.
- There is a risk that the system treatment of S117 costs may change and lead to increased costs for the Trust

GHC Income and Expenditure



Gloucestershire Health and Care

NHS Foundation Trust

	2023/24	2023/24	2023/24	2023/24	2023/24
	NHSE Plan	Original Budget	Revised budget	YTD revised budget	YTD Actuals
Operating income from patient care activities	251,464	252,915	273,744	205,308	203,730
Other operating income	12,792	11,409	17,840	13,380	13,742
Employee expenses - substantive	(184,330)	(201,415)	(220,578)	(165,433)	(141,444)
Bank	(11,698)	(1,704)	(4,146)	(3,110)	(13,462)
Agency	(7,952)	(863)	(985)	(739)	(5,989)
Operating expenses excluding employee expenses	(59,034)	(59,076)	(65,964)	(49,473)	(53,289)
PDC dividends payable/refundable	(2,580)	(2,590)	(2,590)	(1,943)	(2,101)
Finance Income	1,383	1,383	2,725	2,044	2,064
Finance expenses	(153)	(153)	(153)	(115)	(139)
Surplus/(deficit) before impairments & transfers	(108)	(94)	(108)	(81)	3,112
Remove central PPE stock impact					
Remove capital donations/grants I&E impact	108	94	108	81	54
Surplus/(deficit)	0	0	0	0	3,166
WTEs	4433	4457	4587	4587	4540

Budgets don't include full bank and agency budgets as substantive posts are set to reflect true establishment

GHC I & E Forecasts

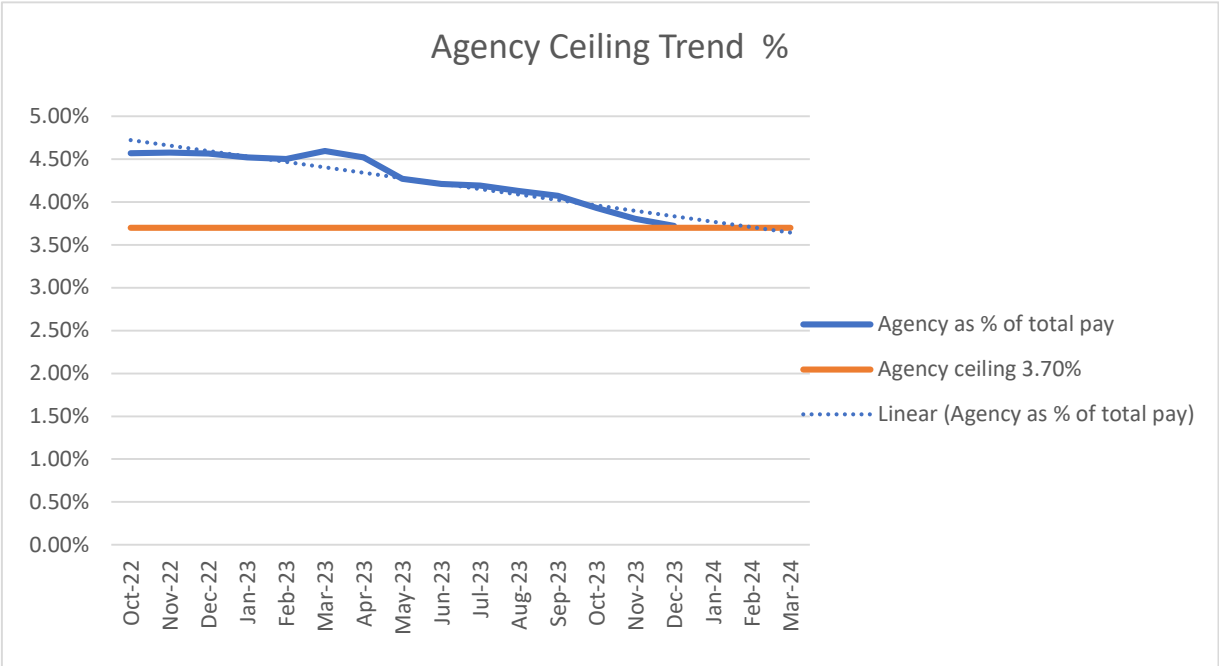
Gloucestershire Health and Care
NHS Foundation Trust

Statement of comprehensive income £000	2023/24	2024/25	2025/26	2026/27	2027/28
	Forecast £000s	Forecast £000s	Forecast £000s	Forecast £000s	Forecast £000s
Operating income from patient care activities	270,065	260,491	263,176	264,815	266,155
Other operating income	18,528	15,278	14,409	14,599	15,101
Employee expenses - substantive	(189,450)	(190,501)	(188,852)	(189,364)	(189,145)
Bank	(17,692)	(18,676)	(19,050)	(19,431)	(19,819)
Agency	(7,890)	(7,740)	(7,692)	(7,725)	(7,732)
Operating expenses excluding employee expenses	(70,413)	(58,739)	(61,771)	(62,567)	(64,131)
PDC dividends payable/refundable	(2,805)	(2,624)	(2,724)	(2,824)	(2,924)
Finance Income	2,752	2,565	2,565	2,565	2,565
Finance expenses	(188)	(160)	(164)	(165)	(169)
Surplus/(deficit) before impairments & transfers	2,908	(106)	(103)	(98)	(98)
Remove central PPE stock impact					
Remove capital donations/grants I&E impact	92	106	103	98	98
Surplus/(deficit)	3,000	0	0	0	0
Recurring savings		(6,517)	(6,543)	(6,561)	(6,577)
Savings as % of budget		2.5%	2.5%	2.5%	2.5%
Non recurring savings		(7,676)	(5,254)	(4,401)	(3,427)
Savings as % of budget		2.9%	2.0%	1.7%	1.3%

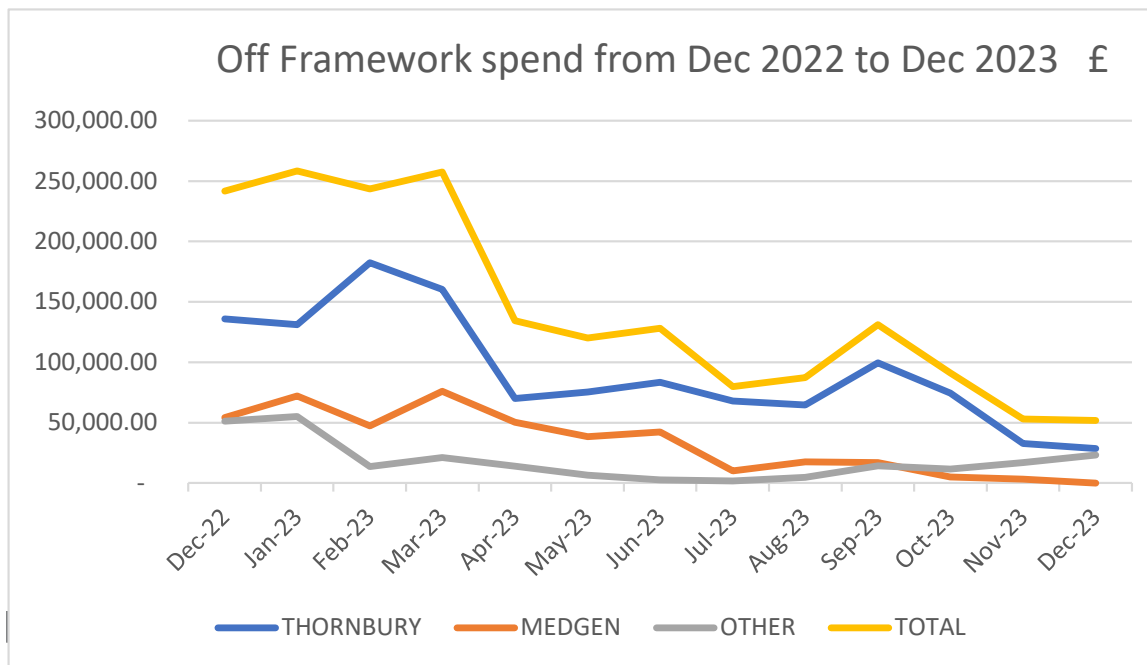
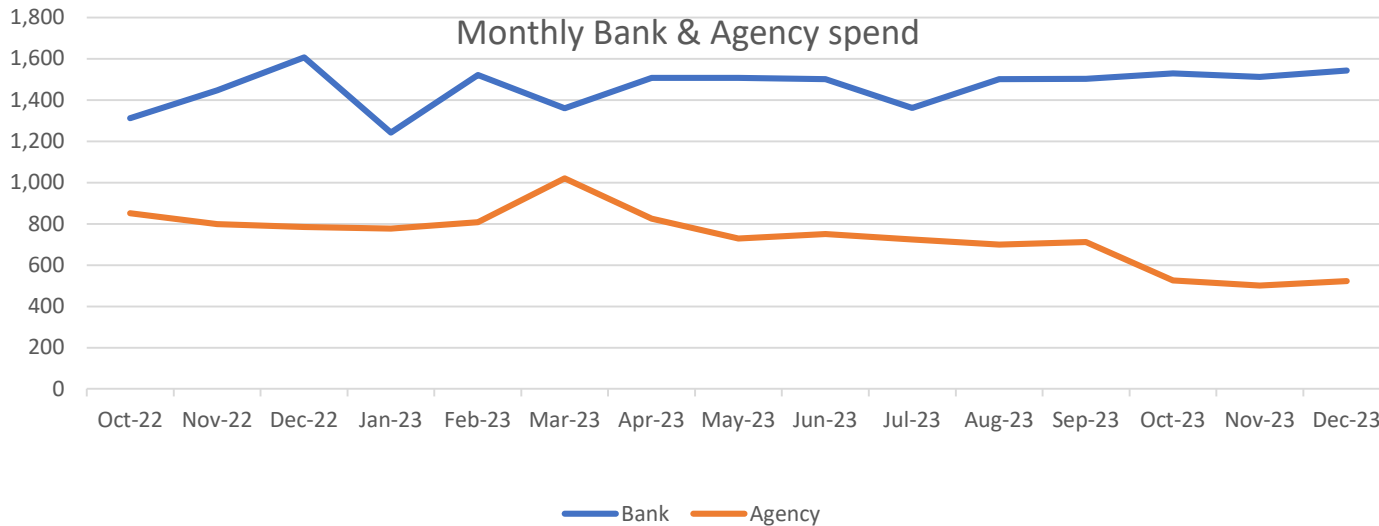
Future years forecasts based on recurrent budgets with inflation, savings assumptions applied. Non recurrent income and costs are excluded.

Pay analysis

Pay analysis month 9					
	Budget WTE year to date	Actual WTE year to date	Budget year to date £000s	Actual year to date £000s	Actual ytd as % of Total
Substantive	4,566	4,140	165,433	141,444	87.9%
Bank	14	361	3,110	13,462	8.4%
Agency	3	55	739	5,989	3.72%
Total	4,583	4,556	169,282	160,895	100.0%
<u>Comments</u>					
<ul style="list-style-type: none">- substantive costs exclude employers contribution of nationally funded pension costs of 6.3%- A4C and Medical pay awards lead to recurring cost pressure of c.£0.77m- Agency spend £230k lower in December than the average monthly spend April to September- 3.7% of pay bill spent on agency year to date. System agency ceiling 3.7%- Off framework agency spend is now an average of £200k per month lower than Nov 2022- We are £38k above agency ceiling (last month £153k)					



Pay analysis



GHC Balance Sheet

Gloucestershire Health and Care
NHS Foundation Trust

STATEMENT OF FINANCIAL POSITION (all figures £000)		2022/23	2023/24				2023/24	2024/25	2025/26	2026/27	2027/28
		Actual	Plan	YTD Plan	YTD Actual	Variance	Full Year Forecast	Forecast £000s	Forecast £000s	Forecast £000s	Forecast £000s
Non-current assets	Intangible assets	1,370	821	890	1,403	513	1,292	786	502	230	0
	Property, plant and equipment: other	113,537	143,163	138,879	114,952	(23,927)	118,900	120,901	124,890	124,431	123,977
	Right of use assets*	17,715	19,028	19,394	16,473	(2,921)	17,011	16,577	16,005	14,444	12,883
	Receivables	1,085	511	512	1,085	573	1,032	901	901	901	901
	Total non-current assets	133,707	163,522	159,674	133,913	(25,761)	138,235	139,165	142,298	140,006	137,761
Current assets	Inventories	406	494	494	398	(95)	398	398	398	398	398
	NHS receivables	14,538	4,300	4,285	8,485	4,200	8,485	8,770	8,720	8,690	8,660
	Non-NHS receivables	7,165	8,738	8,738	9,346	608	9,346	6,085	5,985	5,935	5,885
	Credit Loss Allowances	(2,163)	(2,163)	(2,163)	(2,135)	28	(2,142)	(2,135)	(2,135)	(2,135)	(2,135)
	Property held for Sale	3,697	0	0	5,947	5,947	2,558				
	Cash and cash equivalents:	48,836	42,044	42,874	46,250	3,376	43,152	46,102	44,378	46,441	48,566
	Total current assets	72,480	53,412	54,227	68,291	14,064	61,797	59,220	57,346	59,329	61,374
Current liabilities	Trade and other payables: capital	(4,343)	(5,594)	(2,594)	(1,962)	632	(3,962)	(4,220)	(4,220)	(4,220)	(4,220)
	Trade and other payables: non-capital	(38,870)	(25,865)	(27,983)	(30,809)	(2,826)	(28,236)	(30,204)	(30,204)	(30,204)	(30,204)
	Borrowings*	(1,446)	(1,345)	(1,426)	(1,340)	86	(1,284)	(1,345)	(1,345)	(1,345)	(1,345)
	Provisions	(7,882)	(6,511)	(5,911)	(9,288)	(3,377)	(9,288)	(6,558)	(6,558)	(6,558)	(6,558)
	Other liabilities: deferred income including contract liabilities	(1,107)	(2,478)	(2,478)	(4,188)	(1,710)	(2,188)	(2,400)	(2,400)	(2,400)	(2,400)
	Total current liabilities	(53,649)	(41,793)	(40,392)	(47,587)	(7,196)	(44,958)	(44,727)	(44,727)	(44,727)	(44,727)
Non-current liabilities	Borrowings	(15,298)	(18,265)	(18,298)	(14,276)	4,022	(14,933)	(14,684)	(14,549)	(14,419)	(14,294)
	Provisions	(2,480)	(2,538)	(2,538)	(2,472)	66	(2,472)	(2,480)	(2,480)	(2,480)	(2,480)
	Total net assets employed	134,761	154,338	152,673	137,868	(14,805)	137,668	136,494	137,888	137,709	137,634
Taxpayers Equity	Public dividend capital	130,166	132,056	130,215	130,166	(49)	130,166	132,285	133,848	133,848	133,848
	Revaluation reserve	10,053	13,124	13,124	10,052	(3,071)	10,052	10,052	10,052	10,052	10,052
	Other reserves	(1,241)	(1,241)	(1,241)	(1,241)	0	(1,241)	(1,241)	(1,241)	(1,241)	(1,241)
	Income and expenditure reserve	10,733	10,508	10,508	(4,217)	(14,725)	(4,217)	(4,602)	(4,771)	(4,950)	(5,025)
	Income and expenditure reserve (current)	(14,950)	(108)	68	3,108	3,040	2,908				
	Total taxpayers' and others' equity	134,761	154,338	152,673	137,868	(14,805)	137,668	136,494	137,888	137,709	137,634

PPE variance due to 22/23 revaluation, and transfer to Assets Held for Sale
NHS receivables variance due to a large number of invoices raised in Dec

Cash Flow Summary

Gloucestershire Health and Care
NHS Foundation Trust

Statement of Cash Flow £000	YEAR END 22/23		YTD ACTUAL 23/24		FULL YEAR FORECAST 23/24		2024/25 Forecast £000s	2025/26 Forecast £000s	2026/27 Forecast £000s	2027/28 Forecast £000s
Cash and cash equivalents at start of period		58,896		48,836		48,836	43,152	46,102	44,378	46,441
Cash flows from operating activities										
Operating surplus/(deficit)	(13,138)		3,313		2,961		1,734	1,967	2,058	2,266
Add back: Depreciation on donated assets	84		53		92		0	0	0	0
Adjusted Operating surplus/(deficit) per I&E	(13,054)		3,366		3,053		1,734	1,967	2,058	2,266
Add back: Depreciation on Right of use assets	7,918						8,228	8,431	8,804	8,757
Add back: Depreciation on owned assets			6,134		9,000		1,561	1,561	1,561	1,561
Add back: Impairment	14,781				0		0	0	0	0
(Increase)/Decrease in inventories	88		8		8		0	0	0	0
(Increase)/Decrease in trade & other receivables	(7,765)		3,286		3,904		650	150	80	80
Increase/(Decrease) in provisions	3,576		1,399		1,399		(500)	0	0	0
Increase/(Decrease) in trade and other payables	10,119		(8,867)		(10,636)		0	0	0	0
Increase/(Decrease) in other liabilities	(1,301)		3,081		1,081		0	0	0	0
Net cash generated from / (used in) operations		14,362		8,406	0	7,808	11,673	12,109	12,503	12,664
Cash flows from investing activities										
Interest received	1,144		2,070		2,752		825	825	825	825
Interest paid			(30)				0	(7)	(7)	(7)
Asset Held for Sale					3,389		2,233	5,500	500	0
Purchase of property, plant and equipment	(22,650)		(11,130)		(15,874)		(10,001)	(18,625)	(8,573)	(8,073)
Sale of Property	0				0				0	0
Net cash generated used in investing activities		(21,506)		(9,090)	0	(9,733)	(6,943)	(12,307)	(7,255)	(7,255)
Cash flows from financing activities										
PDC Dividend Received	1,886						1,213	1,563	0	0
PDC Dividend (Paid)	(3,217)		(899)		(2,406)		(2,690)	(2,790)	(2,890)	(2,990)
Finance lease receipts - Rent			165		220					
Finance lease receipts - Interest	216		(6)		(8)					
Finance Lease Rental Payments	(1,632)		(1,024)		(1,386)		(162)	(164)	(165)	(169)
Finance Lease Rental Interest	(169)		(138)		(179)		(141)	(135)	(130)	(125)
		(2,916)		(1,902)	0	(3,759)	(1,780)	(1,526)	(3,185)	(3,284)
Cash and cash equivalents at end of period		48,836		46,250	0	43,152	46,102	44,378	46,441	48,566

Capital – Five year Plan

Gloucestershire Health and Care
NHS Foundation Trust

Capital Plan	Plan	Plan ytd	Actuals to date	Forecast Outturn 10.01.24	Plan	Plan	Plan	Plan
£000s	2023/24	2023/24	2023/24		2024/25	2025/26	2026/27	2027/28
Land and Buildings								
Buildings	2,400	1,325	(58)	1,297	1,000	3,000	3,000	3,000
Backlog Maintenance	1,045	820	563	1,945	1,250	1,393	1,393	1,393
Buildings - Finance Leases	784	292	0	1,031	712	989	500	0
Vehicle - Finance Leases	384	288	0	389	309	0		0
Net Zero Carbon	500	500	0	262	500	500	500	500
LD Assessment & Treatment Unit						2,000	0	
Cirencester Scheme						5,000	0	
Medical Equipment	500	403	50	725	1,030	1,030	1,030	1,030
Xray				267	0			
Endoscopy					0			
IT								
IT Device and software upgrade					600	600	600	600
IT Infrastructure	1,130	622	34	894	1,530	1,300	1,300	1,300
Clinical Systems Vision	2,191	1,033	354	355	2,533	2,813	250	250
Dilapidations				150				
Unallocated							0	
Sub Total	8,934	5,283	942	7,315	9,464	18,625	8,573	8,073
Forest of Dean	8,851	8,239	7,701	8,336	237	0	0	0
Total of Updated Programme	17,785		8,644	15,651	9,701	18,625	8,573	8,073
Disposals	(3,749)	(2,464)		(3,356)	(2,733)	(5,500)	0	0
Total CDEL spend	14,036	11,058	8,644	12,295	6,968	13,125	8,573	8,073
Funded by;								
Anticipated System CDEL	11,027			11,171	11,116	11,116	11,116	11,116
IFRS 16	1,168			578				
CDC funding				320				
Frontline Digitisation funding	1,841			0	1,841	1,841	0	
CDEL Shortfall / (under commitment)	0			226	(5,989)	168	(2,543)	(3,043)

FoD projected total spend £25.9m

Risks

Potential risks are as set out below:

‘ICS risk share mechanism will lead to a financial impact’ has been removed as it is now an issue rather than a risk

Risk No.	Risks	Year	Risks	Made up of: Recurring	Made up of: Non Recurring	Likelihood	Impact	RISK SCORE
ID.391	Recurring savings without a plan don't deliver	23/24	860	860	0	3	3	9
	Cost share changes for Section 117 patients leads to additional costs not reimbursed by ICB	23/24	1,511	2,040	-529	3	3	9
ID.390	ICS risk share mechanism will lead to financial impact on GHC	24/25	0	0	0	0	0	0
ID.388	Staffing above establishment is not able to be reduced in Inpatients	24/25	0	3,400	-3,400	0	0	0
ID.395	Capital cost inflation leads to capital programme being reduced	24/25	0	1,000	-1,000	0	0	0
ID.180	Mental Health Act White paper reforms	24/25	0	1,000	-1,000	0	0	0
ID.396	Microsoft Licenses cost pressure from national deal	24/25	0	227	-227	0	0	0
	Total of all risks		2,371	8,527	-6,156			



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System position



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Draft System Position Month 9 23/24	Plan 31/10/2023 YTD	Actual 31/10/2023 YTD	Variance 31/10/2023 YTD	31/03/2024 Forecast
Organisation	£'000	£'000	£'000	£'000
Gloucestershire ICB	0	0	0	3,446
Gloucestershire Health And Care NHS Foundation Trust	149	3,166	3,017	3,000
Gloucestershire Hospitals NHS Foundation Trust	(4,344)	(1,414)	2,930	(8,097)
TOTAL Surplus/(deficit)	(4,195)	1,752	5,947	(1,651)

System risk share position

Gloucestershire Health and Care
NHS Foundation Trust

Organisation	Measure	Target	Delivery on track?
ICB	Deliver Financial Plan	Break even	Yes
ICB	Deliver system ERF	Delivery of system ERF target (Independent sector providers and out of county providers)	Yes
ICB	Increased flow	Increased flow through discharge to assess beds – 5 day reduction in LOS by 31st March 2024 from a baseline of 38.4 days average.	No
GHFT	Deliver Financial Plan	Break even	No
GHFT	Deliver ERF target	Delivery of the Elective Recovery target for 23/24 of 109% of 19/20 baseline (Trusts' element of Gloucestershire target which is NOW 103% activity recovery rate).	No
GHFT	Deliver Ambulance handover trajectory	Delivery of the ambulance handover trajectory in the Operational Plan (using average handover time as the measure).	No
GHC	Deliver Financial Plan	Break even	Yes
GHC	Improve rapid response demand and capacity by 3%	Have 3900 starts annually	Yes
GHC	Improved mental health liaison response	1115 Routine referrals responded to in 24 hours, 476 Urgent referrals responded to in 2 hours	Yes



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