FINANCE REPORT SEPTEMBER 2011

OVERVIEW

	Plan YTD £m	Actual YTD £m	Var YTD £m	Plan FOT £m	Fcst FOT £m	Var FOT £m
Income	73.1	74.4	1.3	143.1	144.0	0.9
Expenditure	(73.1)	(74.4)	(1.3)	(142.4)	(143.3)	(0.9)
Surplus (Deficit)	**0.0**	**0.0**	**0.0**	**0.7**	**0.7**	**0.0**

The results for the 6 months are marginally worse than plan, by £49k, however pay expenditure continues to be a concern.

Elective activity has exceeded planned levels and has been a driver of better than expected income levels. The trust is also over performing on planned outpatient activity levels. Emergency admissions continue to be high and this is reflected in attendances at the Emergency Department. Emergency activity over planned levels is funded at marginal rates.

Year to Date Activity: As at 30 September 2011	**Actual**	**Planned**	**Variance**
Elective	13,172	13,086	86
Non-Elective	11,275	10,734	541
Outpatient Attendances	143,245	140,061	3,184
Emergency Department Attendances	21,326	19,116	2,210

The utilisation of staff in September was above the WTE budget figure by 82 FTE and was 28 FTE lower than August. Pay costs are above the budgeted pay by £454k.

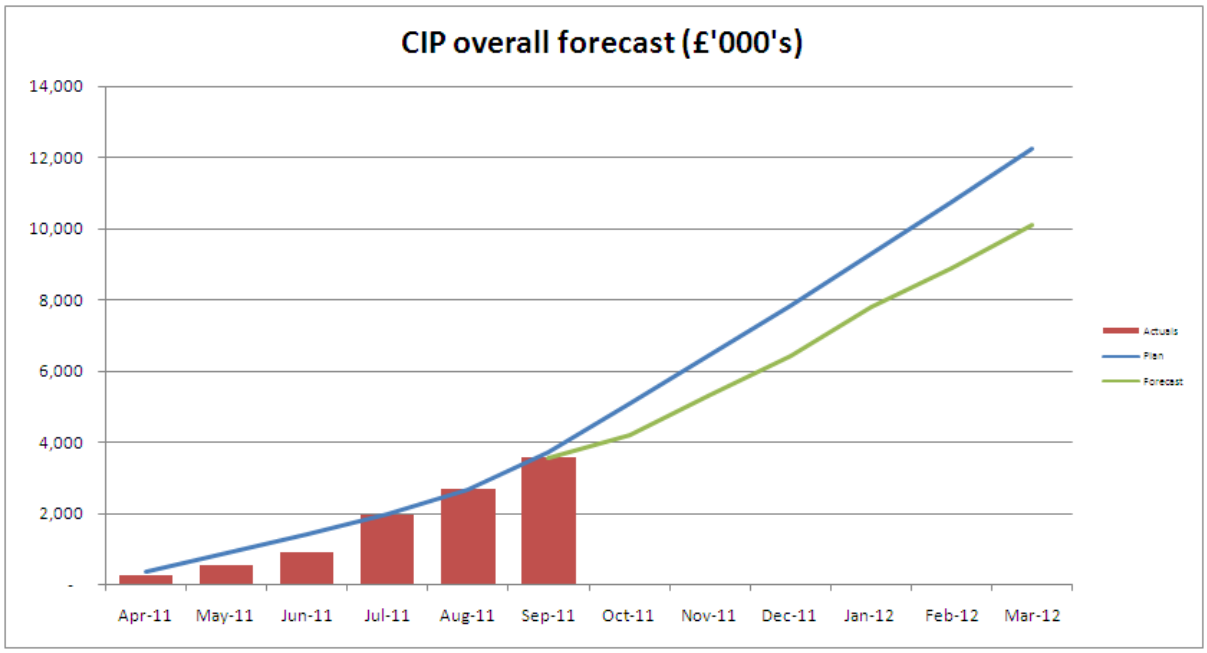
The normalised cash flow key indicator shows that we are continuing to manage our cash well, although it is challenging. Our deferred Public Dividend Capital (PDC) from March 2010 was paid in September.

The year end forecast remains as per the annual plan despite the marginally adverse month 6 position.

CAPITAL

1.1 Capital expenditure for the 6 months was £1.7m, which is above plan by £0.9m.

COST IMPROVEMENT PROGRAMME (CIP)

1.2 The CIP Programme Board has reported that savings of £3.58 million have been achieved in the first six months of the year against a plan of £3.71 million, a variance of £0.1 million. The variance is largely attributable to delays in implementation and mitigation plans are being prepared.

1.3 The forecast gap in savings is mitigated by a number of schemes that have been reviewed in detail by the Programme Board and discussed at the Finance and Performance Committee of the Trust.