Agenda Item: 11.2a

The Queen Elizabeth Hospital King's Lynn
NHS Foundation Trust

Update - Financial Plan H2 2021/22
Governors' Council
16 December 2021

EXCELLENCE STARTS HERE

- **The H2 plan for the Trust is now to deliver a break-even position. The ICS has submitted a breakeven position with mechanisms in place through income flows to ensure each organisation has also submitted breakeven positions.**

- **This is a change from the initial £4.3m Trust deficit position for H2 and the main movements behind this improvement are set out below, including the actual position for month 7.**

The main assumptions within the latest model are as follows:

- Income is based on the latest Norfolk and Waveney (N&W) ICS allocation (version 5). The allocation movement from H1 to H2 has been replicated for non N&W ICS commissioner income and remains unchanged from the previous position reported.
- Elective Recovery Fund (ERF) - **£2m** is now recognised as coming into the system and to the Trust outside of the ICS envelope. Costs of **£2m** related to this income have been included within expenditure plans.
- Pay Award Shortfall £**0.5m** has now been included to cover what was a gap in funding.
- Additional ward capacity costs of Feltwell and Leverington (including support costs) of **£2.7m** are now funded. The assumption is that this will be funded from the Winter Elective Recovery Funds will come to the system outside of the envelope. The final confirmation of this system funding is due w/c 15 November.
- Fully funded GP streaming service co-located within ED (no financial impact).

Financial Plan for H2 2021/22

	2021/22 P7 Actual £000's	2021/22 P8 Plan £000's	2021/22 P9 Plan £000's	2021/22 P10 Plan £000's	2021/22 P11 Plan £000's	2021/22 P12 Plan £000's	2021/22 H2 BUDGET £000's
Clinical Income	19,192	20,129	20,129	20,129	20,129	20,129	**119,837**
Other Income	1,424	1,274	1,274	1,274	1,274	1,275	**7,795**
COVID-19 Income	1,414	1,302	1,302	1,302	1,302	1,302	**7,926**
Total Income	**22,030**	**22,705**	**22,705**	**22,705**	**22,705**	**22,706**	**135,558**
Pay Costs - Substantive	(12,863)	(13,383)	(13,352)	(13,833)	(13,912)	(13,903)	(81,246)
Pay Costs - Bank	(1,074)	(1,276)	(1,136)	(1,287)	(1,196)	(1,242)	(7,211)
Pay Costs - Agency	(1,165)	(1,011)	(1,021)	(1,141)	(970)	(1,075)	(6,383)
Pay Costs - Additional COVID-19	(583)	(648)	(595)	(695)	(552)	(634)	(3,707)
Pay Costs - Vaccination Centres	(84)	0	0	0	0	0	(84)
Total Pay Costs	(15,769)	(16,318)	(16,104)	(16,956)	(16,630)	(16,854)	**(98,631)**
Non Pay - Additional COVID-19	(61)	(40)	(40)	(40)	(40)	(40)	**(263)**
Non Pay Costs	(5,988)	(5,867)	(5,707)	(5,397)	(6,011)	(6,181)	**(35,151)**
Cost Improvement Programme	575	585	585	585	585	585	**3,500**
Total Operating Costs	**(21,243)**	**(21,640)**	**(21,266)**	**(21,808)**	**(22,096)**	**(22,490)**	**(130,545)**
EBITDA	**787**	**1,065**	**1,439**	**897**	**609**	**216**	**5,013**
Net Finance Costs	(793)	(862)	(862)	(915)	(915)	(915)	**(5,261)**
TOTAL (Deficit) / Surplus	**(6)**	**203**	**577**	**(18)**	**(306)**	**(699)**	**(248)**
Adjust Donated Assets	33	33	33	33	33	33	**196**
(Deficit) / H2	**27**	**236**	**610**	**15**	**(273)**	**(666)**	**(52)**
Surplus H1							52
(Deficit) / Surplus 2021/22							**(0)**