

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

TRUST BOARD – 27th October 2011

Finance Update

Executive Lead	Neil Nisbet, Finance Director
Author	As above
Strategic Domain	Financial Strength: We will develop and deliver robust services that generate surpluses to reinvest in quality
Organisational Objective	Maximise the productivity and efficiency of our services
Executive Summary	<p>The Trust is required to deliver a balanced Income and Expenditure position in the year. This paper provides a description of the performance over the period April –September 2011 and a forecast outturn for the year.</p> <ul style="list-style-type: none"> • During the period April - September 2011, the Trust recorded a cumulative deficit of £911,000, which was £304,000 worse than anticipated. • The “in month” performance within the month of September has improved. • The Trust is presently forecasting a balanced financial position by the year end subject to the delivery of management actions, in respect of Medical and Nursing Agency spending, the closure of beds in two phases from the middle of November 2011 and improved controls over non pay spending. • Without management action the Trust is predicting an overspend at the year end amounting to £2.652 million. • The risk associated with the delivery of a balanced financial position by the year end has reduced as a consequence of recently completed contract negotiations with Shropshire County and Telford and Wrekin PCTs. • The successful delivery of the RTT target is a key health economy requirement. <p>The paper also contains a description of how the cash position is expected to alter through the year and the impact upon the level of debtor and creditor working balances.</p>

Recommendations	Trust Board is asked to: <ul style="list-style-type: none">• NOTE and APPROVE the actions being taken to achieve a balanced financial position.• NOTE the Month 06 position
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