

# Oxleas NHS Foundation Trust Executive Summary

# Monitor

Independent Regulator  
of NHS Foundation Trusts

The Trust has achieved an FRR 5 at Q4 and has met all targets and standards.

## Risk ratings

	AP	YTD
Financial	4	5
Governance	G	G
Mandatory services	G	G

Continue Quarterly  
Monitoring

## Financial summary £m

	Quarter			YTD			FY	
	Plan	Actual	Var	Plan	Actual	Var	Plan	Plan
Total income	32.4	34.8	2.4	129.5	135.5	6.0		129.5
Pay costs	(22.1)	(23.3)	(1.3)	(88.3)	(88.5)	(0.1)		(88.3)
Drug costs	(0.7)	(0.6)	0.1	(2.8)	(2.5)	0.4		(2.8)
Other costs	(8.5)	(8.5)	0.1	(30.2)	(34.9)	(4.8)		(30.2)
<b>EBITDA</b>	<b>1.0</b>	<b>2.4</b>	<b>1.4</b>	<b>8.2</b>	<b>9.6</b>	<b>1.5</b>		<b>8.2</b>
Depreciation	(0.6)	(0.6)	(0.1)	(2.3)	(2.2)	0.1		(2.3)
Net interest	0.0	0.0	0.0	0.3	0.8	0.5		0.3
Other	(1.0)	(1.0)	0.0	(4.1)	(4.1)	0.0		(4.1)
	<b>(0.5)</b>	<b>0.8</b>	<b>1.3</b>	<b>2.1</b>	<b>4.1</b>	<b>2.0</b>		<b>2.1</b>
Exceptional items	(3.9)	(4.5)	(0.5)	(3.9)	(4.5)	(0.5)		(3.9)
<b>Net surplus/(deficit)</b>	<b>(4.5)</b>	<b>(3.7)</b>	<b>0.8</b>	<b>(1.9)</b>	<b>(0.4)</b>	<b>1.5</b>		<b>(1.9)</b>
<i>EBITDA % Income</i>	<i>3.2</i>	<i>6.9</i>		<i>6.3</i>	<i>7.1</i>			<i>6.3</i>
<i>I&amp;E CIP</i>	<i>0.6</i>	<i>0.0</i>	<i>(0.6)</i>	<i>1.8</i>	<i>1.1</i>	<i>(0.7)</i>		<i>1.8</i>
EBITDA	1.0	2.4	1.4	8.2	9.6	1.5		8.2
Change in WC	(2.3)	(1.3)	1.0	(10.7)	(0.4)	10.3		(10.7)
Non cash I&E items	0.0	0.0	0.0	0.0	0.0	0.0		0.0
<b>CF from operations</b>	<b>(1.3)</b>	<b>1.1</b>	<b>2.4</b>	<b>(2.5)</b>	<b>9.2</b>	<b>11.7</b>		<b>(2.5)</b>
Capital expenditure	(1.0)	0.5	1.5	(9.4)	(1.9)	7.5		(9.4)
Financing and other	(2.2)	(2.0)	0.2	(4.0)	(3.3)	0.7		(4.0)
<b>Net cash flow</b>	<b>(4.5)</b>	<b>(0.4)</b>	<b>4.1</b>	<b>(15.9)</b>	<b>4.1</b>	<b>19.9</b>		<b>(15.9)</b>
Period end cash	20.4	40.3	20.0	20.4	40.3	20.0		20.4

## Liquidity:

- There are no immediate liquidity concerns apparent from this review.
- At Q3 the Trust has a liquidity rating of 5 (99 days).
- Closing cash is £40.3m which is £20m ahead of plan due in part to the under spend on capital (£7.5m), increased EBITDA (£1.5m), increased interest receivable (£0.5m), the decrease in debtors (£4.8m) and the increase in creditors (£3.3m).
- The Trust has a working capital facility of £10m provided by Lloyds TSB.

AHC Quality of services = Excellent LT borrowing limit = £29.7m Loans drawn = £nil

### Key points

### Action /Resolution

#### Financial

- EBITDA is £1.5m above plan due to additional income from EMI and TILT funding (£0.8m), the Greenwich PCT contract (£0.5m), Greenwich S75 (£0.2m) and forensic services (£0.4m) offset by the write back of 07/08 provisions in the year (£0.5m).
- The Trust has a £7.5m slippage on its capital programme. The slippage is due to the Memorial Hospital site backlog maintenance (£1.7m), Goldie project (£1.3m), Bracton step down and Personality Disorder services (£0.8m), sustainability projects (£0.4m) and small slippages on other projects.
- CIPs are £0.7m behind plan relating to Cross Directorate and Bexley.

- To be followed up during the ARA.

#### Non financial

- Declaration 1 signed by the Trust confirming compliance with all relevant standards and targets.
- Bexley Care Trust have invited Oxleas to take on the Adult Community Provider Unit from 1st November 2009. A decision on the Bexley Children's Services is likely in May.
- Bromley PCT have yet to decide how to proceed with divesting their Community Provider Unit.

- The Trust are embarking on a Due Diligence process with a view to the consultation period beginning on 1st August.
- The Trust will continue to update Monitor on progress in relation to these negotiations.