Barnet, Enfield and Haringey NHS
Mental Health NHS Trust

Trust Board

Finance Report to 28th February 2017

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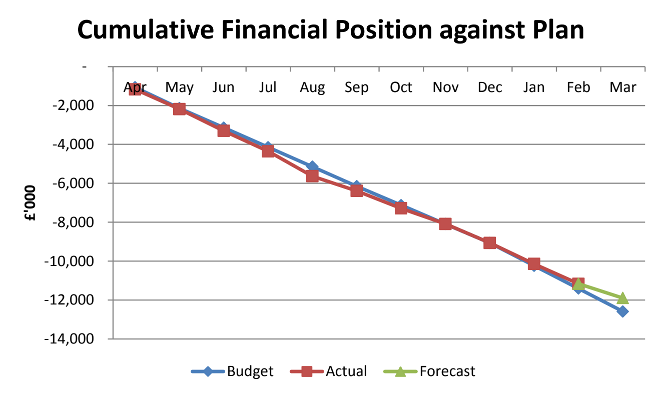
1. Financial Performance Overview

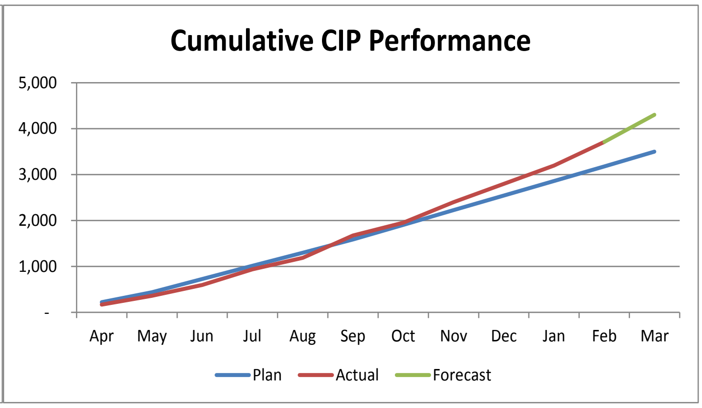
Achievement of Forecast

	£'000s		
	Budget	Actual	Variance
Month 11	(1,151)	(1,017)	134
Year to Date	(11,365)	(11,166)	199
Forecast	(12,589)	(11,900)	689

Budget/Actual - Surplus/(Deficit)
Variance to Budget - Favourable/(Adverse)

- Financial performance at the end of month 11 is a deficit of £11,166k against a planned deficit of £11,365k.
- Forecast outturn is now a deficit of £11,900, improved from £12,589k in month 10.





- Actual deficit is better than plan by £134k in month.
- The forecast is now a £11.9m deficit, an improvement from the £12.6m deficit reported in month 11. The trust has improved its forecast outturn by £345k and therefore will receive Sustainability and Transformation Funding of £344k.
- Continued pressure from expenditure on private beds of £276k in month (£3,425k year to date). However this is offset by reserves;
- The continued use of private beds is the most significant risk to the achievement of the revised forecast outturn;
- An average of 13 private beds per night were used during February, down from 18 in January.

Cost Improvement Programme (CIP)

- CIP performance is worse than plan by £28k in month and £3k better than plan year to date;
- The risk adjusted forecast is that £4.3m CIPs will be achieved against the target of £4.1m;
- Service Lines are continuing to work on their CIP proposals for 2017/18 and 2018/19.

Key Areas of Risk

- Increased use of private beds, however the forecast assumes that the current level of usage continues.

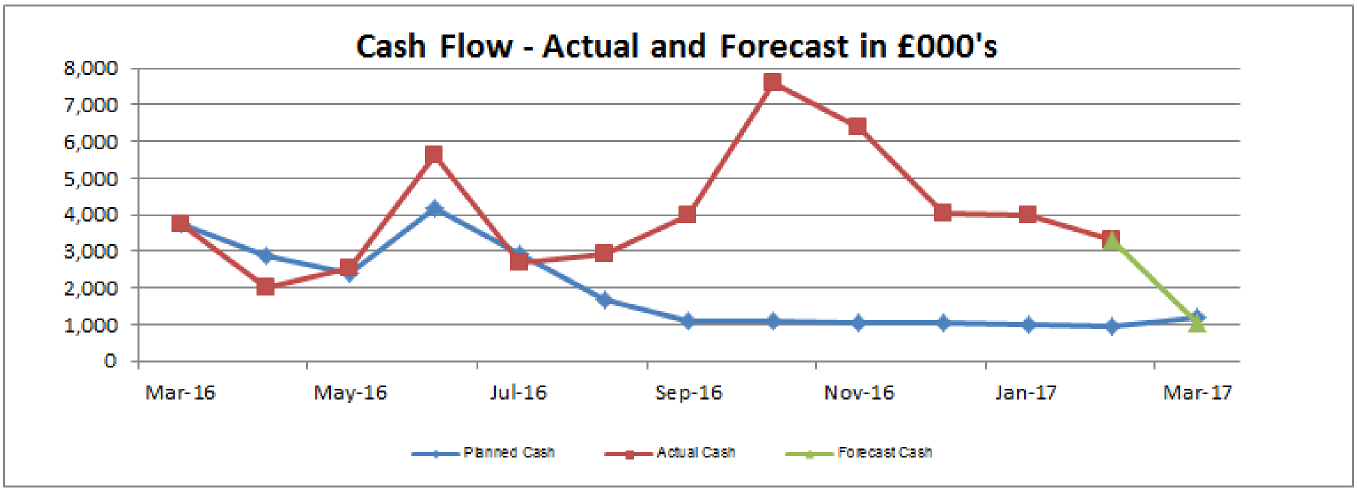
Actions to achieve the Forecast Outturn

- Bed management continues to be closely monitored at the fortnightly Improvement and Delivery Board, with targets for beds now in place for each borough;
- Discussions continue with commissioners on key invoice disputes such as health visiting and CAMHs Future in Mind funding with the London Borough of Enfield and CAMHs with London Borough of Barnet.

Cash

- The favourable variance of £2.3m in cash is mainly due to creditors continuing at higher than planned levels (£4.2m) due to deferred income and specific creditors remaining unpaid whilst disputes are resolved (NHS Property Services and Royal Free Hospital). This is offset by debt recovery being £3.2m below plan and borrowing being £1.3m below plan.

- £3.5m of cash support has been borrowed from the Department of Health in February to meet the liabilities of the Trust. This loan is repayable in 2020 with an interest rate of 1.5%pa.



Single Oversight Risk Rating

- The Trust scores 3 against the new NHS Improvement Single Oversight Risk Assessment Framework for both year to date and forecast outturn. This is detailed in section 7 of this report.

2. Financial Summary Year to Date - Income and Expenditure

The table below shows the values for planned and actual performance against the budgeted deficit of £12.6m submitted to NHS Improvement in April, and includes the revised forecast of £11.9m as agreed with NHS Improvement.

Annual Budget £000's		Month 11 Budget £000's	Month 11 Actual £000's	Month 11 Variance £000's	YTD Month 11 Budget £000's	YTD Month 11 Actual £000's	YTD Month 11 Variance £000's	Forecast Outturn £000's
186,678	Patient Care Income	15,577	15,251	(325)	171,102	171,012	(90)	186,559
9,140	Non Patient Care Income	848	843	(4)	8,170	7,848	(322)	8,562
(150,447)	Pay	(12,690)	(12,820)	(129)	(137,582)	(139,405)	(1,823)	(152,078)
(44,945)	Non Pay	(3,800)	(3,280)	521	(41,124)	(38,831)	2,293	(42,013)
426	**EBITDA**	**(67)**	**(5)**	**63**	**565**	**625**	**60**	**1,030**
0%	EBITDA %	0%	0%		0%	0%		1%
-	Profit / (loss) on disposal of assets	-	(0)	(0)	-	(5)	(5)	(6)
-	Fixed Asset Impairments	-	-	-	-	(738)	(738)	(805)
(6,350)	Depreciation and Amortisation	(529)	(487)	42	(5,821)	(5,848)	(27)	(6,380)
(6,282)	PDC Dividend	(524)	(510)	14	(5,759)	(5,628)	130	(6,140)
(383)	Interest payable	(32)	(16)	16	(351)	(322)	29	(351)
-	Interest Receivable	-	1	1	-	13	13	14
(12,589)	**Surplus / Deficit**	**(1,151)**	**(1,017)**	**134**	**(11,365)**	**(11,904)**	**(539)**	**(12,638)**
-	Fixed Asset Impairments removed	-	-	-	-	738	738	738
(12,589)	**Surplus / Deficit excluding impairments**	**(1,151)**	**(1,017)**	**134**	**(11,365)**	**(11,166)**	**199**	**(11,900)**

Summary: The Trust's financial performance at the end of month 11 is a deficit of £11,166k against a budgeted deficit of £11,365k, which is favourable to plan by £199k year to date. The in month position is £134k better than budget.

Income

Total income is worse than plan by £329k in month (£412k worse than plan year to date);

Patient care income is £325k worse than plan in month, £90k worse year to date. In month a provision was made against Health Visiting block income, which led to the position being adverse YTD. In addition:

- CAMHS CAPA income is below budget by £39k in month 11, £431k year to date as it will be invoiced at year end;
- NHSE Public Health contract income is £15k underachieved in month 11. The contract is confirmed as £182k for the full year, which is 50% of the target;
- Respiratory cost and volume income is £32k below target in month 11, £250k below year to date due to underactivity.

However, to offset the above:

- Non Contracted Activity income is better than budget by £48k in month 11, £548k year to date.
- The Community Crisis Response Service, and continuation of A&E Liaison Winter Pressures funding, accounted for £41k additional income in month 11 (the full year amount, matched to pay expenditure, is £326k).

Non patient care income is worse than plan by £4k in month, £322k year to date.

- Additional Education and Training income was received in February, £105k of which went into and improved the in month position.
- Estates income is underachieved by £66k, £247k year to date. In aggregate SLA income from other Trusts is worse than plan by £31k in month (£315k YTD), due to re-negotiations in SLA values that occurred after budget setting. The main reduction was in the Whittington SLA of £21k per month (£236k YTD), due to a change in occupied space;
- Specialist commercial income is £3k better than plan in month 11, £110k better than plan year to date due to Police and conference income received.

Pay

- The monthly pay bill was £129k worse than plan in month, bringing the year to date adverse variance to £1,823k;
- The main issue continues to be over spends on wards due to additional staffing for 1-1 observations and to cover sickness:
  - Barnet wards – over spent by £94k in month, £944k YTD;
  - Enfield Older People's wards (including Magnolia) – over spent by £167k in month, £1,281k YTD;
  - Enfield acute adult wards – over spent by £47k in month, £596k YTD;
  - Haringey wards – over spent by £88k in month, £274k YTD.
- This is offset by reserves releases of £271k in month, £915k YTD.

Non Pay

- Non Pay is underspent by £521k in month and underspent by £2,293k year to date;
- There is an over spend of £276k in month (£3,425k year to date) relating to private bed usage and £328k YTD relating to unidentified CIP and CIPs that are shown as achieved but for which budgets have not been adjusted.
- Reserves have been released to manage this pressure.

Other Expenditure

- Relates to the PDC dividend, depreciation and interest payable and is £73k better than plan in month, £140k better than plan year to date;
- Depreciation is £42k favourable in month (£27k adverse year to date) as the capital programme has slipped, capital additions anticipated in Quarter 4 have not taken place and so depreciation is less than planned.

Other Emerging Issues

- Haringey CAMHS Future in Mind funding for 2016/17 has been confirmed, which will enable 2017/18 values to be finalised.
- Funding has now been agreed with CCGs re NHS Property Services' proposed premises charges for 2016/17 and 2017/18, which has resolved a risk to the trust.

Forecast Outturn

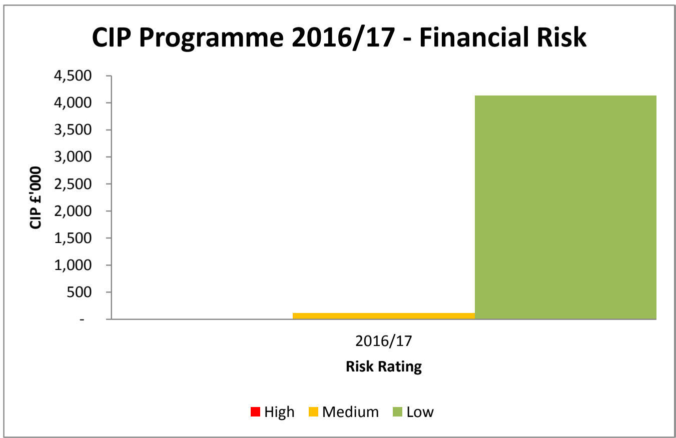
- In month 11, the forecast outturn was revised to £11.9m deficit from £12.6m deficit;
- The Trust has improved its planned outturn by £0.35m, due to provisions that could be released due to forecast risks not occurring and over-achievement against the CIP target;
- As the Trust has improved its forecast by £0.35m, NHSI will match this with Sustainability and Transformation Funding (STF) of £0.35m.

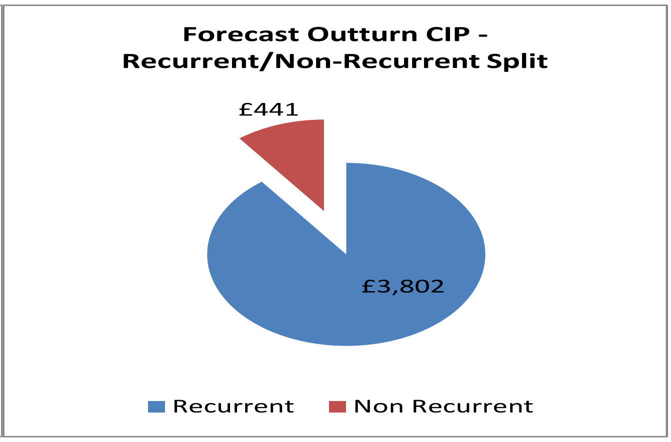
3. Cost Improvement Programme Monitoring

2016/17

The table below shows the performance against the CIP target at month 11.

	Month Plan £'000	Month Achieved £'000	Variance £'000	Plan YTD £'000	Achieved YTD £'000	Variance £'000	Full Year Plan £'000	Forecast Outturn £'000	Variance £'000	Full Year Effect £'000
Barnet	34	34	0	294	300	6	334	334	0	329
Enfield	90	90	0	684	791	107	746	890	144	994
Haringey	22	22	0	248	248	0	270	270	0	270
Specialist Services	41	30	(11)	463	468	5	507	507	0	505
Corporate	92	74	(18)	792	715	(77)	864	789	(75)	739
Estates	110	111	1	1,225	1,233	8	1,333	1,342	9	1,343
Trust wide	4	4	0	46	0	(46)	50	171	121	0
Total	**393**	**365**	**(28)**	**3,752**	**3,755**	**3**	**4,105**	**4,303**	**199**	**4,180**





<u>Barnet</u>

- Barnet have now exceeded their year to date CIP target by £6k.
- Income from Ken Porter beds is forecast to overachieve by £72k.
- Overall Barnet is on target to achieve its CIP target of £334k for the year.

<u>Enfield</u>

- Enfield have overachieved their savings target by £107k year to date, and are forecast to exceed their CIP target by £144k.

<u>Haringey</u>

- Haringey is on target in month and year to date.
- The service is forecast to achieve its CIP target of £270k for the year.

<u>Specialist Services</u>

- Specialist Services are ahead of target by £5k year to date.
- Forecast to meet its CIP target of £507k for the year.
- £247k of identified CIPs for the year are non-recurrent.

<u>Estates</u>

- Exceeding their year to date target of £1,225k by £8k and are forecast to exceed the full year target of £1,333k by £9k.

4. Balance Sheet

Annual plan		Opening B/Sheet	YTD plan	YTD Actual	YTD Variance	Year end forecast	Forecast variance
207,419	**Total Non-Current Assets**	207,374	206,401	201,181	(5,220)	204,987	(2,432)
	Current Assets						
92	Inventories	92	92	207	115	92	0
12,107	Receivables	14,492	11,757	14,995	3,238	12,107	0
1,174	Cash at Bank & in Hand	3,727	1,013	3,298	2,285	1,174	0
0	Non-Current Asset held for sale	0	0	1,705	1,705	1,705	1,705
13,373	**Total Current Assets**	**18,311**	**12,862**	**20,205**	**7,343**	**15,078**	**1,705**
	Current Liabilities						
(24,441)	Payables	(25,257)	(26,419)	(30,653)	(4,234)	(25,137)	(696)
(498)	Loan, Current portion	(498)	(498)	(498)	0	(498)	0
(398)	Other current liabilities	(2,124)	(474)	(1,288)	(814)	(398)	0
(25,337)	**Total Current Liabilities**	**(27,879)**	**(27,391)**	**(32,439)**	**(5,048)**	**(26,033)**	**(696)**
195,455	**Non-Current Assets/Liabilities**	**197,806**	**191,872**	**188,947**	**(2,925)**	**194,032**	**(1,423)**
(10,700)	Borrowings	0	(4,800)	(3,500)	1,300	(10,000)	700
(9,754)	Creditors > 1 Year	(10,307)	(10,011)	(9,974)	37	(9,752)	2
(20,454)	**Total Non-current**	**(10,307)**	**(14,811)**	**(13,474)**	**1,337**	**(19,752)**	**702**
							0
175,001	**Total Assets Employed**	**187,499**	**177,061**	**175,473**	**(1,588)**	**174,280**	**(721)**
	Taxpayers and Others Equity						
147,814	Public dividend capital	147,814	147,814	147,814	0	147,814	0
(53,370)	Retained Earnings	(39,720)	(51,310)	(51,746)	(436)	(52,939)	431
80,557	Revaluation Reserve	79,405	80,557	79,405	(1,152)	79,405	(1,152)
175,001	**TOTAL**	**187,499**	**177,061**	**175,473**	**(1,588)**	**174,280**	**(721)**

Non-Current Assets: The variance arises from four factors:

- The impact of the 2015/16 year end revaluation of land & buildings only being finalised after the plan figures were produced, which impacts both opening position and in year depreciation charges.
- There has been a slippage in the capital programme YTD.
- Baytree House has been reclassified as an asset held for disposal in accordance with accounting standards. The disposal was not included in the plan.
- The value of all wheelchairs when the Enfield Wheelchair Service was transferred to London Borough of Enfield.

Cash: The favourable variance of £2.3m in cash is mainly due to creditors continuing at higher than planned levels (£4.2m) due to deferred income and specific creditors remaining unpaid whilst disputes are resolved (NHS Property Services and Royal Free Hospital). This is offset by debt recovery being £3.2m below plan and borrowings being £1.3m below plan as cash management has delayed the need for cash support to be received.

Current Receivables: Current receivables are £14.9m at 28th February 2017, £3.2m above plan. This is mainly due to outstanding debt from the London Borough of Enfield.

Assets held for disposal: Baytree House has been vacated and marketed for disposal as part of the estates rationalisation plan. In accordance with accounting standards this has been reclassified as an asset held for disposal at the lower of its carrying value and fair value. The disposal of Baytree House was not included in the 2016/17 plan.

Total Current Liabilities: Current liabilities (authorised invoices, accruals and deferred income) are £5.0 higher than planned. This is mainly due to £5.0m of advance payment of SLA income by local CCGs and some specific cases where payment is being withheld whilst disputed amounts are investigated and resolved.

Reserves: The variance against plan arises from the impact of the year end revaluation of land & buildings only being finalised after the plan figures were produced

5. Monthly Actual and Rolling 12 month Cash Flow Forecast at 28th February 2017

5. Monthly Actual and Rolling 12 month Cash Flow Forecast at 28th February 2017

	Actual M01 16/17	Actual M02 16/17	Actual M03 16/17	Actual M04 16/17	Actual M05 16/17	Actual M06 16/17	Actual M07 16/17	Actual M08 16/17	Actual M09 16/17	Actual M10 16/17	Actual M11 16/17	Forecast M12 16/17	Forecast M01 17/18	Forecast M02 17/18	Forecast M03 17/18	Forecast M04 17/18	Forecast M05 17/18	Forecast M06 17/18	Forecast M07 17/18	Forecast M08 17/18	Forecast M09 17/18	Forecast M10 17/18	Forecast M11 17/18M11
Receipts from Operations																							
NHS SLA Income Receipts	11,763	11,763	14,565	13,638	13,484	13,639	13,467	13,552	13,757	13,841	13,554	8,554	12,183	13,983	13,983	13,383	13,383	13,383	13,383	13,383	13,383	13,383	13,383
Other Clinical Income	579	579	345	1,374	1,401	583	1,605	1,147	1,221	1,656	1,513	579	567	567	567	567	567	567	567	567	567	567	567
Receipts from Local Authorities	1,117	1,117	529	801	634	645	640	644	0	0	185	1,117	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095
Research, Education and Training	373	373	378	399	376	388	381	358	1,265	471	624	373	366	366	366	366	366	366	366	366	366	366	366
Other Non Clinical Income	758	758	301	248	248	273	254	694	241	296	138	758	743	743	743	743	743	743	743	743	743	743	743
VAT	395	457	227	141	106	369	617	367	484	298	329	240	235	235	235	235	235	235	235	235	235	235	235
Total Receipts from Operations	**14,985**	**15,047**	**16,345**	**16,601**	**16,249**	**15,897**	**16,964**	**16,762**	**16,968**	**16,562**	**16,343**	**11,621**	**15,189**	**16,989**	**16,989**	**16,389**	**16,389**	**16,389**	**16,389**	**16,389**	**16,389**	**16,389**	**16,389**
Operating Payments																							
Monthly Payroll (Net pay)	(6,360)	(6,432)	(6,558)	(6,465)	(6,573)	(6,519)	(6,664)	(6,429)	(6,592)	(6,365)	(6,813)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)	(6,400)
Statutory & Other Deductions from payroll	(4,455)	(5,214)	(5,113)	(5,108)	(5,159)	(5,192)	(5,112)	(5,318)	(5,065)	(5,107)	(5,302)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)
Non Pay	(4,269)	(3,297)	(5,587)	(5,945)	(5,689)	(5,538)	(5,368)	(5,588)	(5,666)	(6,612)	(4,998)	(5,557)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)
Total Payments on Operations	**(15,084)**	**(14,943)**	**(17,258)**	**(17,518)**	**(17,421)**	**(17,249)**	**(17,144)**	**(17,335)**	**(17,323)**	**(18,084)**	**(17,113)**	**(17,157)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**	**(16,300)**
Net Cashflow from Operations	**(99)**	**104**	**(913)**	(917)	(1,172)	(1,352)	(180)	(573)	(355)	(1,522)	(770)	(5,536)	(1,111)	689	689	89	89	89	89	89	89	89	89
Other:																							
PDC dividend						(3,432)						(2,996)						(3,141)					
Loan repayment						(249)						(248)						(248)					
Interest Paid						(186)						(179)						(179)					
Capital Expenditure	(54)	(172)	(196)	(182)	(309)	(154)	(255)	(354)	(472)	(179)	(180)	(3,143)	(600)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Non recurrent income														3,100									
Interim Support received											3,500	6,500	1,300					1,500	300	300	300	300	300
Interest Received	1	1	1	1	2	1	1	1	1	1	1	1											
Movement in Creditors	(253)	(3,344)	1,375	1,032	6,965	(2,227)	(1,918)	(102)	(1,376)	1,363	(2,931)	4,065	(200)	(150)	(100)	(100)	(150)	(100)	(100)	(100)	(100)	(50)	(50)
Movement in Debtors	(1,288)	3,889	2,236	(3,107)	(5,877)	8,529	5,464	(79)	(109)	30	(323)	(509)	500	100	100	100	100	100	100	150	100	100	100
Other Movements	(4)	19	590	231	515	254	502	(92)	(62)	280		(79)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Net Movements in Other items	(1,598)	393	4,006	(2,025)	1,296	2,536	3,794	(626)	(2,018)	1,495	67	3,412	996	2,546	(504)	(504)	(554)	(2,572)	(204)	(154)	(204)	(154)	(154)
Net Cash flow Movement in Month	(1,697)	497	3,093	(2,942)	124	1,184	3,614	(1,199)	(2,373)	(27)	(703)	(2,124)	(115)	3,235	185	(415)	(465)	(2,483)	(115)	(65)	(115)	(65)	(65)
Bal b/fwd	3,727	2,030	2,527	5,620	2,678	2,802	3,986	7,599	6,400	4,028	4,001	3,298	1,174	1,059	4,294	4,479	4,064	3,599	1,116	1,001	936	821	756
Bal C/fwd	**2,030**	**2,527**	**5,620**	**2,678**	**2,802**	**3,986**	**7,599**	**6,400**	**4,028**	**4,001**	**3,298**	**1,174**	**1,059**	**4,294**	**4,479**	**4,064**	**3,599**	**1,116**	**1,001**	**936**	**821**	**756**	**691**
Original plan bal c/fwd	2,867	2,386	4,169	2,911	1,654	1,077	1,075	1,025	1,025	1,025	1,025	1,174											
Actual/Forecast Variance against plan	(837)	141	1,451	(233)	1,148	2,909	6,524	5,375	3,003	2,976	2,273	(0)											

Monthly Actual and Rolling 12 Month Cash Flow Forecast (cont.)

The cash flow forecast and forecast cash balances are based on the 2016/17 financial plan submitted to the NHSI on 15 April 2016. The cash position at 28th February 2017 was £3.3m, £2.3m above the 2016/17 plan. This is largely due to creditors being greater than planned due to deferred income arising from advance SLA payments by the local CCGs and payment being withheld in a couple of specific cases whilst disputes are resolved.

Due to the Trust continuing to operate at a deficit position the Trust has required cash support from NHSI in 2016/17. It has previously been forecast that the initial cash support would be required in September 2016 when it would be needed to meet the PDC and loan repayment requirements. However the Trust successfully negotiated an advance payment from the 3 main commissioners of £5.0m in September, which, combined with Treasury management measures meant that cash support was not required until February.

The total cash support available from NHSI in 2016/17 has been confirmed at £12.6m but the total support drawn down is £10.0m. This is lower than previously forecast as the Trust continues to maximise its debt recovery and manage its Treasury resources as efficiently as possible. £3.5m of support cash was received on 13 February with a further £6.5m on 13 March. This significant requirement within a short time frame is due to long standing disputes regarding creditor balances being resolved before year end, together with the need to make the six monthly PDC dividend and capital loan repayments in March which are over and above the normal monthly cash requirements and the reversal of the £5m SLA prepayment received from local CCGs in September.

This plan reflects anticipated movements in debtors and creditors based on historical performance. This cash position will continue to be closely monitored with potential variances being identified as soon as possible and appropriate actions implemented. The underlying position of cash support being required due to the I&E deficit position impacting on cash reserves remains the same in the longer term.

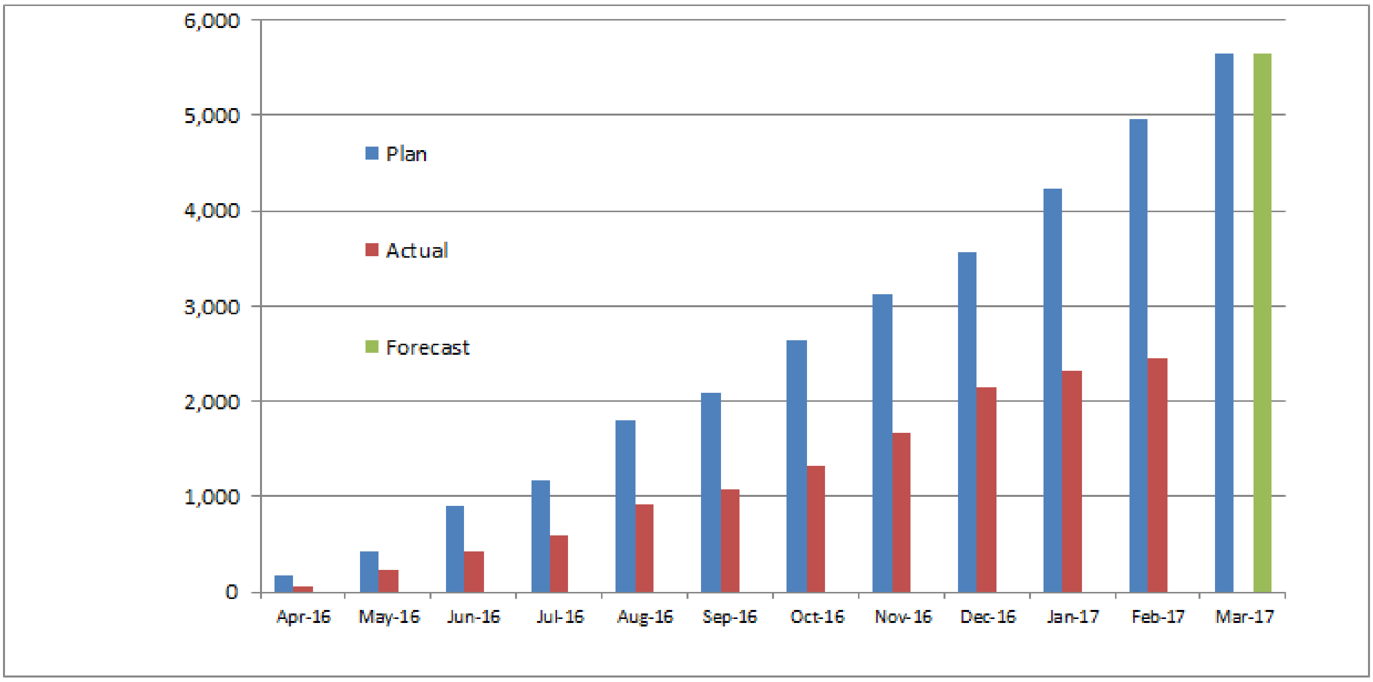
Capital Expenditure

Plan	Description	Month Actual	Month Variance	YTD Actual	YTD Variance	Year end forecast	Forecast variance
£000	**Projects**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
157	Statutory Compliance Projects	2	2	32	(120)	126	(31)
990	Risk Management Projects	72	(19)	263	(295)	513	(477)
820	Backlog Maintenance Projects	12	(28)	116	(140)	388	(432)
3,720	Information Technology Projects	33	(393)	1,562	(1,688)	3,728	8
100	St Ann's redevelopment	13	13	42	36	39	(61)
0	Estates Strategy Implementation	1	1	59	59	249	249
577	Other Projects	6	2	382	(12)	607	30
(714)	Contingency	0	0	0	0	0	714
5,650	**Total**	**139**	**(423)**	**2,456**	**(2,161)**	**5,650**	**0**
	Funding						
6,350	Depreciation (non cash)	533	(4)	5,802	(19)	6,350	0
0	Borrowings	0	0	0	0	0	0
0	Asset sales	0	0	0	0	0	0
(700)	Working capital	(394)	(419)	(3,346)	(2,142)	(700)	0
5,650	**Total**	**139**	**(423)**	**2,456**	**(2,161)**	**5,650**	**0**

The capital programme approved by the Board in March 2016 was for a total expenditure of £5,650k, although individual projects identified in the paper totalled £6,364k, leaving unidentified reductions of £714k required. The capital programme was subsequently reviewed and refined, such that a revised programme agreed in September resulted in a net £798k underspend in the year, giving rise to cash management benefits for the Trust. However, the Trust's forecast outturn and Capital Resource Limit ("CRL") remain unchanged at £5,650k for 2016/17 due to anticipated increases in the capital programme in 2016/17 from newly identified projects and refurbishment costs for the Seacole building at Chase Farm.

At the end of February capital expenditure is £2.2m under plan for the year to date. This underspend is due to the changes to the components and phasing of the capital programme compared with the original plan. It is forecast that the programme will be fully spent in 2016/17.

Cumulative capital spend and forecast v plan



7. Single Oversight Risk Rating

Financial Criteria	Metric	NHSI Risk Ratings					
		Year to Date			Full Year Forecast		
		Actual	Rating	RAG	Score	Rating	RAG
Continuity of Services	Liqudity Ratio (Days)	-32.6	4	●	-42.0	4	●
	Capital Servicing Capacity (times)	0.0	4	●	0.1	4	●
Financial Efficiency	I&E Margin (%)	-0.1	4	●	-0.1	4	●
	variance from I&E Margin (%)	0.0	1	●	0.0	1	●
	Agency spend	0.3	3	●	0.2	2	●
Weighted Risk Rating			**3**	●		**3**	●

As reported in the September 2016 board report, NHSI have issued a new Single Oversight framework with effect from 1 October 2016. This includes a Use of Resources ("UoR") rating to replace the current Financial Sustainability Risk Rating. The new UoR contains the existing 4 metrics but also has an additional metric relating to agency spend. All 5 metrics have equal weighting and the new ratings are still on a 1-4 range but with 1 now representing the best outcome and 4 the worst. Currently the Trust's FOT position results in a rating of 3. If the final deficit were to be worse than plan this rating would change to a 4. NHSI have stated that the new UoR ratings calculated in 2016/17 will not be used to identify any concerns or consequent support needs at providers in 2016/17. Instead they will be reviewed and used to consider how best to introduce them formally, with detailed definitions and thresholds if appropriate, in 2017/18. On this basis a FOT rating of 3 would potentially raise comment but not automatically lead to further measures.