



**East Suffolk and  
North Essex**  
NHS Foundation Trust

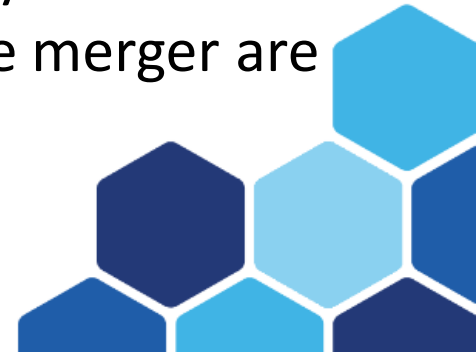
# Finances 2018/19

**Dawn Scrafield, Director of Finance, ESNEFT**



# Delivered in 2018/19

- A significant year regarding the scale of the Trust's accountability for NHS resources.
- The turnover of our newly-formed Trust grew from £344m as Colchester Hospital University NHS Foundation Trust to £624m as ESNEFT at the end of the financial year.
- Both legacy Trusts were deficit organisations and the establishment of ESNEFT was expected to initially maintain this deficit position before the full benefits of the merger are realised.



# Delivered in 2018/19

- The Trust's accounts reported a surplus of £33m.
- Includes £41.4m gains arising from transfers by absorption resulting from the acquisition of The Ipswich Hospital NHS Trust on 1 July, when ESNEFT was formed.

	2018/19	2017/18
	£m	£m
Operating income	624.3	343.5
Operating costs	(610.7)	(336.9)
Non-operating costs	(22.0)	(10.9)
<b>Surplus/(deficit) for the year BEFORE gains arising from merger</b>	<b>(8.4)</b>	<b>(4.3)</b>
Gains arising from transfers by absorption	41.4	n/a
<b>Surplus/(deficit) for the year</b>	<b>33.0</b>	<b>n/a</b>



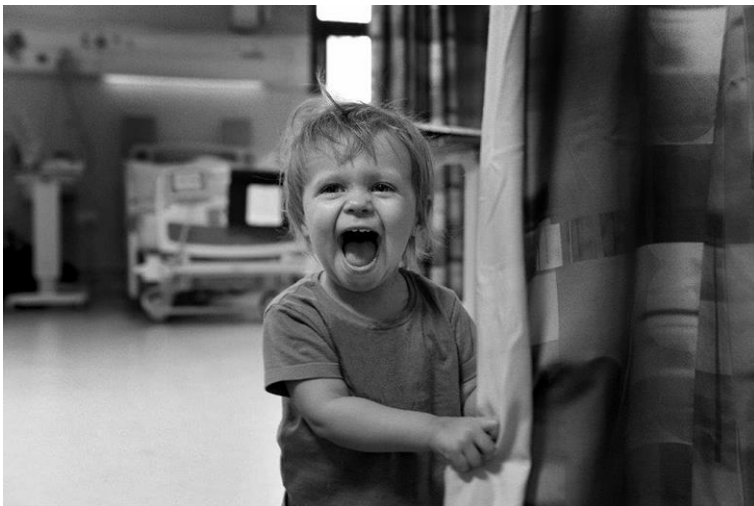
# Delivered in 2018/19

- Before financial adjustments related to the merger, ESNEFT incurred a deficit of (£8.4m) which was better than plan (£21.7m) by £13.3m.
- Delivered through efficiency and partnership working.
- During the year it was also necessary to instigate a financial recovery programme as ESNEFT was not performing in-line with the financial plans agreed at the start of the year.



# Delivered in 2018/19

- Trust position includes £31.3m of support from the Provider Sustainability Fund (PSF).
- This non-recurrent funding was awarded to the Trust for first achieving our agreed financial plan and then for ED performance.



# Being more efficient

- Delivered £30.2m of efficiencies in-year.
- £16m of these are recurrent benefits.
- All efficiencies must pass a quality assessment to ensure no adverse impact on patient care.
- Significant challenge identified for 2019/20 (4.5% of turnover). Much of this will be delivered through shared efficiencies and capital investments.



# Improving our assets

ESNEFT invested in total £20.8m in improving, maintaining and developing our asset base during 2018/19.

- £6.1m on medical equipment, including £1.2m on Gamma Cameras.



# Improving our assets

- £12.2m on maintaining and enhancing both hospital sites, including ward and mortuary refurbishments, cancer centre, completing relocation from ECH.
- £2.5m on enhancing the Trust IT infrastructure, including clinical systems.





# The way ahead

- Challenging financial position but focused on achieving.
- Significant opportunity from the merger between Colchester and Ipswich Hospitals.
- £69.3m Strategic Capital Investment over the next 5 years.
- Becoming more sustainable.

