



**Topic: Monitor Q1 Report
October 2015**

Paul Briddock, Director of Policy, Healthcare Financial Management Association (HFMA), said:

“As the latest Monitor Q1 performance report reveals, Foundation Trusts are facing their most challenging financial environment in recent years with FT’s reporting a deficit of £445million, £90 Million worse than planned.

Worryingly the Q1 2015/16 position is already £96 million worse than the FT deficit for the whole of 2014/15 and the overall forecast deficit for 2015/16 is just over £1 billion, £80 million worse than the original plan of £931 million. The financial situation is currently looking dire and it is a critical concern for those in the sector.

The Q1 results continue the decline in the financial position of FT’s that we have seen since 2013/14. Monitor acknowledge it as a “severe deterioration” and that “the current level of deficit is not affordable”.

With 78% of all FT’s now in deficit this is patently obvious and indicates that it is a systemic problem facing FT finances which needs addressing urgently.

It has now been 182 days since the government vowed to inject £8 billion of much-needed extra funding into the NHS and we still await confirmation as to where and when this investment will be made. They now need keep their promise and make their pledged investment a priority. As the new government's honeymoon period comes to a close, this extra funding is critically important in order to help plug the severe decline in our healthcare finances, which is at unprecedented levels.

Finance Directors in FT’s are facing extremely challenging times and face a nigh-on impossible job trying to balance the books at the moment. Many Directors of Finance I’ve spoken to with several years track record now feel near the end of their tether. They need support to carry out their roles in these very difficult times.”

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