

Health Service Journal article

Trust forecasts £92m deficit after waiting list push

By [Jack Serle](#) 24 February 2020

- London North West University Healthcare Trust admits it will miss financial target by £10m
- Follows drive to reduce elective waiting list and new contract with its commissioners

A struggling hospital trust has increased its forecast year-end deficit to £92m.

London North West University Healthcare Trust was planning to end the year with an £81.7m deficit, but has now formally revised this by £10m.

[In its January board papers](#), the trust reported it has overspent on pay and non-pay areas due to rising patient demand and as a consequence of its efforts to cut its elective waiting list.

The trust reduced its elective waiting list from 53,600 in February 2019 to 51,170 in December 2019, in part by outsourcing procedures in some specialisms. It also cut the number of year-long waiters from 47 to zero.

All secondary providers in north west London are on zero-growth contracts with their commissioners, meaning they get paid at a marginal rate of the tariff for activity above the level recorded in 2018-19. This had cost LNWH £5.4m by the end of December 2019, it said.

In a paper to the trust board, chief executive Dame Jacqueline Docherty said LNWH will need to deliver £7m in “mitigations” over the final three months of the financial year to hit the revised forecast.

“The revised forecast is still a challenging one and is based on a number of mitigations, predominantly around reducing pay overspends across all staff groups, which are required to be delivered in the final three months of the year,” she told the board.

[An appendix to the board papers noted](#) efforts to shrink the financial deficit could risk the waiting list growing again. The waiting list in December was slightly higher than November, while the number of patients waiting more than 40 weeks has been rising in recent months.

The deficit may end up being the second largest in the country, [behind the £132m forecast by King’s College Hospital Foundation Trust midway through the year](#).

The trust has struggled with a substantial underlying deficit since it was formed in a merger from Ealing Hospital and North West London Hospitals in 2014. This month, it announced [it has appointed a new interim chief executive, Chris Bown, on a 12-month contract](#) from April after Dame Jacqueline retires.

In a statement, trust spokesman said: “We are doing everything possible to improve the financial forecast including an ongoing transformation programme where departments are looking at ways of working more efficiently to help deliver a financially sustainable organisation.”

Source

[Board papers](#) - January 2020