

## Finance, Procurement and Contracting

# Financial Performance Report: Month 8

**Jason Dorsett: Chief Finance Officer**

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# Financial Performance Report

Integrated themes and issues from Month 8 (November 2023)

## Finance

### Overall

**Income and Expenditure (I&E)** performance in November was a £15.4m surplus due to funding for year to date industrial action. However, the underlying run rate deficit worsened by £2m from -£5.3m in October to -£7.3m in November. The forecast is not deliverable if the run rate is not improved immediately which will require reductions in costs.

### Income

**Commissioning income, including passthrough income**, was **£20.3m better** than plan in November. Passthrough drugs and devices were £1.8m better than plan. Commissioning income was £18.5m better than plan due to £13.0m of income to cover IA costs, £2.6m for YTD performance against elective activity and £2.0m additional NHSE income.

**Non-NHS income (PP, Overseas, RTA and other)** was **£0.3m worse** than plan in November. Private Patient and Overseas income was £0.9m worse than plan offset by RTA income being £0.5m better than plan and other income being £0.1m better than plan.

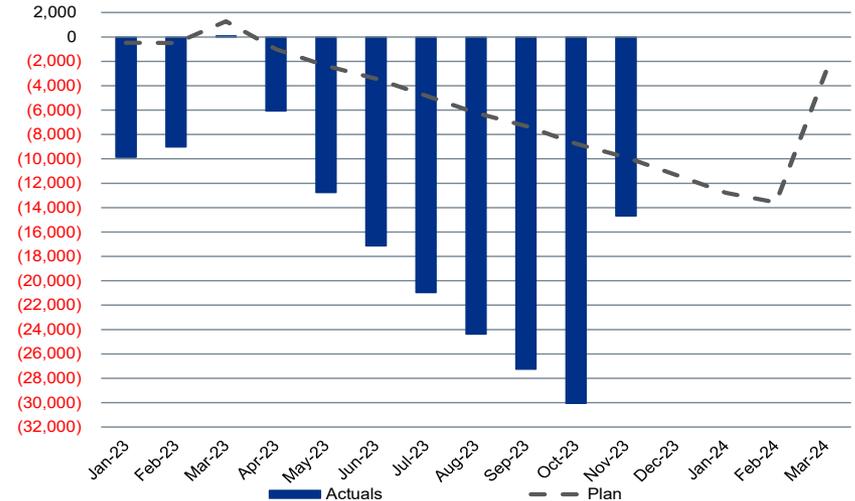
### Pay Expenditure

**Pay costs** were **£3.3m worse** than plan in-month (£3.4m excluding R&D). Substantive WTEs increase by 102 in month on top of an increase in October. Temporary staffing costs were higher than in October despite extra staffing and the absence of IA. Cost reductions will need to include either a **vacancy freeze AND/OR a mandated reduction in temporary staffing**.

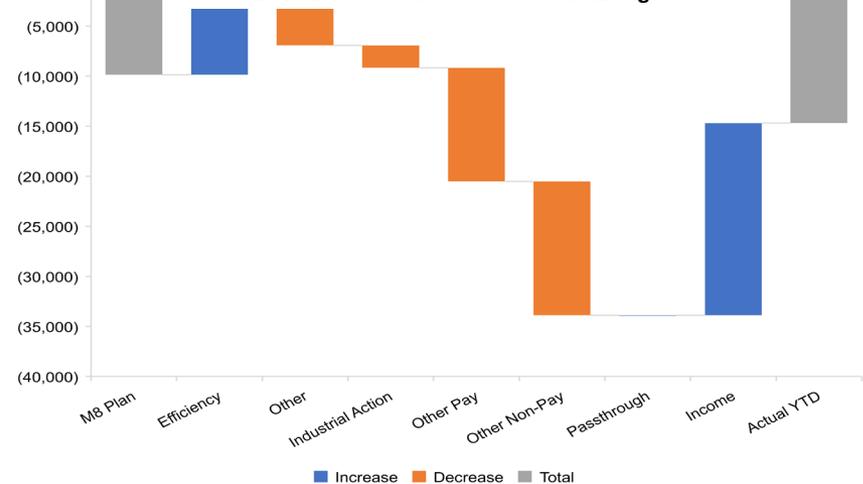
### Non-Pay Expenditure

**Non-pay costs** were **£5.3m worse** than plan in November (£5.9m excluding R&D). Excluding passthrough costs, £2.7m of this is unexplained, but mainly in clinical supplies, £0.7m is a shortfall in planned savings and £0.3m is additional COVID and elective recovery costs. VWA was 102% of 19/20 (vs. 105% in September) so it is unlikely that elective active explains the cost increase.

I&E - YTD Cumulative Performance Versus Plan £000s



I&E - YTD Performance Versus Plan Bridge £000s



# Financial Performance Report

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## Finance

### Adjusted Run Rate

The underlying deficit was **£7.3m** in November, this is a deterioration of £2.0m from October which was also worse than September (see bottom right chart). The deterioration is due to an increase in substantive WTEs without a reduction in temporary staffing and an unexplained (i.e. not volume related) increase in clinical supplies and services costs.

### Cash

**Cash** was £24.9m at the end of November, **£10.8m lower** than the previous month, largely due to some unavoidable catch up of supplier payments. Based on the I&E position, the cash balance should be worse, but active management of supplier payments and lower than expected (internally financed) capital expenditure is helping to mitigate the position to date.

### Productivity & Efficiency Savings

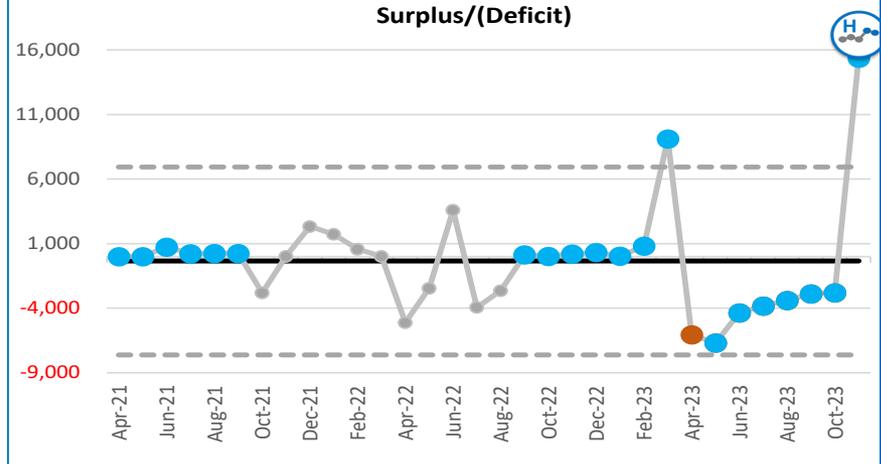
**Productivity** KPIs continue to track below planned levels with theatre activity levels, sickness and face to face appointment levels all contributing to an estimated £1.8m negative productivity impact in the financial position for November which is one of the underlying causes of the pay overspend. Face to Face appointment activity levels are the primary driver of this, with an estimated £1.5m impact in November. Strikes are continuing to have a significant impact on productivity in this financial year.

**Efficiency savings.** YTD efficiency delivery is **£8.7m better than plan** (including non-cash releasing efficiencies). £47.5m of efficiencies have been delivered YTD, which represents 123% of the YTD plan and 67% of the plan for the financial year.

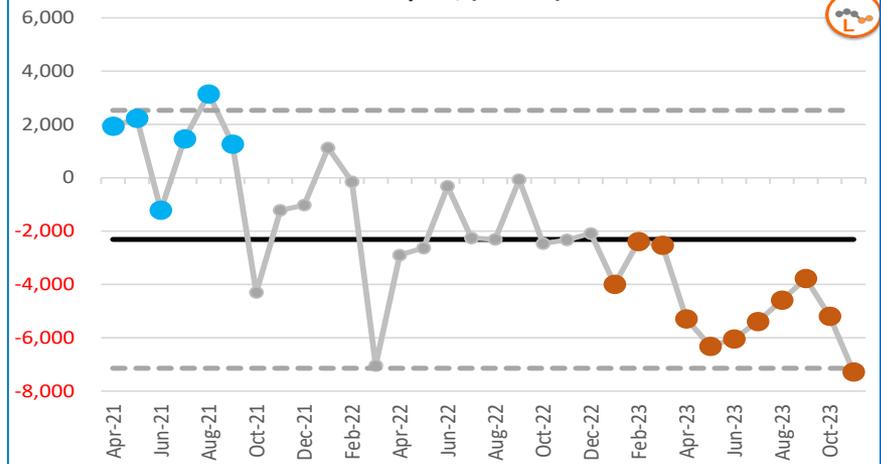
### Capital

**Gross Capital expenditure** was £9.1m for November, **£0.6m better than plan**, principally due to RoU Leases being £5.1m higher than plan, offset by ICS CDEL spend (£1.6m), national funded schemes (£1.6m) and spend on PFI Life-cycling (£3.8m) being behind plan. YTD gross capital expenditure is £34.2m, £14.9m behind plan.

Income & Expenditure – Monthly Reported Performance from April 2021 (£'000)



Income & Expenditure – Adjusted Run Rate Performance (£'000)

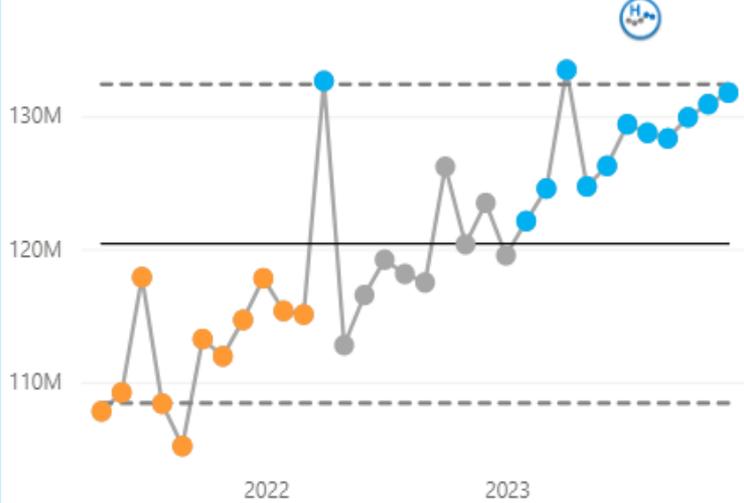


# Income Overview

Source: Finance Ledger

\*Income in the charts below were adjusted to remove the FY22 and FY23 (month 12) year-end pension and annual leave accruals. FY23 was also adjusted to remove the non-consolidated AFC pay bonus funding accrual and to smooth the FY24 AFC and medical pay awards over the YTD. RTA Catch up £0.7m M7 FY24 also smoothed over YTD.

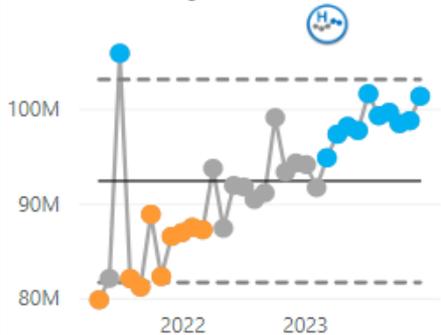
Total Income: RTH - OUH\*



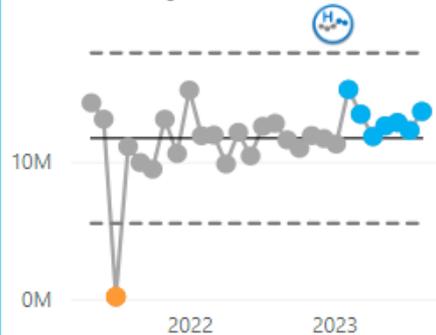
## November 2023 (Month 8) - Total in-month Income of £147.0m

- Total income was £15.3m higher in November compared to October.
- Commissioning income was £18.4m higher in November. This was due to £13.0m of income to cover industrial action costs, £2.6m for performance above the API element of commissioner contracts and £2.0m additional NHSE income. Passthrough income was £0.3m higher in November compared to October
- £2.6m of income has been assumed in relation to the API element of commissioner contracts up to November. Value weighted elective activity was 106% in April, 111% in May, 101% in June, 102% in July, 102% in August, 105% in September, 99% in October and 102% in November of 2019/20 levels. The activity for the year-to-date is 103%. The YTD API value assumes an increase in September above M1-7 levels.
- Other income was £2.5m lower in November mainly due to Education income being £1.7m lower following a YTD catch up in October and salary recharge income being £0.5m lower from the fallout of a one-off benefit in the October position.
- Private patient, Overseas and RTA income was £0.6m lower in November at £1.4m. Each of the three areas was £0.2m lower than the previous month.

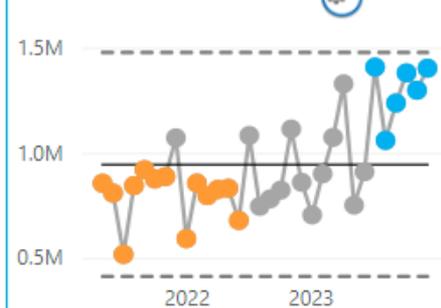
Commissioning Income: RTH - OUH



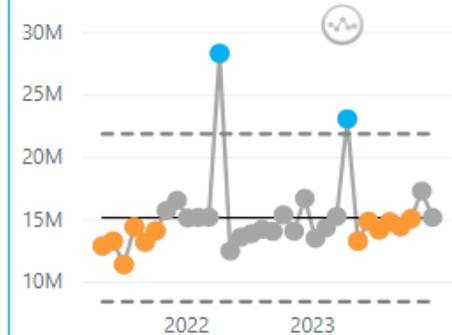
Pass Through Income: RTH - OUH



PP, Overseas & RTA Income: RTH - OUH



Other Income: RTH - OUH

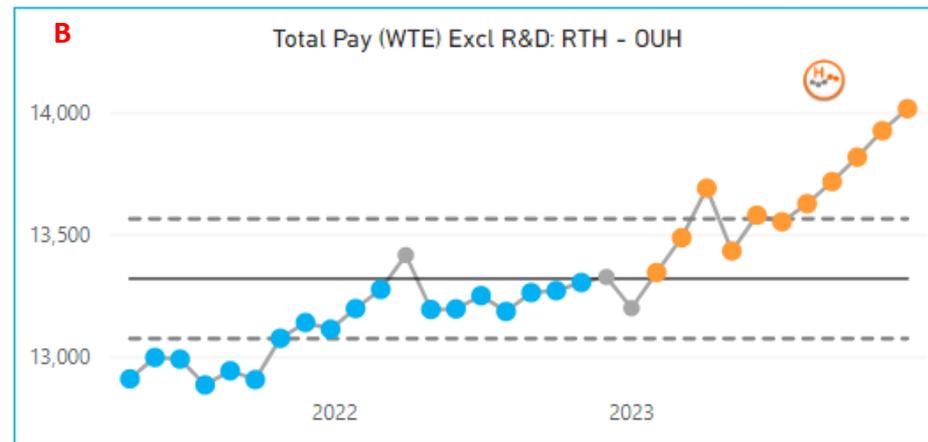
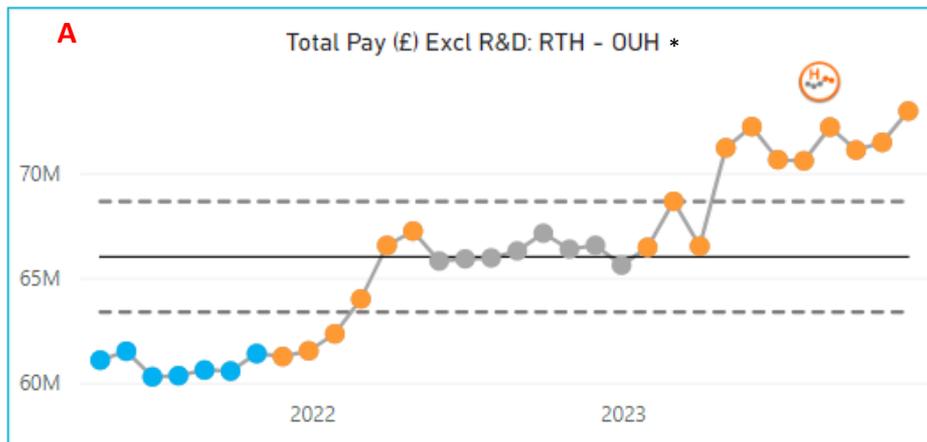


## SPC Trend Analysis

Total Income has consistently increased over the last financial year, driven by commissioning income (also seen in the 'Commissioning Income' chart above). This a result of the pay award funding as well as the recognition of additional non-recurrent commissioner funding in the second half of 2022/23.

- Total Income in March 2022 and March 2023 were all significantly high as a result of year-end adjustments and R&D income.
- Other Income during 2021/22 was lower than in 2020/21 as a result of top-up funding switching from being Other Income to Commissioning Income in 2021/22.

Source: Finance Ledger, excluding R&D costs, including COVID and recovery costs.



\*Pay spend in the chart above was adjusted to remove the FY22 and FY23 (month 12) pension and annual leave accruals. The pay awards in September 2021 and September 2022 were spread across month 1 to month 6, respectively, on a straight-line basis. The additional FY23 non-consolidated AFC pay bonus accrual has been removed. The FY24 AFC and medical pay awards have been smoothed over the YTD. The annual leave accrual releases throughout the year were removed. FY22 pay spend was not adjusted for inflation.

**Nov 2023  
(Month 8)**

**£76.5m  
(£73.0m  
excl.  
R&D)**

**14,014  
WTE**

**Trend  
Analysis**

- Total pay was £1.4m higher in November compared to October. Excluding R&D, pay costs were £1.5m higher in November.
  - Substantive staffing costs were £0.8m higher in November compared to October. The staff groups with the largest increases were nurses and midwives (£0.3m) and healthcare assistants (£0.2m), but all staff groups have increased. There were no industrial action costs in November. The run rate on substantive pay expenditure continues to be higher (after discounting the pay award and employers' NI increase), this is seen across all staff groups, but is primarily driven by consultant and junior doctor expenditure and nurses and midwives expenditure.
  - Temporary staff in-month expenditure was £0.7m higher in November compared to October. Bank staff expenditure increased by £0.6m from October (attributed to covering staff sickness) while agency staff costs increased by £0.1m (the use of Consultants was higher across clinical divisions in November). Temporary staff spend in November is £0.6m above last year's monthly average of £7.0m per month, both agency and bank expenditure continue to be a 'special cause variation', even though the sickness trend has been improving for more than eight months. The level of agency and bank spend continues to be significantly higher than in 2021/22 and as high as 2022/23.
  - WTE increased in month by 90 to 14,014 (excluding R&D) and are a special cause variation again this month. This is the fifth consecutive month with a large increase in WTE. Substantive staff increased by 102 WTE, health care assistants have increased by 4.7% (94 WTE), scientific and therapeutic staff have increased by 4.0% (73 WTE) and nurses and midwives have increased by 3.2% (120 WTE) in the last three months, compared to the average WTE for April to August. Bank staff decreased by 14 WTE and agency staff increased by 3 WTE.
- Pay spend and WTEs continue to be on an upward trend (both are a special cause variation again), this trend is seen in Chart A and B above. Overall, the trend is in-part driven by the annual pay awards, alongside other increases in pay relating to approved business cases, overall pay increase for Junior Doctors and use of temporary staffing to backfill high sickness rate. Trend by staff group and type are shown in the additional detail provided in the Diligent Reading Room.

# Non-Pay Run Rate Overview

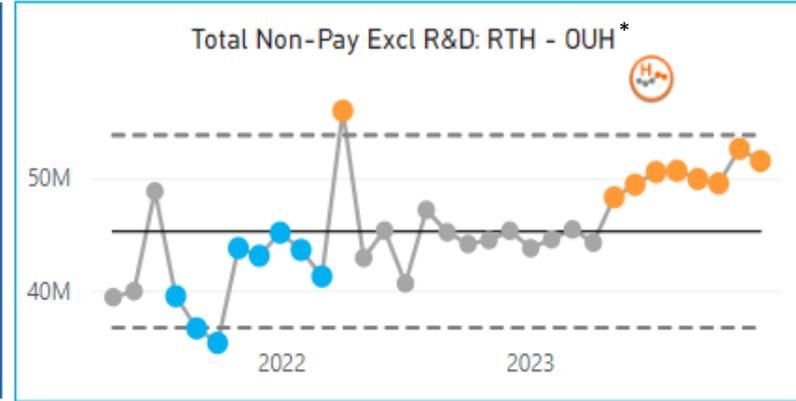


Source: Finance Ledger, excluding R&D costs, including COVID and recovery costs.

\* FY23 non-pay spend in the charts below has been adjusted to remove the ROE staff non-consolidated AFC pay bonus accrual.

## November 2023 (Month 8) – Total Non-Pay £52.6m (£51.5m excl. R&D)

- Total non-pay was £0.4m lower in November than October. Excluding R&D, non-pay costs were £0.7m lower in November compared to October. Non-pay costs continue to be near the upper control limit and have triggered an adverse special cause variation indicating a worsening trend.
- This decrease was driven by premises costs with an update to estimated gas costs driving a £0.6m lower cost than October. Even though there has been a reduction in non-pay costs this month, the last two months (October and November) has seen non-pay costs at an average of £2.5m higher than the average for the first six months of the year. The increase is seen across all clinical divisions with the highest increase in NOTSSCaN. It is not correlated with an increase in activity.

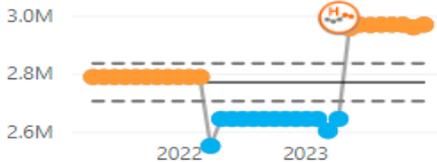


## SPC Trend Analysis

Non-pay spend during the financial year 2021/22 had been significantly lower compared to 2022/23 and the spend this financial year. March 2022 non-pay spend includes year end technical adjustments for PPE (Clinical Supplies & Services), estates related accruals (Premises & Fixed Plant) and staff bonus and travel incentive scheme which were announced on 31<sup>st</sup> March 2022. Non-pay expenditure has been near the upper control limit in this financial year, reflecting persistently high inflation, and has triggered an adverse special cause variation.

- Clinical negligence costs are an adverse special cause variation, driven by a £3.9m cost pressure this financial year (net of maternity incentive rebate).
- Clinical supplies and services costs are an adverse special cause variation, driven by high inflation over the last year.
- Premises and fixed plant costs are an adverse special cause variation, driven by the high inflation increases applied to the PFI contracts and energy costs.

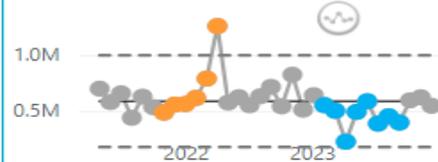
Non-Pay - Clinical Negligence Excl R&D (£): RTH - OUH



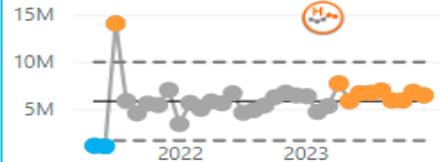
Non-Pay - Clinical Supplies & Services (Excl P Through) Excl R&D: RTH - OUH



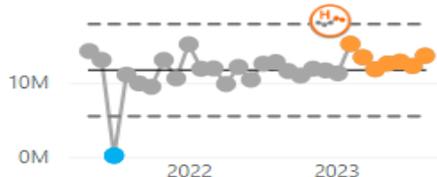
Non-Pay - General Supplies & Services Excl R&D: RTH - OUH



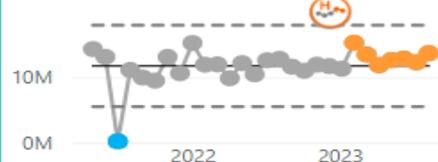
Non-Pay - Drugs (Excl Pass Through) Excl R&D: RTH - OUH



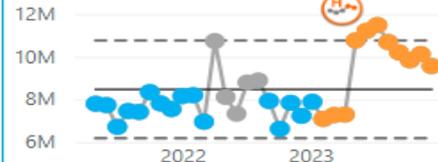
Non-Pay - Pass Through Excl R&D: RTH - OUH



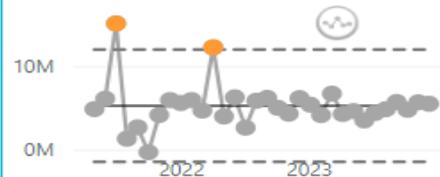
Non-Pay - Internal Recharges Excl R&D (£): RTH - OUH



Non-Pay - Premises & Fixed Plant Excl R&D: RTH - OUH\*



Non-Pay - Other Expenditure Excl R&D: RTH - OUH



## Productivity Dashboard Summary

Indicator	Currency	Target	£/unit	Actual Vs Target - Indicative financial Impact (£)				
				Q1 FY24	Q2 FY24	Oct-23	Nov-23	FY24 YTD
Elective ALOS	Days	4 <i>(FY23 Avg)</i>	1 day = £0.6m/month	£0.4m	£0.3m	(£0.3m)	£0.2m	£0.6m
Non-elective ALOS	Days	4 <i>(FY23 Avg)</i>	1 day = £3.3m/month	(£1.6m)	£0m	£0.3m	(£0.7m)	(£2m)
Theatre session units (Planned)	Sessions	1,782 <i>(Dec-22 to May-22 Monthly Avg)</i>	£12.1k income per session	(£5.9m)	(£9.7m)	(£2.5m)	(£0m)	(£18.2m)
Face to Face Appts	Appt	81,363 <i>(FY23 Monthly Avg)</i>	1 Appt = £100	(£0.7m)	(£1m)	(£0.9m)	(£1.5m)	(£4.1m)
Staff sickness rate	% of staff	3.1% <i>(Trust target)</i>	1% = £0.8m/month	(£2.5m)	(£2m)	(£0.6m)	(£0.6m)	(£5.8m)
Staff turnover rate	% of staff	12% <i>(Trust target)</i>	1% = £440k/month	£1.1m	£1.7m	£0.7m	£0.7m	£4.2m
<b>Total adverse impact</b>				<b>(£9.4m)</b>	<b>(£10.7m)</b>	<b>(£3.2m)</b>	<b>(£1.8m)</b>	<b>(£25.2m)</b>

### Impact of key indicators

The selected productivity key indicators above represent the drivers to performance and the financial impact of movements versus the Trust's planning assumptions. The approach seeks to join up the operational data with the financial run rate.

The Trust's run rate deficit is driven by the estimated negative impact of reductions in productivity and £1.8m in Nov-23, including:

- **£0.7m** from increase in non-elective ALOS. Increased hospital stay causes the use of temporary staffing to open additional beds. Theatres productivity in Nov-23 has improved, driven by recovery in planned activity (no strikes during Nov-23).
- **£1.5m** from reduction in F2F appointments (vs Non F2F).
- **£0.6m** from sickness rate increase (for non-nursing staff groups) which drives the use of temporary staffing to fill staffing gaps.

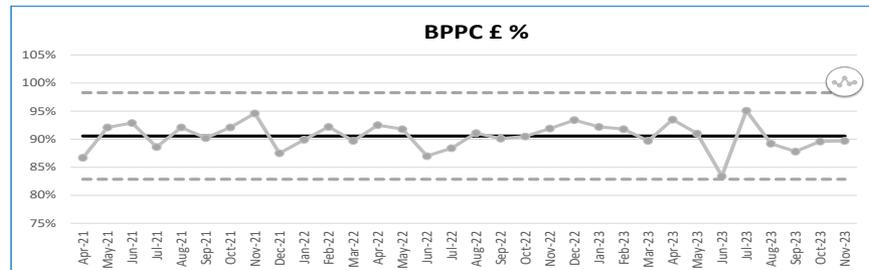
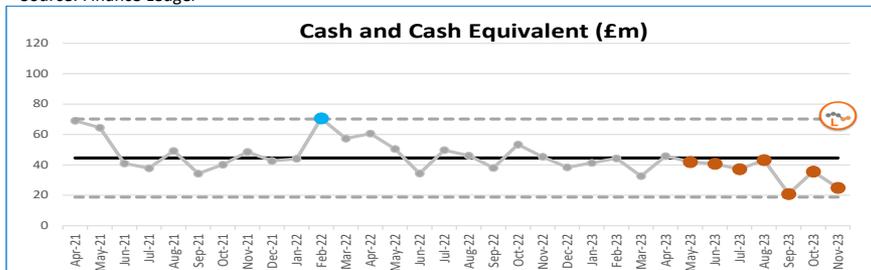
Elective ALOS and staff turnover estimated financial impact YTD is favourable (**£0.6m** and **£4.2m** respectively) achieved through recruitment of international nurses and programmes targeting hospital discharges.

Division	Plan 2023/24 (£m)	Plan YTD (£m)	Identified 2023/24 (£m)	Percentage Identified 2023/24	Forecast 2023/24 (£m)	Percentage Forecast 2023/24	Delivered YTD (£m)	Variance to Plan YTD (£m)	Percentage Delivered YTD	Recurrent		Non-Recurrent	
										Cash Releasing £m	Non-Cash Releasing £m	Cash Releasing £m	Non-Cash Releasing £m
CSS	8.0	5.4	7.4	92%	5.9	73%	3.4	-1.9	64%	1.6	1.2	0.5	0.1
MRC	8.4	5.6	7.6	90%	6.9	82%	4.5	-1.1	80%	1.2	3.3		
NOTSSCaN	11.3	7.5	9.4	83%	5.9	52%	2.9	-4.6	38%	2.1	0.5	0.3	
SuWOn	10.0	6.6	12.4	124%	10.7	108%	6.7	0.1	101%	2.4	1.5	2.8	
Corporate	3.8	2.5	10.0	263%	10.0	263%	5.8	3.3	230%	3.1	0.9	1.9	
Operational Services	0.5	0.3	3.1	666%	3.1	666%	2.4	2.0	770%	1.0	0.7	0.7	
Education	0.6	0.4		0%		0%		-0.4	0%				
Estates	1.5	1.0	6.4	424%	6.4	424%	3.0	2.0	301%			3.0	
Central - recurrent	7.1	4.7	12.9	181%	12.9	181%	3.6	-1.1	76%	3.0	0.6		
Central - non-recurrent	19.3	4.7	39.1	203%	29.3	152%	15.2	10.5	325%			11.5	3.7
IECG			2.5	100%	2.5	100%		0.0	0%				
<b>TOTAL £m</b>	<b>70.5</b>	<b>38.8</b>	<b>110.7</b>	<b>157%</b>	<b>93.4</b>	<b>132%</b>	<b>47.5</b>	<b>8.7</b>	<b>123%</b>	<b>14.4</b>	<b>8.6</b>	<b>20.7</b>	<b>3.8</b>

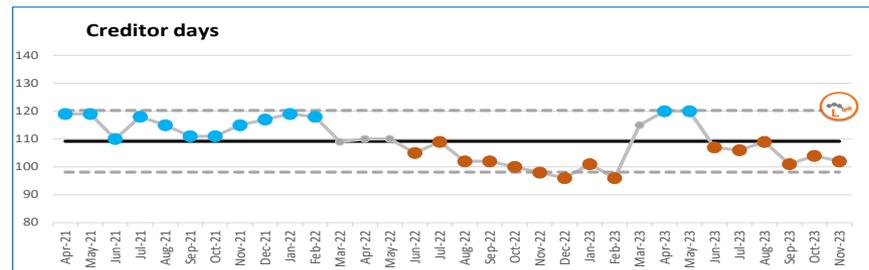
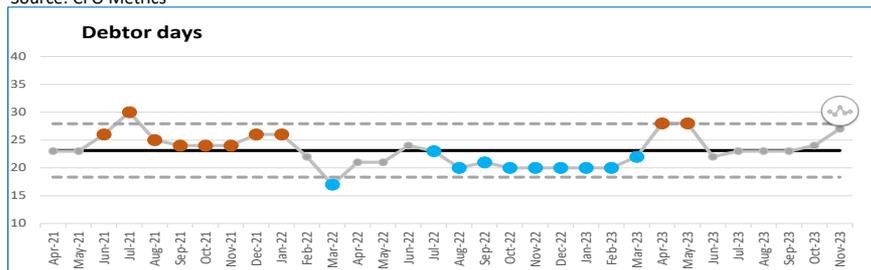
## Efficiency savings

- The year-to-date efficiencies are **£8.7m better** than plan, as set out in the summary table above.
- The Month 8 (November) year-to-date efficiencies performance is £47.5m which represents 123% of the YTD plan and 67% of the plan for the financial year.
- The identified efficiencies now stand at £110.7m for the year which represents 157% of the annual plan of £70.5m.
- The recurrent savings account for 51% of the identified efficiencies compared to 72.6% in the plan.
- The identified efficiencies have increased by £31.7m from last month with additional savings being linked to the reforecasting exercise including increases in Commissioning income (£3.9m), Other Income (£4.0m), Procurement (£1.7m), valuation gains (£7.3m) and PDC Dividend (£3.2m).
- The forecast efficiencies for the full year now sit higher than the planned level at £93.4m, a £19.2m increase from last month for the same items listed above.

Source: Finance Ledger



Source: CFO Metrics



## Cash

- Cash has decreased in month by £10.8m compared to last month and there is an overall decrease of £7.7m compared with last year-end. In October we received four months of education funding in advance. In November, there has been some unavoidable catch up of supplier payments. Based on the I&E position the cash position should be worse, but for the active management of supplier payments, and management of capital expenditure which is internally funded being lower than originally planned. Cash is expected to become more challenging in Q4.

## Debtor Days

- This is a measure of how many days on average our customers take to pay our invoices, so an increase means we wait longer to receive payment. We are recording debtor days in line within our average range of 27 days. The increase in M08 was due to accounting for £13m of IA funds which were received in cash in December.

## Creditor Days

- This is a measure of how many days on average the Trust takes to pay supplier invoices (including accruals and HMRC payroll deductions).. Invoices received but not paid account for around 15% of total creditors. Creditor balances are relatively constant, but an increase in non-pay costs is driving a decrease in the creditor days.

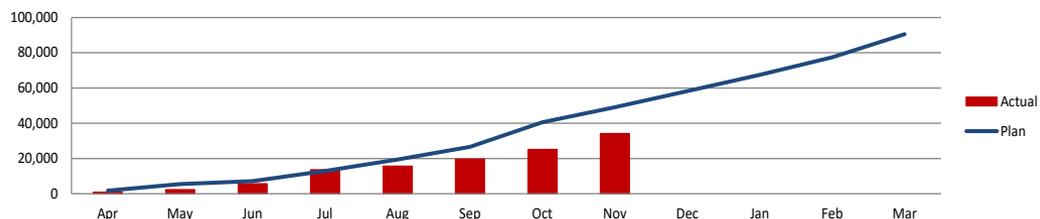
## Better Payment Practice Code (BPPC)

- This is a measure of the Trust's achievement of the DHSC target to pay suppliers within 30 days of a valid invoice. The Trust averages a delivery of 90%, with a range between 85%-95%. There was a dip to below 85% in June due to paying some old invoices, but we are now within our normal range. The measure is a binary one of achieving 30 days or not, so while we are extending the length of time to pay suppliers we are still managing the process to ensure we do not exceed the 30 days target.

Capital Expenditure - by funding source	IN MONTH 8			YEAR TO DATE			FULL YEAR
	Plan	Actual	Variance	Plan	Actual	Variance	PLAN
£000s							
ICS CDEL	2,820	1,257	1,563	15,104	5,268	9,836	28,538
Less disposals and other adjustments	0	0	0	0	(26)	26	0
ICS CDEL per PFR submission	2,820	1,257	1,563	15,104	5,242	9,862	28,538
Add back disposals	0	0	0	0	26	(26)	0
National Funding PDC	1,644	51	1,593	4,257	75	4,182	12,399
Government grants	2,290	2,103	187	11,450	16,752	(5,302)	20,621
Charitable and other donations	482	137	345	2,770	667	2,103	4,732
PFI Life-cycling (IFRIC 12)	1,247	402	845	11,511	6,278	5,233	17,708
RoU/Leases (IFRS 16)	42	5,117	(5,075)	3,930	5,117	(1,187)	6,544
<b>Gross Capital Expenditure</b>	<b>8,525</b>	<b>9,067</b>	<b>(542)</b>	<b>49,022</b>	<b>34,157</b>	<b>14,865</b>	<b>90,542</b>

Capital Expenditure - by strategic theme	IN MONTH 8			YEAR TO DATE			FULL YEAR
	Plan	Actual	Variance	Plan	Actual	Variance	PLAN
£000s							
JR Theatres	1,975	450	1,525	5,639	1,666	3,973	15,110
Estates Compliance (CIR)	693	40	653	2,906	889	2,017	6,000
Other Estates	1,053	4,415	(3,362)	8,151	5,223	2,928	14,220
Public Sector Decarbonization Schemes (PSDS)	2,290	2,104	186	11,450	16,764	(5,314)	20,621
PFI life-cycling (excluding MES)	325	402	(77)	2,600	3,218	(618)	3,905
Subtotal - Estates	6,336	7,411	(1,075)	30,746	27,760	2,986	59,856
MEPG/MERRP Programme	521	648	(127)	4,168	1,920	2,248	6,250
Other Equipment	100	935	(835)	1,694	1,416	278	4,544
PFI MES Equipment replacement	922	0	922	8,911	3,060	5,851	13,803
Subtotal - Equipment	1,543	1,583	(40)	14,773	6,396	8,377	24,597
Safe Digital Environments (SDE)	278	38	240	1,388	38	1,350	2,500
Other Digital Programme	278	31	246	1,388	25	1,362	2,500
Non-programme Digital	91	3	88	728	(63)	791	1,089
Subtotal - Digital	646	72	574	3,503	(0)	3,503	6,089
<b>Gross Capital Expenditure</b>	<b>8,525</b>	<b>9,067</b>	<b>(542)</b>	<b>49,022</b>	<b>34,157</b>	<b>14,865</b>	<b>90,542</b>

Cumulative Performance Against Plan (£000s)



The plan included in this table matches the plan submission of 15 May, totalling £90.5m gross capital expenditure with £28.5m against the ICS Capital Allocation (ICS CDEL). The ICS CDEL has been key metric against which the Trust's performance is measured.

The base plan also included £11.3m for the Elective Surgical Hub (JR Theatres) and £1.1m for Digital Diagnostics. The Surgical Hub funding has not been secured but the total value (£12.4m) remains as the plan that was submitted.

The gross capital expenditure plan also includes provision for grants and donations, IFRS 16 (lease accounting), and PFI life-cycling.

Although, from November, the ICS CDEL metric now incorporates RoU Leases (IFRS 16) for consistency this report continues to report against the £28.5m measure. Expenditure against ICS CDEL to November totalled £5.2m, £9.9m behind plan.

Variances making up the underspend include: Medical Equipment £2.2m, resulting from holds on order placements over the first quarter; Digital including SDE, £2.7m pending finalization of detailed plans; Estates CIR, £2.0m due to profiling differences; gamma camera, £1.4m following review of financing options (lease-buy).

Spend against planned national funding is £0.1m against a plan of £4.3m, of which £3.5m is the plan for Elective Surgical Hub. As the plan is fixed, this variance will continue to increase as the year progresses.

Spend to November on grant-funded PSDS is £16.8m, £5.3m ahead of the £20.6m annual plan, profiled evenly from July.

Handover of the Whitehouse MK lease occurred late November at £4.3m. This, with other RoU leases realized in month, brings the total against IFRS 16 to £5.1m.

The overall gross capital expenditure reported to November was £34.1m against a plan of £49.2m.

## Appendix 1 – Other Supporting Analysis: Month 8 2023/24

# Income and Expenditure: Subjective Analysis

Source: Finance Ledger (Includes COVID-19 and Recovery)

I & E Subjective £000s	IN MONTH 8				YEAR TO DATE				FULL YEAR
	Plan	Actual	Var	Var %	Plan	Actual	Var	Var %	Plan
<b>Income</b>									
Commissioning Income	98,044	116,532	18,488	18.9%	784,210	807,669	23,460	3.0%	1,176,387
Passthrough Drugs & Devices	12,150	13,921	1,772	14.6%	97,196	107,081	9,885	10.2%	145,794
Other Income	14,994	15,126	132	0.9%	119,885	119,137	(748)	-0.6%	179,791
PP, Overseas and RTA Income	1,826	1,401	(425)	-23.3%	10,769	9,438	(1,331)	-12.4%	16,138
<b>Total Income</b>	<b>127,014</b>	<b>146,981</b>	<b>19,967</b>	<b>15.7%</b>	<b>1,012,060</b>	<b>1,043,325</b>	<b>31,265</b>	<b>3.1%</b>	<b>1,518,109</b>
<b>Pay</b>									
Consultants and Medics	(23,434)	(24,782)	(1,348)	-5.8%	(188,737)	(198,798)	(10,061)	-5.3%	(283,108)
Health Care Assistants & Support	(7,340)	(6,893)	447	6.1%	(52,746)	(53,197)	(450)	-0.9%	(79,119)
Nurse and Midwives	(19,567)	(22,575)	(3,008)	-15.4%	(168,176)	(174,241)	(6,065)	-3.6%	(252,406)
Other Staff	(12,600)	(11,491)	1,109	8.8%	(93,641)	(90,549)	3,093	3.3%	(140,426)
Scientific, Therapeutic and Technical	(10,302)	(10,787)	(485)	-4.7%	(79,985)	(83,011)	(3,026)	-3.8%	(119,995)
<b>Total Pay</b>	<b>(73,243)</b>	<b>(76,528)</b>	<b>(3,285)</b>	<b>-4.5%</b>	<b>(583,287)</b>	<b>(599,795)</b>	<b>(16,509)</b>	<b>-2.8%</b>	<b>(875,054)</b>
<b>Non-Pay</b>									
Clinical negligence	(2,968)	(2,968)	0	0.0%	(23,746)	(23,319)	428	1.8%	(35,620)
Clinical Supplies & Services	(11,202)	(13,152)	(1,950)	-17.4%	(89,272)	(97,035)	(7,763)	-8.7%	(133,873)
Drugs & Devices	(17,703)	(20,344)	(2,641)	-14.9%	(141,620)	(158,124)	(16,503)	-11.7%	(212,431)
General Supplies & Services	(319)	(549)	(231)	-72.4%	(2,549)	(4,087)	(1,538)	-60.3%	(3,824)
Internal Recharges	13	0	(13)	-100.0%	108	0	(108)	-100.0%	162
Premises & Fixed Plant	(10,092)	(9,609)	483	4.8%	(81,379)	(82,271)	(892)	-1.1%	(122,068)
Other Expenditure	(5,040)	(5,957)	(916)	-18.2%	(39,976)	(42,339)	(2,363)	-5.9%	(59,988)
<b>Total Non-Pay</b>	<b>(47,310)</b>	<b>(52,579)</b>	<b>(5,269)</b>	<b>-11.1%</b>	<b>(378,436)</b>	<b>(407,175)</b>	<b>(28,739)</b>	<b>-7.6%</b>	<b>(567,641)</b>
<b>Operational EBITDA</b>	<b>6,460</b>	<b>17,873</b>	<b>11,413</b>	<b>176.7%</b>	<b>50,337</b>	<b>36,354</b>	<b>(13,983)</b>	<b>-27.8%</b>	<b>75,414</b>
<b>Financing and Capital Charges (Excl Tech Adj)</b>	<b>(7,574)</b>	<b>(2,499)</b>	<b>5,074</b>	<b>67.0%</b>	<b>(60,200)</b>	<b>(51,040)</b>	<b>9,160</b>	<b>15.2%</b>	<b>(78,268)</b>
<b>Operational Surplus / (Deficit)</b>	<b>(1,113)</b>	<b>15,374</b>	<b>16,487</b>	<b>1481.2%</b>	<b>(9,863)</b>	<b>(14,685)</b>	<b>(4,823)</b>	<b>-48.9%</b>	<b>(2,854)</b>

## Income

- Commissioning income, including passthrough, is £33.3m better than plan to date. £9.9m is due to passthrough drugs and devices (offset by increased expenditure) and £13.0m is income to cover the impact of the industrial action and £5.0m is mostly from a one-off benefit for the settlement of the last financial year in commissioning income.
- Other income is £0.7m worse than plan to date, £0.5m excluding R&D. In CSS Division income ceased since April from ONS and UKHSA, with a combined £3.0m impact.
- PP, Overseas and RTA income is £1.3m worse than plan to date, principally due to the additional efficiency target on private patient income (aiming for a 34% increase in private income this financial year).

## Pay

- Pay is £16.5m worse than plan to date, £18.0m excluding R&D. This is driven by a shortfall against the efficiency target (£2.9m), pay cost pressures (£5.6m), recovery and COVID-19 pay costs (£4.6m), £2.2m net cost impact from the pay cover costs for industrial action and £1.2m impact from the medical pay award.

## Non-Pay

- Non-pay is £28.7m worse than plan to date, £27.3m excluding R&D and £17.4m worse if passthrough expenditure is excluded. This is driven by the shortfall against the efficiency target (£3.1m) and other pressures on clinical supplies, drugs and premises costs (£15.6m). Recovery and COVID-19 non-pay costs are £1.3m better than plan.

## Income and Expenditure: Subjective Analysis (R&D, Recovery and COVID-19)

I & E Subjective £000s	IN MONTH 8 - ACTUAL					YEAR TO DATE - ACTUAL				
	Excl R&D, RECOVERY & COVID	R&D	RECOVERY	COVID	Total	Excl R&D, RECOVERY & COVID	R&D	RECOVERY	COVID	Total
<b>Income</b>										
Commissioning Income	112,698	262	2,661	912	116,532	778,827	262	21,285	7,295	807,669
Passthrough Drugs & Devices	13,921	0	0	0	13,921	107,081	0	0	0	107,081
Other Income	10,631	4,355	0	140	15,126	83,732	34,271	0	1,134	119,137
PP, Overseas and RTA Income	1,401	0	0	0	1,401	9,438	0	0	0	9,438
<b>Total Income</b>	<b>138,651</b>	<b>4,617</b>	<b>2,661</b>	<b>1,051</b>	<b>146,981</b>	<b>979,078</b>	<b>34,533</b>	<b>21,285</b>	<b>8,429</b>	<b>1,043,325</b>
<b>Pay</b>										
Consultants and Medics	(24,019)	(468)	(313)	19	(24,782)	(191,009)	(4,575)	(2,478)	(736)	(198,798)
Health Care Assistants & Support	(6,846)	(28)	(4)	(15)	(6,893)	(52,676)	(199)	(92)	(230)	(53,197)
Nurse and Midwives	(21,078)	(1,253)	(199)	(45)	(22,575)	(162,842)	(9,762)	(1,151)	(486)	(174,241)
Other Staff	(10,608)	(831)	(15)	(37)	(11,491)	(83,417)	(6,580)	(146)	(406)	(90,549)
Scientific, Therapeutic and Technical	(9,743)	(989)	(38)	(16)	(10,787)	(75,987)	(6,620)	(252)	(152)	(83,011)
<b>Total Pay</b>	<b>(72,295)</b>	<b>(3,570)</b>	<b>(570)</b>	<b>(94)</b>	<b>(76,528)</b>	<b>(565,931)</b>	<b>(27,737)</b>	<b>(4,118)</b>	<b>(2,010)</b>	<b>(599,795)</b>
<b>Non-Pay</b>										
Clinical negligence	(2,968)	0	0	0	(2,968)	(23,319)	0	0	0	(23,319)
Clinical Supplies & Services	(12,818)	(296)	(32)	(6)	(13,152)	(95,048)	(1,553)	(379)	(55)	(97,035)
Drugs & Devices	(20,332)	(0)	0	(12)	(20,344)	(158,124)	0	0	0	(158,124)
General Supplies & Services	(495)	(4)	0	(50)	(549)	(3,670)	(15)	0	(402)	(4,087)
Internal Recharges	217	(217)	0	(0)	0	1,158	(1,157)	0	(1)	0
Premises & Fixed Plant	(9,500)	(46)	(61)	(2)	(9,609)	(81,615)	(346)	(219)	(91)	(82,271)
Other Expenditure	(4,915)	(484)	(554)	(3)	(5,957)	(33,106)	(3,722)	(5,496)	(16)	(42,339)
<b>Total Non-Pay</b>	<b>(50,811)</b>	<b>(1,048)</b>	<b>(647)</b>	<b>(74)</b>	<b>(52,579)</b>	<b>(393,654)</b>	<b>(6,796)</b>	<b>(6,095)</b>	<b>(631)</b>	<b>(407,175)</b>
<b>Operational EBITDA</b>	<b>15,545</b>	<b>0</b>	<b>1,444</b>	<b>884</b>	<b>17,873</b>	<b>19,494</b>	<b>0</b>	<b>11,072</b>	<b>5,788</b>	<b>36,354</b>
<b>Non-EBITDA (Excl Tech Adj)</b>	<b>(2,499)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,499)</b>	<b>(51,040)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(51,040)</b>
<b>Operational Surplus / (Deficit)</b>	<b>13,046</b>	<b>0</b>	<b>1,444</b>	<b>884</b>	<b>15,374</b>	<b>(31,546)</b>	<b>0</b>	<b>11,072</b>	<b>5,788</b>	<b>(14,685)</b>

Source: Finance Ledger

- COVID-19 costs total £0.2m for November, £0.1m lower than October. Compared to October, pay costs were £0.1m lower at £0.1m. Non-pay costs remained at the same level as October at £0.1m. COVID-19 expenditure for November is on plan.
- £0.1m of income has been accrued in-month for COVID-19 testing costs.
- Recovery costs in November were £1.2m, £0.6m lower than October. The recovery costs included are the incremental costs of delivering additional elective activity and some independent sector outsourcing costs (these costs are subject to further review against the agreed expenditure in the recovery plans).
- R&D reported a break-even position in November and for the year-to-date.

## Adjusted Run Rate and Underlying Position

2023/24 Reported Position excl. Pass-through and R&D £000s	M1	M2	M3	M4	M5	M6	M7	M8	YTD
Income	106,245	109,347	111,239	109,362	112,868	110,628	113,578	128,443	<b>901,710</b>
Pay	(69,268)	(72,187)	(70,009)	(69,719)	(74,291)	(72,161)	(71,464)	(72,958)	<b>(572,057)</b>
Non-Pay	(35,890)	(36,775)	(38,476)	(36,557)	(34,948)	(34,459)	(38,583)	(37,611)	<b>(293,299)</b>
Operational EBITDA	1,087	385	2,754	3,086	3,629	4,008	3,531	17,874	36,354
Financing and Capital Charges (Excl Tech Adj)	(7,148)	(7,092)	(7,118)	(6,920)	(7,035)	(6,893)	(6,335)	(2,499)	<b>(51,040)</b>
Operational Surplus / (Deficit)	(6,061)	(6,707)	(4,364)	(3,834)	(3,406)	(2,885)	(2,804)	15,375	(14,686)

Smoothing Adjustments	M1	M2	M3	M4	M5	M6	M7	M8	YTD
Income	2,521	669	1,988	646	(2,294)	(638)	(289)	(2,603)	<b>0</b>
Pay	(2,260)	310	(975)	(435)	2,123	1,357	(120)	0	<b>0</b>
Non-Pay	671	(556)	447	412	(279)	(818)	523	(400)	<b>(0)</b>
Financing and Capital Charges	0	0	0	0	0	0	0	0	<b>0</b>
Smoothing Adjustments Total	932	422	1,460	623	(450)	(99)	114	(3,003)	<b>(0)</b>

2023/24 'Smoothed' Position excl. Pass-through and R&D £000s	M1	M2	M3	M4	M5	M6	M7	M8	YTD
Income	108,766	110,016	113,227	110,008	110,574	109,990	113,289	125,840	<b>901,710</b>
Pay	(71,528)	(71,877)	(70,984)	(70,154)	(72,168)	(70,804)	(71,584)	(72,958)	<b>(572,057)</b>
Non-Pay	(35,219)	(37,331)	(38,029)	(36,145)	(35,227)	(35,277)	(38,060)	(38,011)	<b>(293,299)</b>
Operational EBITDA	2,019	807	4,214	3,709	3,179	3,909	3,645	14,871	36,354
Financing and Capital Charges (Excl Tech Adj)	(7,148)	(7,092)	(7,118)	(6,920)	(7,035)	(6,893)	(6,335)	(2,499)	<b>(51,040)</b>
Operational Surplus / (Deficit)	(5,129)	(6,285)	(2,904)	(3,211)	(3,856)	(2,984)	(2,690)	12,372	(14,686)

Run Rate Adjustments	M1	M2	M3	M4	M5	M6	M7	M8	YTD
Income	0	(7)	(3,500)	(1,191)	0	468	(1,006)	(15,340)	<b>(20,576)</b>
Pay	344	223	460	342	500	(224)	(244)	155	<b>1,556</b>
Non-Pay	(494)	(244)	(86)	(1,189)	(1,229)	(676)	(592)	62	<b>(4,448)</b>
Financing and Capital Charges	(11)	0	(10)	(130)	0	(357)	(654)	(4,518)	<b>(5,680)</b>
Run Rate Adjustments Total	(161)	(28)	(3,136)	(2,168)	(729)	(789)	(2,496)	(19,641)	<b>(29,148)</b>

2023/24 Run Rate Position excl. Pass-through and R&D £000s	M1	M2	M3	M4	M5	M6	M7	M8	YTD
Income	108,766	110,009	109,727	108,817	110,574	110,458	112,283	110,500	<b>881,134</b>
Pay	(71,184)	(71,654)	(70,524)	(69,812)	(71,668)	(71,028)	(71,828)	(72,803)	<b>(570,501)</b>
Non-Pay	(35,713)	(37,575)	(38,115)	(37,334)	(36,456)	(35,953)	(38,652)	(37,949)	<b>(297,747)</b>
Operational EBITDA	1,869	779	1,088	1,671	2,450	3,477	1,803	(252)	12,886
Financing and Capital Charges (Excl Tech Adj)	(7,159)	(7,092)	(7,128)	(7,050)	(7,035)	(7,250)	(6,989)	(7,017)	<b>(56,720)</b>
Operational Surplus / (Deficit)	(5,290)	(6,313)	(6,040)	(5,379)	(4,585)	(3,773)	(5,186)	(7,269)	(43,834)

- This table shows the run rate for the year-to-date adjusted for timing differences and the position when in-year one-off costs and benefits are removed from the reported position.
- The average run rate deficit for the last financial year was £2.2m a month. (This still includes the benefit of the annual leave accrual release, COVID-19 and recovery underspends). The run rate deficit year-to-date is an average of £5.5m a month, this is a deterioration of £3.3m from the average underlying deficit last financial year. This underlying deficit continues to trigger an adverse special cause variation.

# Statement of Financial Position (SOFP)

Statement of Financial Position £000s	MONTH 8 2023	MONTH 9 2023	MONTH 10 2023	MONTH 11 2023	MONTH 12 2023	MONTH 1 2024	MONTH 2 2024	MONTH 3 2024	MONTH 4 2024	MONTH 5 2024	MONTH 6 2024	MONTH 7 2024	MONTH 8 2024	MOVEMENT 202308 - 202408
<b>Non Current Assets:</b>														
Property, Plant and Equipment	647,665	643,905	644,863	641,111	741,927	739,350	736,549	737,363	741,093	738,968	738,466	740,630	744,825	97,160
Intangible Assets	13,520	14,138	14,139	15,034	14,689	14,349	14,074	13,736	13,455	13,466	13,605	13,558	13,563	43
Investment Property	32,030	32,030	32,030	32,030	34,418	34,418	34,418	34,418	34,418	34,418	34,418	34,418	39,730	7,700
Other investments/financial assets	13,841	13,892	13,892	13,892	13,345	13,346	13,346	13,346	13,346	13,346	13,346	13,346	13,346	(495)
Other property, plant and equipment (excludes leases)	0	0	0	0	676	675	675	675	821	821	1,077	1,077	1,077	1,077
Trade and Other Receivables	6,385	6,494	6,538	6,572	6,647	6,755	6,879	6,874	6,857	6,676	6,765	6,489	6,348	(37)
<b>Total Non Current Assets</b>	<b>713,441</b>	<b>710,459</b>	<b>711,462</b>	<b>708,639</b>	<b>811,703</b>	<b>808,893</b>	<b>805,941</b>	<b>806,412</b>	<b>809,990</b>	<b>807,695</b>	<b>807,677</b>	<b>809,518</b>	<b>818,889</b>	<b>105,448</b>
<b>Current Assets:</b>														
Inventories	28,106	28,324	27,723	27,916	29,103	29,516	29,694	30,095	30,016	30,281	31,176	30,977	30,048	1,942
Trade and Other Receivables	89,298	90,374	87,899	91,471	97,876	96,426	108,136	85,049	90,049	88,125	92,239	95,627	110,519	21,221
Credit Loss Allowances	(16,305)	(16,863)	(17,407)	(17,965)	(15,386)	(15,636)	(15,886)	(16,136)	(16,386)	(15,646)	(15,646)	(15,646)	(15,646)	659
Cash and Cash Equivalents	45,334	38,367	41,352	44,314	32,604	45,806	41,913	40,794	37,238	43,200	20,914	35,666	24,930	(20,404)
<b>Total Current Assets</b>	<b>146,433</b>	<b>140,202</b>	<b>139,567</b>	<b>145,736</b>	<b>144,195</b>	<b>156,112</b>	<b>163,857</b>	<b>139,802</b>	<b>140,917</b>	<b>145,960</b>	<b>128,683</b>	<b>146,624</b>	<b>149,851</b>	<b>3,418</b>
<b>Total ASSETS</b>	<b>859,874</b>	<b>850,661</b>	<b>851,029</b>	<b>854,375</b>	<b>955,898</b>	<b>965,005</b>	<b>969,798</b>	<b>946,214</b>	<b>950,907</b>	<b>953,655</b>	<b>936,360</b>	<b>956,142</b>	<b>968,740</b>	<b>108,866</b>
<b>Current Liabilities:</b>														
Trade and Other Payables	(145,329)	(141,656)	(148,142)	(141,921)	(171,304)	(176,400)	(194,277)	(175,905)	(174,203)	(179,474)	(166,040)	(171,969)	(169,906)	(24,577)
Borrowings	(13,769)	(13,467)	(13,118)	(12,708)	(12,693)	(12,655)	(12,704)	(12,758)	(12,761)	(12,821)	(12,870)	(12,895)	(13,386)	383
Commercial Loans	(487)	(434)	(459)	(483)	(443)	(467)	(492)	(453)	(477)	(501)	(462)	(487)	(511)	(24)
DH Capital Loan	(757)	(783)	(703)	(718)	(733)	(749)	(672)	(687)	(702)	(718)	(733)	(748)	(671)	86
Provisions	(6,556)	(6,556)	(4,741)	(4,741)	(2,230)	(2,230)	(2,230)	(2,175)	(1,496)	(1,222)	(1,136)	(1,165)	(1,162)	5,394
Other Liabilities	(17,778)	(14,475)	(11,842)	(17,294)	(3,532)	(13,215)	(10,117)	(9,581)	(18,889)	(16,770)	(13,201)	(27,489)	(21,378)	(3,600)
<b>Total Current Liabilities</b>	<b>(184,676)</b>	<b>(177,371)</b>	<b>(179,005)</b>	<b>(177,865)</b>	<b>(190,935)</b>	<b>(205,716)</b>	<b>(220,492)</b>	<b>(201,559)</b>	<b>(208,528)</b>	<b>(211,506)</b>	<b>(194,442)</b>	<b>(214,753)</b>	<b>(207,014)</b>	<b>(22,338)</b>
<b>Net Current Assets/(Liabilities)</b>	<b>(38,243)</b>	<b>(37,169)</b>	<b>(39,438)</b>	<b>(32,129)</b>	<b>(46,740)</b>	<b>(49,604)</b>	<b>(56,635)</b>	<b>(61,757)</b>	<b>(67,611)</b>	<b>(65,546)</b>	<b>(65,759)</b>	<b>(68,129)</b>	<b>(57,163)</b>	<b>(18,920)</b>
<b>Total Assets Less Current Liabilities</b>	<b>675,198</b>	<b>673,290</b>	<b>672,024</b>	<b>676,510</b>	<b>764,963</b>	<b>759,289</b>	<b>749,306</b>	<b>744,655</b>	<b>742,379</b>	<b>742,149</b>	<b>741,918</b>	<b>741,389</b>	<b>761,726</b>	<b>86,528</b>
<b>Non Current Liabilities:</b>														
Borrowings	(217,378)	(216,199)	(215,174)	(212,624)	(212,140)	(211,150)	(210,074)	(208,941)	(208,230)	(207,195)	(206,057)	(204,979)	(208,479)	8,899
Commercial Loans	(5,872)	(5,778)	(5,778)	(5,778)	(5,662)	(5,662)	(5,662)	(5,545)	(5,545)	(5,545)	(5,429)	(5,428)	(5,428)	444
DH Capital Loan	(14,908)	(14,908)	(14,577)	(14,577)	(14,577)	(14,577)	(14,246)	(14,246)	(14,246)	(14,246)	(14,246)	(14,246)	(13,916)	992
Provisions	(8,459)	(8,459)	(8,459)	(8,459)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	800
Other Liabilities	(4,782)	(4,772)	(5,086)	(5,073)	(5,066)	(5,053)	(5,039)	(5,026)	(5,599)	(5,580)	(5,560)	(5,540)	(5,521)	(739)
<b>Total Non Current Liabilities</b>	<b>(251,399)</b>	<b>(250,116)</b>	<b>(249,074)</b>	<b>(246,511)</b>	<b>(245,104)</b>	<b>(244,101)</b>	<b>(242,680)</b>	<b>(241,417)</b>	<b>(241,279)</b>	<b>(240,225)</b>	<b>(238,951)</b>	<b>(237,852)</b>	<b>(241,003)</b>	<b>10,396</b>
<b>Assets Less Liabilities (Total Assets Employed)</b>	<b>423,799</b>	<b>423,174</b>	<b>422,950</b>	<b>429,999</b>	<b>519,857</b>	<b>515,188</b>	<b>506,626</b>	<b>503,238</b>	<b>501,100</b>	<b>501,924</b>	<b>502,967</b>	<b>503,537</b>	<b>520,723</b>	<b>96,924</b>
Public Dividend Capital	303,749	303,749	303,749	310,235	310,807	310,807	310,807	310,807	310,807	310,807	310,807	310,807	310,807	7,058
Revaluation Reserve	153,544	152,790	152,036	151,282	226,380	225,337	224,265	223,085	221,950	220,879	219,807	218,735	217,665	64,121
FV Assets Reserve	(9,246)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(9,864)	(618)
Other Reserves	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	1,743	0
Retained Earnings reserve	(25,991)	(25,245)	(24,717)	(23,397)	(9,209)	(12,840)	(20,325)	(22,533)	(23,536)	(21,641)	(19,526)	(17,884)	372	26,363
<b>Total Taxpayers Equity</b>	<b>423,799</b>	<b>423,173</b>	<b>422,950</b>	<b>429,999</b>	<b>519,857</b>	<b>515,188</b>	<b>506,626</b>	<b>503,238</b>	<b>501,100</b>	<b>501,924</b>	<b>502,967</b>	<b>503,537</b>	<b>520,723</b>	<b>96,924</b>

- The movements in PPE and intangibles are due to the net effect of the YTD capital programme, year-end revaluation, and the YTD depreciation/amortisation
- Current assets are a similar level to last year-end, receivables and cash have moved in almost equal and opposite ways
- Current liabilities have increased, largely due to trade and other payables
- Non-current liabilities have decreased by £10.4m this is the usual PFI, leases and loan liability reductions due to scheduled repayments.
- The change in cash over the last 12 calendar months is a reduction of £20.4m, this is reflecting the performance on the I&E.

Cash flows from operating activities £000s	MONTH 8 2023	MONTH 9 2023	MONTH 10 2023	MONTH 11 2023	MONTH 12 2023	MONTH 1 2024	MONTH 2 2024	MONTH 3 2024	MONTH 4 2024	MONTH 5 2024	MONTH 6 2024	MONTH 7 2024	MONTH 8 2024
<b>Cash Flows from Operating Activities</b>													
Operating Surplus/(Deficit)	3,042	2,170	2,940	3,347	10,002	(1,387)	(6,645)	(7,999)	(6,954)	(2,901)	1,128	4,939	20,943
Depreciation and Amortisation	3,761	5,274	5,048	3,858	6,315	4,200	8,333	12,468	16,612	20,755	25,036	28,481	32,500
Impairments and Reversals	0	0	0	0	1,093	0	0	0	268	268	268	268	286
Donated Assets received credited to revenue but non-cash	(268)	0	0	(40)	(618)	(135)	(215)	(215)	(2,613)	(7,180)	(11,487)	(15,213)	(17,373)
Interest Paid	(2,139)	(2,231)	(2,575)	(2,124)	(2,225)	(2,269)	(4,630)	(7,027)	(9,302)	(11,584)	(13,944)	(16,229)	(18,668)
Dividend Paid	0	0	0	0	(5,107)	0	0	0	0	0	(9,606)	(9,606)	(9,606)
Release of PFI/deferred credit	0	0	0	0	0	(14)	(28)	(41)	(54)	578	558	538	520
(Increase)/Decrease in Inventories	76	(218)	601	(193)	(1,187)	(413)	(591)	(992)	(913)	(1,178)	(2,073)	(1,874)	(945)
(Increase)/Decrease in Trade and Other Receivables	(3,563)	(627)	(243)	(3,051)	(9,024)	1,592	(9,993)	13,350	6,205	7,572	3,366	257	(14,495)
Increase/(Decrease) in Trade and Other Payables	(1,933)	(4,240)	4,651	(7,872)	17,302	14,004	34,154	12,962	8,507	16,786	9,769	11,973	11,128
Increase/(Decrease) in Other Current Liabilities	(4,636)	(3,313)	(2,319)	5,439	(13,769)	9,684	6,586	6,050	15,945	13,175	9,606	23,894	17,782
Provisions Utilised	0	0	(815)	0	(825)	(0)	(0)	(55)	(84)	(84)	(170)	(141)	(144)
Increase/(Decrease) in Movement in non Cash Provisions	0	0	(1,000)	0	(2,458)	0	0	0	(650)	(924)	(924)	(924)	(924)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>(5,660)</b>	<b>(3,185)</b>	<b>6,288</b>	<b>(635)</b>	<b>(501)</b>	<b>25,262</b>	<b>26,971</b>	<b>28,500</b>	<b>26,967</b>	<b>35,284</b>	<b>11,528</b>	<b>26,363</b>	<b>21,004</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>													
Interest Received	172	219	203	232	253	294	586	901	1,253	1,628	1,995	2,363	2,697
(Payments) for Property, Plant and Equipment	(299)	(1,317)	(1,461)	(441)	(10,915)	(11,345)	(15,820)	(17,612)	(19,218)	(20,596)	(17,785)	(16,857)	(22,091)
(Payments) for Intangible Assets	(955)	(1,035)	(340)	(1,462)	473	6	(53)	(47)	(120)	(495)	(1,011)	(1,335)	(356)
Proceeds of disposal of assets held for sale (PPE)	5	0	0	0	36	11	11	21	31	31	31	31	31
Cash movement from acquisitions of business units and subsidiaries (not absorption transfers)	0	0	0	0	0	(1)	(1)	(1)	(1)	(1)	0	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>	<b>(1,076)</b>	<b>(2,133)</b>	<b>(1,597)</b>	<b>(1,671)</b>	<b>(10,153)</b>	<b>(11,035)</b>	<b>(15,277)</b>	<b>(16,738)</b>	<b>(18,055)</b>	<b>(19,433)</b>	<b>(16,770)</b>	<b>(15,798)</b>	<b>(19,719)</b>
<b>NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>	<b>(6,736)</b>	<b>(5,318)</b>	<b>4,690</b>	<b>(2,307)</b>	<b>(10,654)</b>	<b>14,227</b>	<b>11,694</b>	<b>11,762</b>	<b>8,913</b>	<b>15,851</b>	<b>(5,242)</b>	<b>10,565</b>	<b>1,285</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>													
Public Dividend Capital Received	0	0	0	6,486	572	0	0	0	0	0	0	0	0
Loans repaid to DH - Capital Investment Loans Repayment of Principal	0	0	(331)	0	0	0	(331)	(331)	(331)	(331)	(331)	(331)	(661)
Other Loans Repaid	0	(103)	0	0	(107)	0	0	(107)	(107)	(107)	(214)	(214)	(214)
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(1,318)	(1,546)	(1,374)	(1,217)	(1,521)	(1,027)	(2,054)	(3,134)	(3,842)	(4,817)	(5,904)	(6,959)	(8,085)
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>(1,318)</b>	<b>(1,649)</b>	<b>(1,705)</b>	<b>5,269</b>	<b>(1,056)</b>	<b>(1,027)</b>	<b>(2,385)</b>	<b>(3,572)</b>	<b>(4,280)</b>	<b>(5,255)</b>	<b>(6,449)</b>	<b>(7,504)</b>	<b>(8,960)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(8,055)</b>	<b>(6,967)</b>	<b>2,985</b>	<b>2,962</b>	<b>(11,710)</b>	<b>13,200</b>	<b>9,309</b>	<b>8,190</b>	<b>4,633</b>	<b>10,596</b>	<b>(11,691)</b>	<b>3,061</b>	<b>(7,675)</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>	<b>53,389</b>	<b>45,334</b>	<b>38,367</b>	<b>41,352</b>	<b>44,314</b>	<b>32,605</b>							
<b>Cash and Cash Equivalents (and Bank Overdraft) at YTD</b>	<b>45,334</b>	<b>38,367</b>	<b>41,352</b>	<b>44,314</b>	<b>32,604</b>	<b>45,805</b>	<b>41,913</b>	<b>40,794</b>	<b>37,238</b>	<b>43,200</b>	<b>20,913</b>	<b>35,666</b>	<b>24,930</b>

The cash balance decreased by £7.7m since the year end and reduced by £20.4m over the 12 calendar months. The Trust reported a £20.9m operating cash surplus YTD after release of some non-recurrent items, accounting for some non-cash technical gains on the I&E and large grant income not all of which has been received. The net movement in cash has largely been recovered by receipt of education funding in advance, lower capital payments than originally planned and active management of supplier payments. Cash resilience is a priority and is being addressed through the cash committee. The cash position is expected to deteriorate in Q4.