

Finance, Procurement and Contracting

Financial Performance Report: Month 12

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Financial Performance Report

Integrated themes and issues from Month 12 (March 2024)

Finance

Overall

Income and Expenditure (I&E) reported performance in March was a **£1.2m deficit**. This included a number of non-recurrent income and expenditure items, set out later in this report. The Trust delivered an outturn of deficit £10.7m (**£0.1m better** than forecast). The underlying in-month deficit increased in March to £8.8m.

Income

Commissioning income, including passthrough income, was **£41.0m better** than plan in March. Excluding pension funding (£33.2m) commissioning income was £4.3m better than plan, with additional Genomics activity £1.8m and Consultant pay award funding £0.7m. Passthrough drugs and devices were £3.5m above plan.

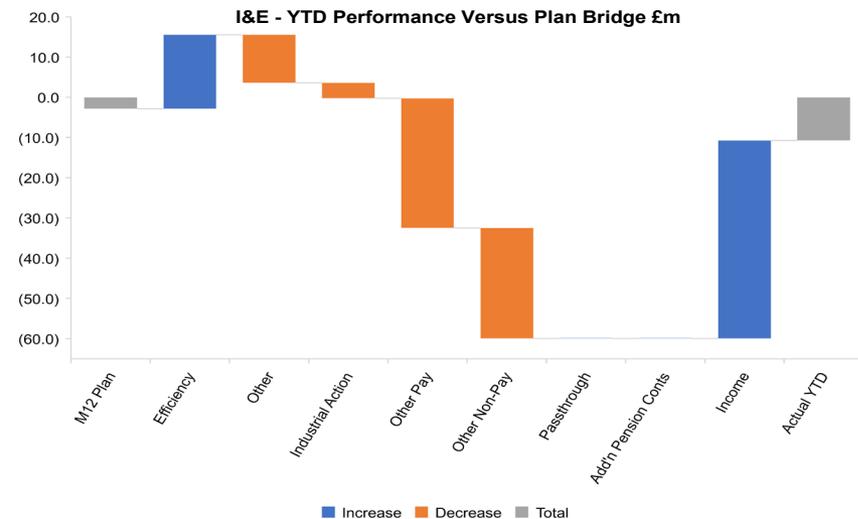
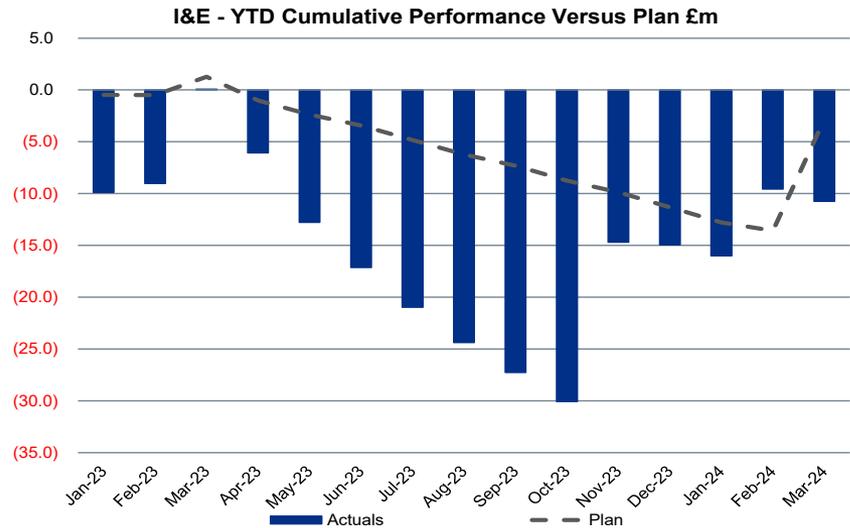
Non-NHS income (PP, Overseas, RTA and other) was £5.9m better than plan driven by R&D income (£3.2m better), £2.0m of SDE funding and £1.4m apprenticeship levy notional income.

Pay Expenditure

Pay costs were **£43.1m worse** than plan in-month of which £34m was due to end of year pensions and pay award payments offset in income, £1.6m movement in annual leave provision (£5.9m worse excluding year end costs and R&D). Overall WTEs increased by 78 in month on top of large increases over the previous six months, driven by substantive staff WTE. Underlying pay costs were £0.9m worse than last month and £2.1m worse than in Q3.

Non-Pay Expenditure

Non-pay costs were **£9.8m worse** than plan in March (£4.9m worse excluding passthrough costs and R&D). This included increased expected credit loss costs (£2.1m) and SDE expenditure (£1.4m).



Financial Performance Report

Integrated themes and issues from Month 12 (March 2024)

Finance

Adjusted Run Rate

The underlying deficit is estimated as **£8.8m** in March, this is £2.6m worse than during Q3, which was running at an average underlying deficit of £6.2m a month. There were additional pay costs in M12 that are still being reviewed at present. The most significant deterioration during the year is on pay expenditure, since Q3 it has been £2.6m a month worse than up to Q2, while non-pay is £1.2m a month worse than up to Q2.

Cash

Cash was £46.8m at the end of March, **£15.0m higher** than the previous month and it is £30m higher than forecast. The improvement was due to additional income received (£12m), reduction in PDC dividend payable in March (£7.7m) and the timing benefit of payments (inc capital) (£10m) that will catch up in April and May. Based on the I&E position the cash position should be worse, but for the active cash management measures currently in place.

Productivity & Efficiency Savings

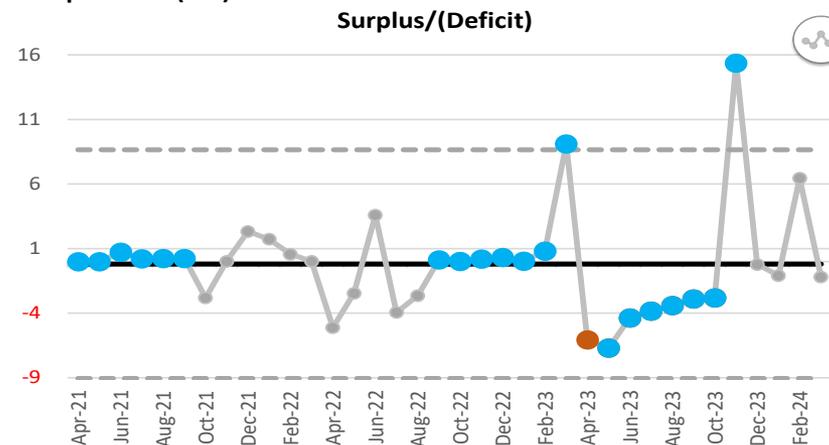
Productivity KPIs had an estimated £2.5m negative productivity impact on the financial position for March, which is one of the underlying causes of the financial variance to plan. Theatre activity levels are the primary driver of this, with an estimated £1.9m impact from a decrease in planned Theatres sessions activity in March compared to the prior year.

Efficiency savings. YTD efficiency delivery is **£18.4m better than plan** (including non-cash releasing efficiencies). £88.9m of efficiencies have been delivered this year, which represents 126% of the plan for the financial year.

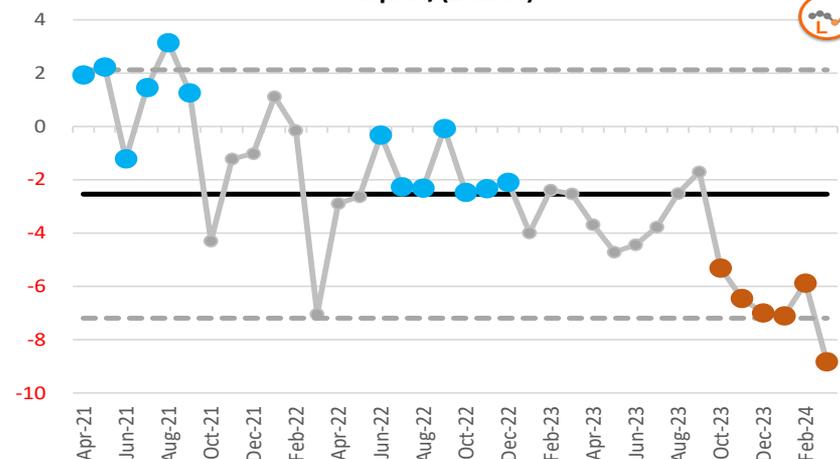
Capital

Gross Capital expenditure for the year was £80.0m, which was £10.5 less than plan, and £0.3m more than forecast. The drivers of the underspend against plan are set out in the capital section of this report.

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



Income & Expenditure – Adjusted Run Rate Performance (£m)



Income Overview

Source: Finance Ledger

*Income in the charts below were adjusted to remove the FY22, FY23 and FY24 (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. A number of income items including RTA catch up and API performance in FY2024 has been smoothed over the year to avoid distortion to the underlying run rate.

Total Income Excl R&D: RTH - *OUH



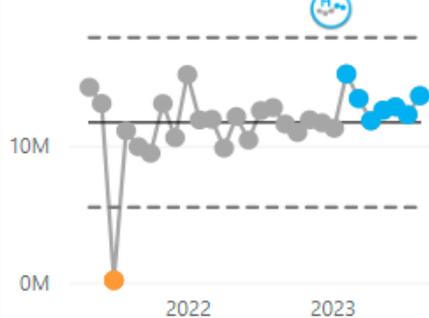
March 2024 (Month 12) - Total in-month Income of £173.5m

- Total income was £27.1m higher in March compared to February.
- Commissioning income was £23.6m higher in March. There was additional non-recurrent income for pension funding (£33.2m) and the consultants pay award (£0.7m). This was offset by reductions of £11.0m for non-recurrent income last month for industrial action (£5.7m) and deficit plan funding (£5.3m). API performance (£5.2m) has increased based on updated performance metrics from NHSE, however this was offset by releasing £5.2m of income accruals which were not realisable. Passthrough income was £0.8m higher in March compared to February.
- Year to date there is £10.2m of API income. Value weighted elective activity was 100% in March of 2019/20 levels. The activity year-to-date is 102% based on partly coded M12 data. It is likely to be 103% when coding is completed.
- Other income was £4.4m higher in March, due to additional SDE funding (£2.0m) and apprenticeship levy notional income (£1.4m).
- RTA income was £1.5m lower in March, following a catch up on this income last month relating to work that is being done to review the RTA collection process.

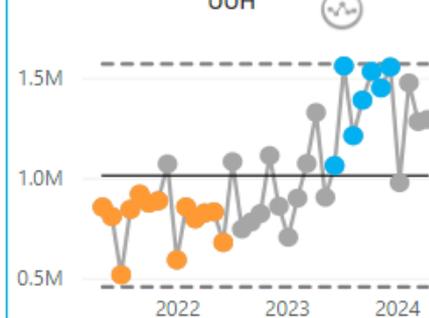
Commissioning Income: RTH - OUH



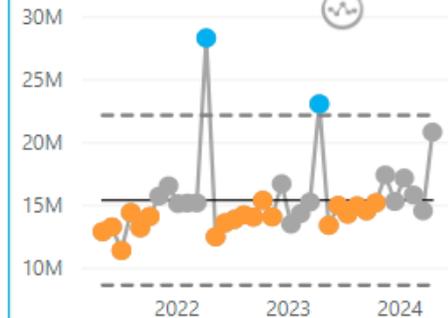
Pass Through Income: RTH - OUH



PP, Overseas & RTA Income: RTH - OUH



Other Income: RTH - OUH



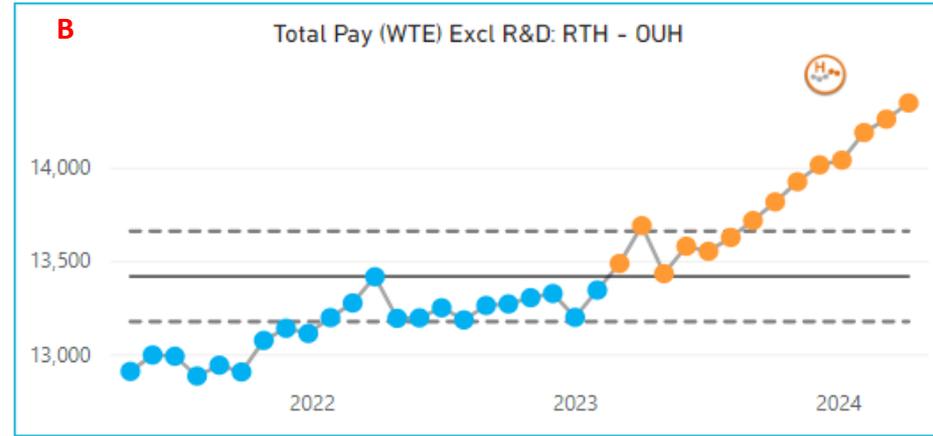
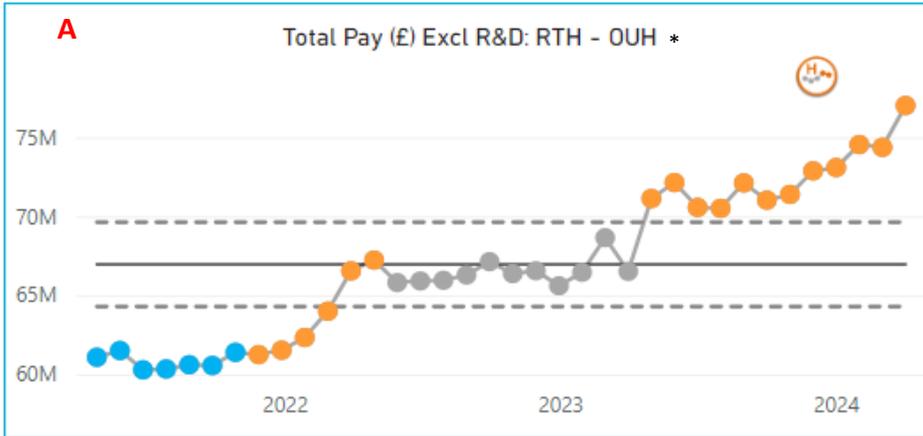
SPC Trend Analysis

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.

Pay: Run Rate Overview

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



*Pay spend in the chart above was adjusted to remove the FY22, FY23 and FY24 (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.

March 2024 (Month 12)

£116.3m (£110.9m excl. R&D)

14,347 WTE

Trend Analysis

- Total pay was £38.0m higher in March compared to February. Excluding R&D, and year-end adjustments pay costs were £1.0m higher in March
- Substantive staffing costs were £37.0m higher in March compared to February. March included additional pension costs (£33.2m), an increase the annual leave accrual (£1.6m impact, this had previously been released over the year), and an accrual for the consultants pay award (£0.7m impact). Excluding these items substantive pay increased by £1.5m with an £1.2m increase in the pay run rate in the clinical divisions. Additional enhancements for the bank holiday and five weekends increased costs by £0.4m in clinical areas, Surgery, Women's and Oncology Division had £0.3m backdated pay costs linked to university recharges. 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 £0.5m lower in March compared to February. Bank staff expenditure decreased by £0.2m from February while agency staff costs decreased by £0.3m. Temporary staff spend in March is £0.4m above last year's monthly average of £7.0m per month, agency expenditure continue to be a 'special cause variation', even though the sickness trend has been improving for this financial year the temporary staff expenditure levels have not reflected this improvement. Band 5 nurse sickness however is showing an increasing trend this year, which could be contributing to the temporary staff position. Plans are being developed to reduce temporary spending looking at both reducing price and WTE.
- WTE increased in month by 87 to 14,347 (excluding R&D) and are a special cause variation again this month. Substantive staff increased by 115 WTE in March. The largest increase was in other staff (78 WTE), although part of this was driven by incorrect WTE in Corporate in February (est.40 WTE impact). Bank staff decreased by 2 WTE and agency staff decreased by 26 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, open escalation beds and the use of temporary staffing to backfill sickness. Trend by staff group and type are shown in the additional detail provided in the Diligent Reading Room.

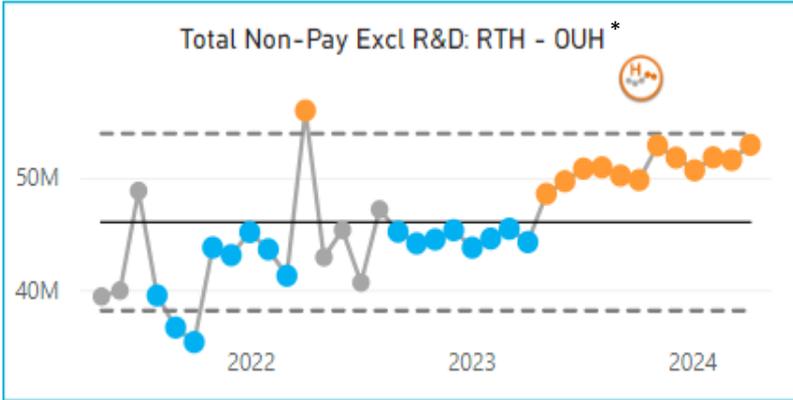
Non-Pay Run Rate Overview



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.

March 2024 (Month 12) – Total Non-Pay £57.9m (£56.0m excl. R&D)

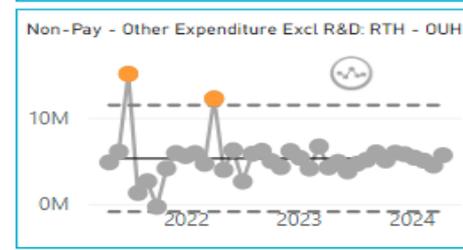
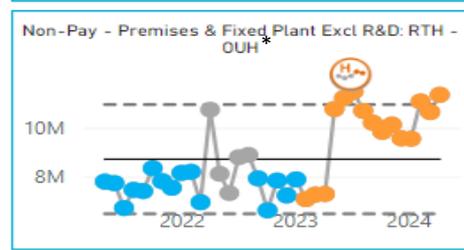
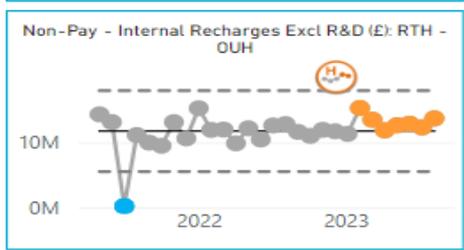
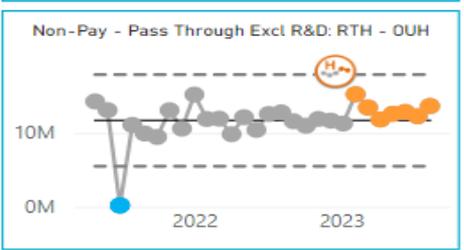
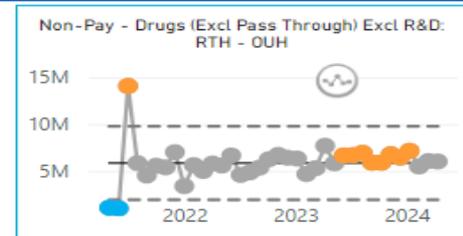
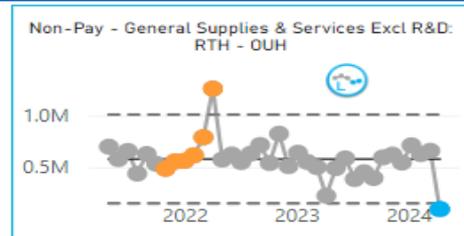
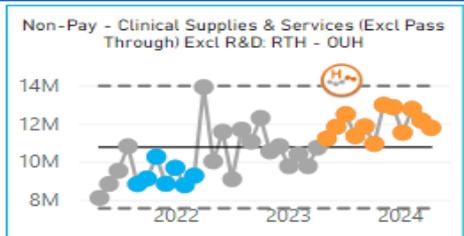
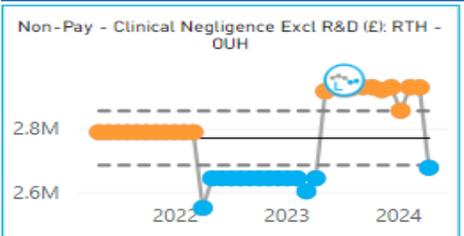
- Total non-pay was £5.1m higher in March than February. Excluding R&D, non-pay costs were £4.1m higher in March compared to February. This was due to increased estimated bad debt costs which are calculated using the expected credit loss model (£2.1m) and SDE expenditure (£1.4m). The in-month underlying non pay position is in line with the month 8-11 average. Non-pay costs continue to be near the upper control limit and continue to trigger an adverse special cause variation indicating a worsening trend.



SPC Trend Analysis

Non-pay expenditure has been near the upper control limit though out this financial year, reflecting persistently high inflation, and continues to trigger an adverse special cause variation.

- Clinical negligence costs have reduced in March, due to receipt of maternity incentive rebate income (£0.3m).
- Clinical supplies and services costs are an adverse special cause variation, driven by high inflation over the last year.
- General supplies and services costs have reduced in March due to PPE stock credits of £0.4m.
- 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.



Productivity Dashboard Summary

Indicator	Currency	Target	£/unit	Actual Vs Target - Indicative financial Impact (£)						
				Q1 FY24	Q2 FY24	Q3 FY24	Jan-24	Feb-24	Mar-24	Full Yr FY24
Elective ALOS	Days	4 <i>(FY23 Avg)</i>	1 day = £0.6m/month	£0.4m	£0.3m	£0.1m	£0.3m	£0.2m	(£0.5m)	£0.8m
Non-elective ALOS	Days	4 <i>(FY23 Avg)</i>	1 day = £3.3m/month	(£1.6m)	£0m	(£0.3m)	(£0.7m)	£0m	£0m	(£2.6m)
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)	(£8.2m)	(£1.2m)	(£2.1m)	(1.9m)	(29.1m)
Face to Face Appts	Appt	81,363 <i>(FY23 Monthly Avg)</i>	1 Appt = £100	(£0.7m)	(£1m)	(£1.7m)	(£1.2m)	(£0.7m)	(£0.3m)	(£5.6m)
Staff sickness rate	% of staff	3.1% <i>(Trust target)</i>	1% = £0.8m/month	(£2.5m)	(£2m)	(£1.8m)	(£0.6m)	(£0.6m)	(£0.6m)	(£8.1m)
Staff turnover rate	% of staff	12% <i>(Trust target)</i>	1% = £440k/month	£1.1m	£1.7m	£2.2m	£0.7m	£0.8m	£0.8m	£7.3m
Total adverse impact				(£9.4m)	(£10.7m)	(£8.9m)	(£2.7m)	(£2.4m)	(£2.5m)	(£37.3m)

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. In Mar-24, the negative impact (estimated £2.5m) was driven by:

- **£0.5m** from an adverse (increase) in Elective ALOS to 4.7 days (highest since Jun-22). This is driven mainly by the ALOS of non-medically fit patients.
- **£1.9m** from a decrease in planned Theatres sessions activity in Mar-24 compared to prior year.
- **£0.6m** from sickness rate landing above trust target (for the 12-month rolling average and the in-month rate), which drives the use of temporary staffing to fill staffing gaps. Mar-24 sickness rate for nurses was significantly high.

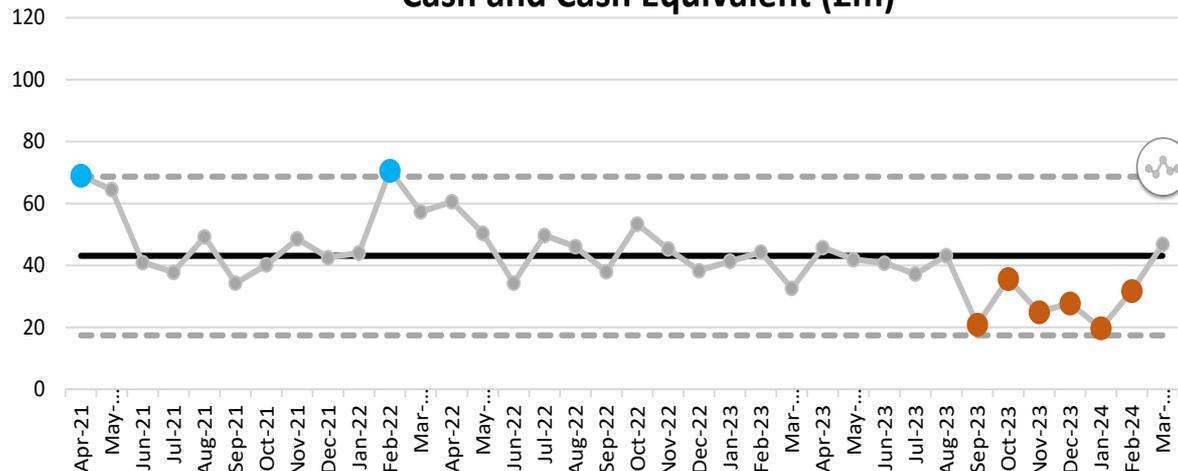
The estimated financial impact of ALOS for Non-Elective activity in Mar-24 was neutral. The staff turnover estimated financial impact was favourable (at **£0.8m**) achieved through recruitment of international nurses and programmes targeting hospital discharges.

Division	Plan 2023/24 (£m)	Identified 2023/24 (£m)	Percentage Identified 2023/24	Delivered YTD (£m)	Variance to Plan (£m)	Percentage Delivered	Delivered			
							Recurrent		Non-Recurrent	
							Cash Releasing £m	Non-Cash Releasing £m	Cash Releasing £m	Non-Cash Releasing £m
CSS	8.0	7.6	94%	5.1	-2.9	64%	2.6	1.9	0.6	0.1
MRC	8.4	7.6	90%	6.9	-1.5	82%	1.7	5.1		
NOTSSCaN	11.3	10.4	92%	6.7	-4.6	59%	4.4	1.6	0.6	
SuWOn	10.0	12.6	126%	11.2	1.2	112%	3.8	3.6	3.8	
Corporate	3.8	8.3	218%	8.3	4.5	218%	4.4	1.3	2.7	
Operational Services	0.5	2.1	457%	2.1	1.6	457%		1.0	1.1	
Education	0.6	0.0	0%	0.0	-0.6	0%				
Estates	1.5	6.6	438%	6.6	5.1	438%			6.6	
Central - recurrent	7.1	13.5	190%	9.8	2.7	138%	9.4	0.4		
Central - non-recurrent	19.3	42.7	221%	32.2	12.9	167%			25.3	6.9
TOTAL £m	70.5	111.3	158%	88.9	18.4	126%	26.3	14.9	40.7	7.0

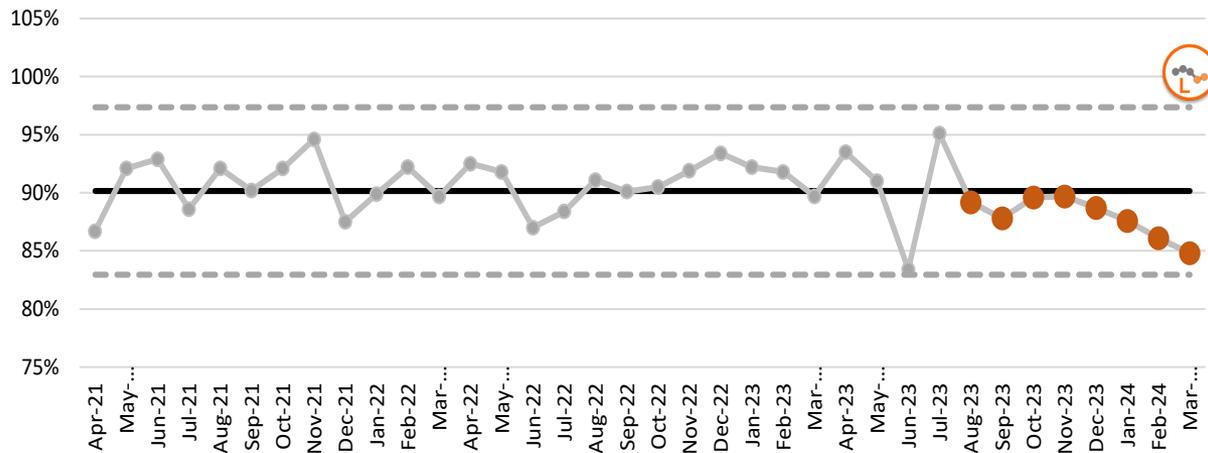
Efficiency savings

- The year-to-date efficiencies are **£18.4m better** than plan, as set out in the summary table above.
- The Month 12 (March) efficiencies performance for the year is £88.9m which represents 126% of the plan for the financial year.
- The recurrent savings account for 46% of the delivered efficiencies compared to 73% in the plan.
- The efficiencies were £1.9m lower than the £90.8m forecast, due to

Cash and Cash Equivalent (£m)



BPPC £ %



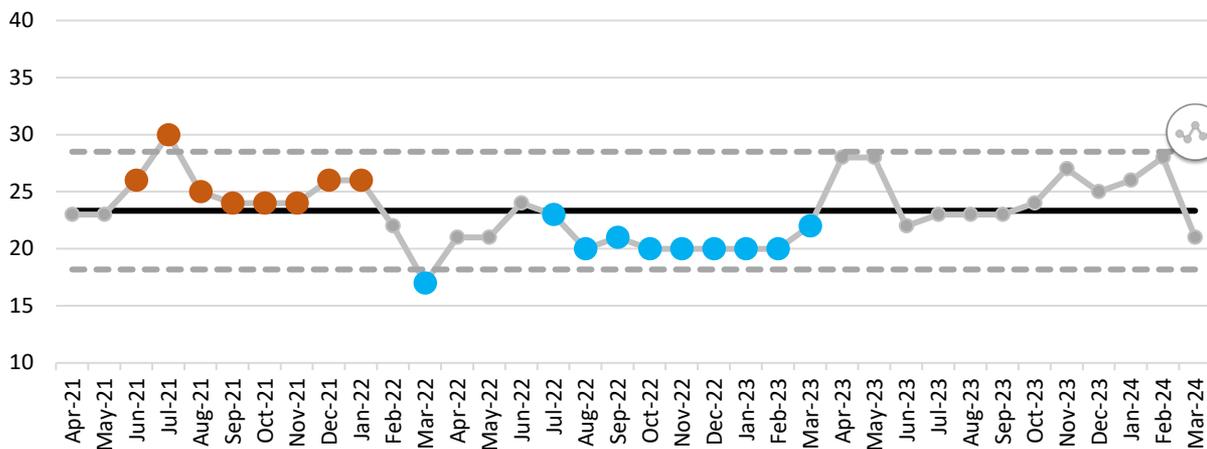
Cash

- Cash has increased in month by £15m compared to last month and it is £14m higher than last year-end. The closing cash balance for the year is also better than forecast with the reason for the improvement due to receipt of additional deficit and industrial action funding. The timing of cash payments for capital spend related to 2023/24 that will now be made in April and May, not March as originally forecast has also improved cash. In turn, the timing of those payments is reflected in an increase of £18m in capital creditors from M11. Based on the I&E position the cash position should be worse, but for the active cash management.

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%. The Trust is trending downwards on this measure due to efforts to maintain the cash balance by maximising credit from suppliers.

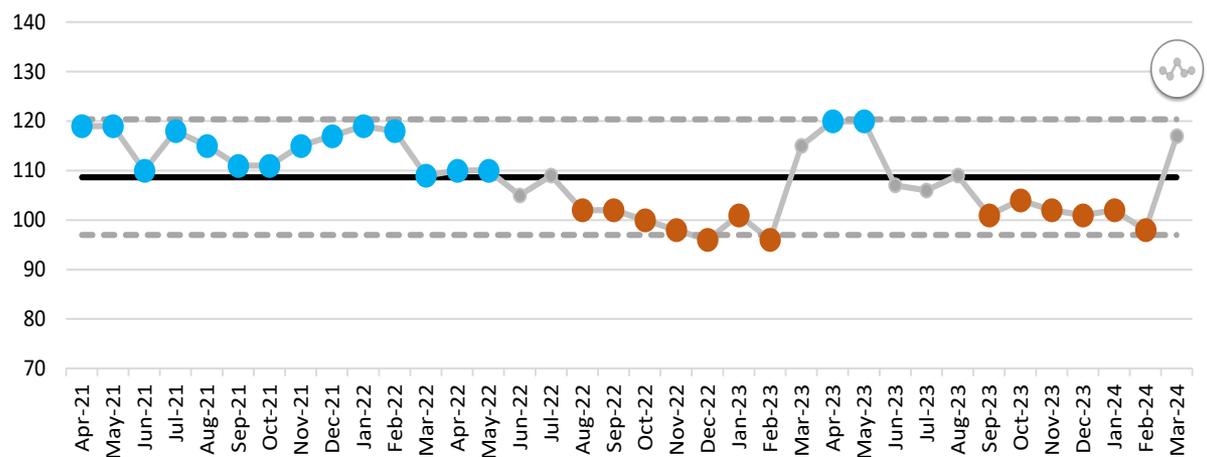
Debtor days



Debtor Days

- This is a measure of how many days on average our customers take to pay our invoices, so an increase means it takes longer to receive the money. The recent trend in debtor days was linked to increasing NHS debt, which then reduced at M12 as NHSE and other organisations settled accrued income, for instance for cost and volume drugs, devices and diagnostic performance. The position at March 2023 was impacted by accrued income for the pay award which was subsequently paid in June 2023.

Creditor days



Creditor Days

- This is a measure of how many days on average the Trust takes to pay supplier invoices. Creditor days rose sharply at M12 related to an increase in capital creditors of £18m compared to February as well as a £15m increase in trade and other payables. The Trust aims to pay creditors within 30 days in line with the BPPC.

Capital Expenditure - by funding source £m	IN MONTH 12			YEAR TO DATE			FULL YEAR	Variance to
	Plan	Actual	Variance	Plan	Actual	Variance	Forecast	Forecast
ICS CDEL	4.8	18.5	(13.8)	28.5	31.6	(3.0)	30.7	0.9
National Funding PDC (RAAC)	0.0	3.3	(3.3)	0.0	3.3	(3.3)	2.6	0.7
Less disposals and other adjustments	0.0	0.0	0.0	0.0	(0.2)	0.2	(0.2)	(0.0)
ICS CDEL per PFR submission	4.8	21.8	(17.0)	28.5	34.7	(6.2)	33.1	1.6
Add back disposals and other adjustments	0.0	0.0	0.0	0.0	0.2	(0.2)	0.2	0.0
National Funding PDC	2.3	6.4	(4.2)	12.4	7.0	5.4	6.9	0.1
Government grants	2.3	1.1	1.2	20.6	21.3	(0.7)	21.0	0.3
Charitable and other donations	0.5	(0.1)	0.6	4.7	1.1	3.7	1.7	(0.6)
PFI Life-cycling (IFRIC 12)	1.0	2.9	(2.0)	17.7	10.4	7.3	10.9	(0.4)
RoU/Leases (IFRS 16)	2.4	0.3	2.1	6.5	5.4	1.1	6.1	(0.7)
Gross Capital Expenditure	13.2	32.5	(19.3)	90.5	80.0	10.5	79.8	0.3

	IN MONTH 12			YEAR TO DATE			FULL YEAR	Variance to
	Plan	Actual	Variance	Plan	Actual	Variance	Forecast	Forecast
JR Theatres	2.6	4.2	(1.6)	15.1	6.2	9.0	6.3	(0.2)
Estates Compliance (CIR)	0.8	2.4	(1.6)	6.0	4.1	1.9	3.0	1.1
Other Estates	2.9	2.5	0.4	14.2	8.5	5.8	7.8	0.6
Public Sector Decarbonization Schemes (PSDS)	2.3	1.5	0.8	20.6	22.3	(1.7)	22.7	(0.4)
PFI life-cycling (excluding MES)	0.3	0.4	(0.1)	3.9	4.8	(0.9)	4.8	0.0
RAAC Estates	0.0	1.6	(1.6)	0.0	1.6	(1.6)	0.9	0.6
Subtotal - Estates	8.9	12.6	(3.7)	59.9	47.4	12.5	45.6	1.8
MEPG/MERRP Programme	0.5	4.0	(3.4)	6.3	8.8	(2.5)	8.4	0.4
Other Equipment	2.4	5.1	(2.6)	4.5	7.3	(2.7)	8.2	(1.0)
PFI MES Equipment replacement	0.6	2.5	(1.9)	13.8	5.6	8.2	6.1	(0.5)
Subtotal - Equipment	3.6	11.6	(8.0)	24.6	21.7	2.9	22.7	(1.0)
Safe Digital Environments (SDE)	0.3	3.5	(3.2)	2.5	4.2	(1.7)	4.3	(0.1)
Other Digital Programme	0.3	2.0	(1.8)	2.5	3.2	(0.7)	3.0	0.2
Non-programme Digital	0.1	2.7	(2.6)	1.1	3.5	(2.5)	4.1	(0.6)
Subtotal - Digital	0.6	8.3	(7.6)	6.1	11.0	(4.9)	11.4	(0.4)
Gross Capital Expenditure	13.2	32.5	(19.3)	90.5	80.0	10.5	79.8	0.3

The total capital spend in 2024/25 was £80m, which was £10.5 behind plan, and £0.3m ahead of forecast. The plan was set at the beginning of the year, and since then there have been significant changes to the level of PDC funding and expected PFI costs.

In January a revised forecast was produced based on confirmed PDC funding and the estimated completion of capital schemes in year. Against this forecast the year end out-turn was a slight increase of £0.3m.

Estates compliance was £1.1m ahead of forecast. A number of schemes were initiated to manage the expected underspend on the RAAC, which then was able to deliver to plan, £0.7m above forecast.

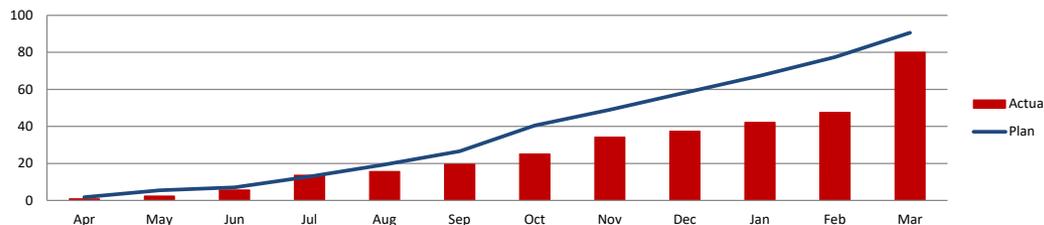
There was £0.6m of spend for Katharine House hospital which was transferred from charitable to ICS spend.

Digital was £0.4m behind forecast, mainly due to a lower than forecast capitalisation of staff.

Right of use assets were £0.7m behind forecast due to equipment leases not realised by the year-end.

PFI lifecycling, Charitable and grant spending was £0.7m behind forecast in total (see comment above re KHH).

Cumulative Performance Against Plan (£m)



Appendix 1 – Other Supporting Analysis: Month 12 2023/24

Income and Expenditure: Subjective Analysis

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

I & E Subjective £m	IN MONTH 12				YEAR TO DATE				FULL YEAR
	Plan	Actual	Var	Var %	Plan	Actual	Var	Var %	Plan
Income									
Commissioning Income	98.1	135.5	37.5	38.2%	1,176.5	1,258.6	82.1	7.0%	1,176.5
Passthrough Drugs & Devices	12.1	15.7	3.5	29.2%	145.8	165.6	19.8	13.6%	145.8
Other Income	14.8	21.2	6.4	43.4%	179.4	189.7	10.3	5.7%	179.4
PP, Overseas and RTA Income	1.6	1.3	(0.3)	-20.3%	16.4	15.7	(0.7)	-4.4%	16.4
Total Income	126.6	173.7	47.1	37.2%	1,518.2	1,629.6	111.5	7.3%	1,518.2
Pay									
Consultants and Medics	(23.7)	(27.9)	(4.2)	-17.5%	(283.8)	(305.3)	(21.4)	-7.6%	(283.8)
Health Care Assistants & Support	(6.6)	(7.2)	(0.6)	-9.2%	(79.0)	(80.9)	(1.9)	-2.4%	(79.0)
Nurse and Midwives	(21.3)	(24.6)	(3.3)	-15.3%	(250.9)	(266.1)	(15.3)	-6.1%	(250.9)
Other Staff	(11.7)	(45.3)	(33.6)	-286.7%	(141.3)	(169.9)	(28.6)	-20.3%	(141.3)
Scientific, Therapeutic and Technical	(9.9)	(11.4)	(1.5)	-15.3%	(120.4)	(126.6)	(6.2)	-5.1%	(120.4)
Total Pay	(73.2)	(116.3)	(43.1)	-59.0%	(875.4)	(948.9)	(73.5)	-8.4%	(875.4)
Non-Pay									
Clinical negligence	(3.0)	(2.2)	0.7	24.4%	(35.6)	(33.9)	1.7	4.9%	(35.6)
Clinical Supplies & Services	(9.9)	(13.8)	(3.9)	-38.9%	(132.6)	(147.1)	(14.5)	-11.0%	(132.6)
Drugs & Devices	(17.7)	(21.8)	(4.1)	-23.1%	(212.4)	(241.5)	(29.0)	-13.7%	(212.4)
Passthrough Drugs & Devices	(12.1)	(15.7)	(3.5)	-29.2%	(145.8)	(165.6)	(19.8)	-13.6%	(145.8)
Drugs	(5.6)	(6.1)	(0.5)	-9.9%	(66.6)	(75.9)	(9.2)	-13.9%	(66.6)
General Supplies & Services	(0.3)	(0.1)	0.2	69.9%	(3.8)	(6.2)	(2.4)	-61.7%	(3.8)
Internal Recharges	0.0	0.0	(0.0)	-100.0%	0.2	(0.0)	(0.2)	-100.0%	0.2
Premises & Fixed Plant	(10.1)	(8.9)	1.2	12.3%	(122.0)	(122.6)	(0.6)	-0.5%	(122.0)
Other Expenditure	(6.4)	(11.1)	(4.7)	-74.2%	(61.0)	(69.5)	(8.5)	-14.0%	(61.0)
Total Non-Pay	(47.4)	(57.9)	(10.5)	-22.1%	(567.3)	(620.8)	(53.5)	-9.4%	(567.3)
Operational EBITDA	6.0	(0.5)	(6.5)	-108.4%	75.4	60.0	(15.4)	-20.5%	75.4
Financing and Capital Charges (Excl Tech Adj)	4.7	(0.7)	(5.4)	-114.5%	(78.3)	(70.7)	7.5	9.6%	(78.3)
Operational Surplus / (Deficit)	10.7	(1.2)	(11.9)	-111.1%	(2.9)	(10.7)	(7.9)	-276.6%	(2.9)

Income

- Commissioning income, including passthrough, is £101.9m better than plan to date. £33.2m is pension funding, £19.8m is due to passthrough drugs and devices (offset by increased expenditure), £18.7m is industrial action funding, £10.1m of income from API performance, £6.3m from deficit funding and £5.0m is mostly one-off benefit income.
- Other income is £10.3m better than plan to date, £4.1m better than plan excluding R&D. The improvement is driven by Education income and Corporate income.
- PP, Overseas and RTA income is £0.7m worse than plan to date. The variance has deteriorated in month by £0.3m due to reduced private patient income in March (£0.6m adverse to plan).

Pay

- Pay is £73.5m worse than plan to date, £72.7m excluding R&D. This is driven by additional pensions costs (£33.2m), a shortfall against the efficiency target (£5.9m), pay cost pressures (£22.7m), recovery and COVID-19 pay costs (£6.1m), £3.8m 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 £53.5m worse than plan to date, £48.7m excluding R&D and £28.9m worse if passthrough expenditure is excluded. This is driven by the shortfall against the efficiency target (£7.7m) and other pressures on clinical supplies and drugs costs (£22.9m). Recovery and COVID-19 non-pay costs are £2.4m better than plan.

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

I & E Subjective £m	IN MONTH 12 - 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
Income										
Commissioning Income	132.0	0.0	2.7	0.9	135.5	1,215.5	0.3	31.9	10.9	1,258.6
Passthrough Drugs & Devices	15.7	0.0	0.0	0.0	15.7	165.6	0.0	0.0	0.0	165.6
Other Income	14.7	7.5	0.0	(1.0)	21.2	131.2	58.0	0.0	0.5	189.7
PP, Overseas and RTA Income	1.3	0.0	0.0	0.0	1.3	15.7	0.0	0.0	0.0	15.7
Total Income	163.7	7.5	2.7	(0.1)	173.7	1,527.9	58.3	31.9	11.5	1,629.6
Pay										
Consultants and Medics	(26.6)	(0.8)	(0.5)	0.0	(27.9)	(293.8)	(7.3)	(4.1)	(0.2)	(305.3)
Health Care Assistants & Support	(7.1)	(0.0)	(0.0)	(0.0)	(7.2)	(80.2)	(0.4)	(0.2)	(0.3)	(80.9)
Nurse and Midwives	(22.0)	(2.4)	(0.2)	(0.0)	(24.6)	(247.6)	(16.1)	(1.9)	(0.5)	(266.1)
Other Staff	(44.2)	(1.1)	(0.0)	0.0	(45.3)	(159.1)	(10.1)	(0.2)	(0.4)	(169.9)
Scientific, Therapeutic and Technical	(10.2)	(1.2)	(0.0)	(0.0)	(11.4)	(115.4)	(10.7)	(0.4)	(0.2)	(126.6)
Total Pay	(110.2)	(5.4)	(0.7)	(0.0)	(116.3)	(896.0)	(44.5)	(6.7)	(1.6)	(948.9)
Non-Pay										
Clinical negligence	(2.2)	0.0	0.0	0.0	(2.2)	(33.9)	0.0	0.0	0.0	(33.9)
Clinical Supplies & Services	(12.0)	(0.8)	(0.2)	(0.7)	(13.8)	(142.1)	(3.4)	(0.8)	(0.8)	(147.1)
Drugs & Devices	(21.7)	(0.1)	0.0	(0.0)	(21.8)	(241.5)	0.0	0.0	0.0	(241.5)
General Supplies & Services	(0.5)	(0.0)	0.0	0.4	(0.1)	(6.0)	(0.0)	0.0	(0.2)	(6.2)
Internal Recharges	0.3	(0.3)	0.0	0.0	0.0	2.2	(2.2)	0.0	(0.0)	(0.0)
Premises & Fixed Plant	(8.8)	(0.1)	(0.0)	(0.0)	(8.9)	(121.6)	(0.6)	(0.3)	(0.1)	(122.6)
Other Expenditure	(9.7)	(0.6)	(0.8)	0.0	(11.1)	(54.7)	(6.5)	(8.4)	0.0	(69.5)
Total Non-Pay	(54.6)	(2.0)	(1.0)	(0.4)	(57.9)	(597.2)	(12.8)	(9.5)	(1.2)	(620.8)
Operational EBITDA	(1.1)	0.2	0.9	(0.5)	(0.5)	34.7	1.0	15.7	8.6	60.0
Non-EBITDA (Excl Tech Adj)	(1.2)	0.0	0.0	0.6	(0.7)	(71.3)	0.0	0.0	0.6	(70.7)
Operational Surplus / (Deficit)	(2.3)	0.2	0.9	0.1	(1.2)	(36.6)	1.0	15.7	9.2	(10.7)

Source: Finance Ledger

- COVID-19 costs total £0.4m for March, an increase of £0.3m from February. COVID-19 expenditure for March is £0.6m below plan.
- The outstanding accrual for COVID-19 testing income had to be dropped at year end, due to this not being agreed by the ICB.
- Recovery costs in March were £1.7m, £0.4m higher than February. 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 £0.2m surplus position in March and a £1.0m surplus for the year-to-date contributing to the overall Trust position due to the release of deferred income.

Adjusted Run Rate and Underlying Position

2023/24 Reported Position excl. Pass-through and R&D £m	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	YTD
Income	106.2	109.3	111.2	109.4	112.9	110.6	113.6	128.4	111.8	115.4	126.3	150.3	1,405.6
Pay	(69.3)	(72.2)	(70.0)	(69.7)	(74.3)	(72.2)	(71.5)	(73.0)	(73.2)	(73.9)	(74.4)	(110.9)	(904.4)
Non-Pay	(35.9)	(36.8)	(38.5)	(36.6)	(34.9)	(34.5)	(38.6)	(37.6)	(35.9)	(36.0)	(36.9)	(39.5)	(441.6)
Operational EBITDA	1.1	0.4	2.8	3.1	3.6	4.0	3.5	17.9	2.8	5.5	15.0	(0.1)	59.6
Financing and Capital Charges (Excl Tech Adj)	(7.1)	(7.1)	(7.1)	(6.9)	(7.0)	(6.9)	(6.3)	(2.5)	(3.5)	(6.7)	(8.9)	(1.2)	(71.3)
Operational Surplus / (Deficit)	(6.1)	(6.7)	(4.4)	(3.8)	(3.4)	(2.9)	(2.8)	15.4	(0.6)	(1.2)	6.2	(1.3)	(11.7)

Smoothing Adjustments	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	YTD
Income	3.6	1.8	3.1	1.8	(1.2)	0.5	(1.2)	(1.8)	0.9	(3.4)	(2.4)	(1.8)	0.0
Pay	(2.3)	0.3	(1.0)	(0.4)	2.1	1.3	(0.2)	(0.1)	0.3	(0.8)	0.2	0.5	0.0
Non-Pay	0.6	(0.7)	0.3	0.3	0.1	(0.4)	0.7	(1.0)	(1.0)	(0.1)	(0.8)	2.0	0.0
Financing and Capital Charges	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	(3.2)	0.2	2.4	(4.3)	0.0
Smoothing Adjustments Total	2.5	2.0	3.1	2.2	1.6	2.0	(0.0)	(2.2)	(3.0)	(4.0)	(0.6)	(3.6)	0.0

2023/24 'Smoothed' Position excl. Pass-through and R&D £m	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	YTD
Income	109.9	111.1	114.3	111.1	111.7	111.1	112.4	126.7	112.8	112.0	123.9	148.6	1,405.6
Pay	(71.5)	(71.9)	(71.0)	(70.2)	(72.2)	(70.8)	(71.6)	(73.0)	(72.9)	(74.6)	(74.2)	(110.4)	(904.4)
Non-Pay	(35.3)	(37.5)	(38.1)	(36.3)	(34.8)	(34.9)	(37.9)	(38.6)	(36.8)	(36.1)	(37.7)	(37.5)	(441.6)
Operational EBITDA	3.0	1.8	5.2	4.7	4.6	5.4	2.9	15.1	3.0	1.3	12.0	0.6	59.6
Financing and Capital Charges (Excl Tech Adj)	(6.5)	(6.5)	(6.5)	(6.3)	(6.4)	(6.3)	(5.7)	(1.9)	(6.6)	(6.5)	(6.5)	(5.6)	(71.3)
Operational Surplus / (Deficit)	(3.5)	(4.7)	(1.3)	(1.6)	(1.8)	(0.9)	(2.8)	13.2	(3.6)	(5.2)	5.5	(4.9)	(11.7)

Run Rate Adjustments	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	YTD
Income	0.0	(0.0)	(3.5)	(1.2)	0.0	0.5	(1.0)	(15.3)	(1.6)	(1.4)	(12.3)	(36.4)	(72.3)
Pay	0.3	0.2	0.5	0.3	0.5	(0.2)	(0.2)	0.2	0.1	0.9	0.4	33.9	36.9
Non-Pay	(0.5)	(0.2)	(0.1)	(1.2)	(1.2)	(0.7)	(0.6)	0.1	(2.0)	(1.3)	0.5	(0.3)	(7.6)
Financing and Capital Charges	(0.0)	0.0	(0.0)	(0.1)	0.0	(0.4)	(0.7)	(4.5)	0.1	0.0	0.0	(1.1)	(6.7)
Run Rate Adjustments Total	(0.2)	(0.0)	(3.1)	(2.2)	(0.7)	(0.8)	(2.5)	(19.6)	(3.4)	(1.8)	(11.4)	(3.9)	(49.7)

2023/24 Run Rate Position excl. Pass-through and R&D £m	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	YTD
Income	109.9	111.1	110.8	109.9	111.7	111.6	111.4	111.3	111.2	110.6	111.6	112.2	1,333.3
Pay	(71.2)	(71.7)	(70.5)	(69.8)	(71.7)	(71.1)	(71.9)	(72.9)	(72.8)	(73.7)	(73.8)	(76.5)	(867.5)
Non-Pay	(35.8)	(37.7)	(38.2)	(37.5)	(36.1)	(35.6)	(38.5)	(38.5)	(38.8)	(37.4)	(37.2)	(37.8)	(449.2)
Operational EBITDA	2.9	1.8	2.1	2.7	3.9	4.9	1.1	(0.1)	(0.4)	(0.6)	0.6	(2.2)	16.6
Financing and Capital Charges (Excl Tech Adj)	(6.5)	(6.5)	(6.5)	(6.4)	(6.4)	(6.6)	(6.4)	(6.4)	(6.6)	(6.5)	(6.5)	(6.7)	(78.0)
Operational Surplus / (Deficit)	(3.7)	(4.7)	(4.4)	(3.8)	(2.5)	(1.7)	(5.3)	(6.4)	(7.0)	(7.1)	(5.9)	(8.8)	(61.4)

- This table shows the run rate for the year 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 £5.1m a month, this is a deterioration of £2.9m 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 £m	MONTH 12 2023	MONTH 3 2024	MONTH 6 2024	MONTH 9 2024	MONTH 12 2.024	MOVEMENT 202312 - 202412
Non Current Assets:						
Property, Plant and Equipment	741.9	737.4	738.5	744.0	739.8	(2.1)
Intangible Assets	14.7	13.7	13.6	13.4	16.6	1.9
Investment Property	34.4	34.4	34.4	39.7	44.8	10.4
Other investments/financial assets	13.3	13.3	13.3	13.2	12.9	(0.4)
Other property, plant and equipment (excludes leases)	0.7	0.7	1.1	1.1	1.1	0.4
Trade and Other Receivables	6.6	6.9	6.8	6.8	8.7	2.1
Total Non Current Assets	811.7	806.4	807.7	818.3	823.9	12.2
Current Assets:						
Inventories	29.1	30.1	31.2	30.4	32.2	3.1
Trade and Other Receivables	97.9	85.0	92.2	100.1	87.3	(10.5)
Credit Loss Allowances	(15.4)	(16.1)	(15.6)	(15.6)	(17.9)	(2.5)
Cash and Cash Equivalents	32.6	40.8	20.9	27.8	46.8	14.2
Total Current Assets	144.2	139.8	128.7	142.7	148.5	4.3
Total ASSETS	955.9	946.2	936.4	960.9	972.4	16.5
Current Liabilities:						
Trade and Other Payables	(171.3)	(175.9)	(166.0)	(167.9)	(198.1)	(26.8)
Borrowings	(12.7)	(12.8)	(12.9)	(20.7)	(13.8)	(1.2)
Commercial Loans	(0.4)	(0.5)	(0.5)	(0.4)	(0.7)	(0.3)
DH Capital Loan	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	0.0
Provisions	(2.2)	(2.2)	(1.1)	(1.1)	(1.3)	1.0
Other Liabilities	(3.5)	(9.6)	(13.2)	(16.0)	(2.7)	0.8
Total Current Liabilities	(190.9)	(201.6)	(194.4)	(206.9)	(217.4)	(26.5)
Net Current Assets/(Liabilities)	(46.7)	(61.8)	(65.8)	(64.2)	(68.9)	(22.2)
Total Assets Less Current Liabilities	765.0	744.7	741.9	754.1	755.0	(10.0)
Non Current Liabilities:						
Borrowings	(212.1)	(208.9)	(206.1)	(345.2)	(360.1)	(148.0)
Commercial Loans	(5.7)	(5.5)	(5.4)	(5.3)	(5.1)	0.5
DH Capital Loan	(14.6)	(14.2)	(14.2)	(13.9)	(13.9)	0.7
Provisions	(7.7)	(7.7)	(7.7)	(7.7)	(6.2)	1.5
Other Liabilities	(5.1)	(5.0)	(5.6)	(5.5)	(5.5)	(0.5)
Total Non Current Liabilities	(245.1)	(241.4)	(239.0)	(377.6)	(390.9)	(145.8)
Assets Less Liabilities (Total Assets Employed)	519.9	503.2	503.0	376.5	364.1	(155.8)
Public Dividend Capital	310.8	310.8	310.8	310.8	329.2	18.4
Revaluation Reserve	226.4	223.1	219.8	216.6	212.6	(13.8)
FV Assets Reserve	(9.9)	(9.9)	(9.9)	(9.9)	(9.8)	0.0
Other Reserves	1.7	1.7	1.7	1.7	1.7	0.0
Retained Earnings reserve	(9.2)	(22.5)	(19.5)	(142.8)	(169.6)	(160.4)
Total Taxpayers Equity	519.9	503.2	503.0	376.5	364.1	(155.8)

- There has been a net increase in PPE reflecting both a backdated updated MEA valuation to 1.4.23 which reduced property values by £92m and the 31.3.24 valuation which increased them by £58m. There was significant capital expenditure within March alone of £32m.
- Current assets have increased marginally compared to last year-end, due to a decrease in receivables, which includes invoiced and accrued income, with the an increase in cash as described above and an increase in stock figures.
- Current liabilities overall have increased since last year-end. There are increases in both capital and revenue expenditure accruals.
- Non-current liabilities have increased by £145m. This is the impact of restating PFI liabilities on an IFRS16 basis which all NHS Trusts were required to do in M9 of 2023/24, partly offset by the usual PFI, leases and loan liability reductions due to scheduled repayments. The offset to the increase in the liability was to the Retained earnings reserve, which accounts for the movement in the reserve in addition to the YTD deficit.
- Revaluation movements as described above are partly reflected in the revaluation reserve and partly reflected within non-operating expenses which do not count towards the Trust's control total.

Cash flows from operating activities £m	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	MONTH 9 2024	MONTH 10 2024	MONTH 11 2024	MONTH 12 2024
Cash Flows from Operating Activities													
Operating Surplus/(Deficit)	10.0	(3.0)	(5.3)	(1.4)	1.0	4.1	4.0	3.8	16.0	0.9	3.0	11.8	(27.8)
Depreciation and Amortisation	6.3	4.2	4.1	4.1	4.1	4.1	4.3	3.4	4.0	4.3	4.1	4.1	0.0
Impairments and Reversals	1.1	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28.6
Donated Assets received credited to revenue but non-cash	(0.6)	(0.1)	(0.1)	0.0	(2.4)	(4.6)	(4.3)	(3.7)	(2.2)	(2.0)	(1.1)	(0.6)	(1.3)
Interest Paid	(2.2)	(2.3)	(2.4)	(2.4)	(2.3)	(2.3)	(2.4)	(2.3)	(2.4)	3.1	(1.7)	(1.7)	(1.8)
Dividend Paid	(5.1)	0.0	0.0	0.0	0.0	0.0	(9.6)	0.0	0.0	0.0	0.0	0.0	0.0
Release of PFI/deferred credit	0.0	(0.0)	(0.0)	(0.0)	(0.0)	0.6	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.7
(Increase)/Decrease in Inventories	(1.2)	(0.4)	(0.2)	(0.4)	0.1	(0.3)	(0.9)	0.2	0.9	(0.4)	(0.2)	(0.9)	(0.8)
(Increase)/Decrease in Trade and Other Receivables	(9.0)	1.6	(11.6)	23.3	(7.1)	1.4	(4.2)	(3.1)	(14.8)	9.3	(4.8)	(11.0)	31.3
Increase/(Decrease) in Trade and Other Payables	17.3	15.2	20.2	(21.2)	(4.5)	8.3	(7.0)	2.2	(0.8)	2.3	0.2	(3.8)	14.2
Increase/(Decrease) in Other Current Liabilities	(13.8)	9.7	(3.1)	(0.5)	9.9	(2.8)	(3.6)	14.3	(6.1)	(5.4)	(2.4)	1.0	(12.5)
Provisions Utilised	(0.8)	(0.0)	0.0	(0.1)	(0.0)	0.0	(0.1)	0.0	(0.0)	(0.1)	0.0	0.0	(0.9)
Increase/(Decrease) in Movement in non Cash Provisions	(2.5)	0.0	0.0	0.0	(0.7)	(0.3)	0.0	0.0	0.0	0.0	0.0	0.0	(0.5)
Net Cash Inflow/(Outflow) from Operating Activities	(0.5)	24.9	1.7	1.5	(1.5)	8.3	(23.8)	14.8	(5.4)	12.0	(3.1)	(1.0)	29.2
CASH FLOWS FROM INVESTING ACTIVITIES													
Interest Received	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3
(Payments) for Property, Plant and Equipment	(10.9)	(10.9)	(4.5)	(1.8)	(1.6)	(1.4)	2.8	0.9	(5.2)	(2.3)	(3.7)	(2.5)	(10.2)
(Payments) for Intangible Assets	0.5	0.0	(0.1)	0.0	(0.1)	(0.4)	(0.5)	(0.3)	1.0	(0.1)	(0.1)	(1.4)	(2.3)
Net Cash Inflow/(Outflow) from Investing Activities	(10.2)	(10.6)	(4.2)	(1.5)	(1.3)	(1.4)	2.7	1.0	(3.9)	(2.1)	(3.4)	(3.6)	(12.2)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	(10.7)	14.2	(2.5)	0.1	(2.8)	6.9	(21.1)	15.8	(9.3)	9.9	(6.5)	(4.6)	17.1
CASH FLOWS FROM FINANCING ACTIVITIES													
Public Dividend Capital Received	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.4	0.0
Loans repaid to DH - Capital Investment Loans Repayment of Principal	0.0	0.0	(0.3)	0.0	0.0	0.0	0.0	0.0	(0.3)	0.0	0.0	0.0	0.0
Other Loans Repaid	(0.1)	0.0	0.0	(0.1)	0.0	0.0	(0.1)	0.0	0.0	(0.1)	0.0	0.0	(0.1)
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(1.5)	(1.0)	(1.0)	(1.1)	(0.7)	(1.0)	(1.1)	(1.1)	(1.1)	(6.9)	(1.5)	(1.8)	(1.9)
Net Cash Inflow/(Outflow) from Financing Activities	(1.1)	(1.0)	(1.4)	(1.2)	(0.7)	(1.0)	(1.2)	(1.1)	(1.5)	(7.1)	(1.5)	16.6	(2.0)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(11.7)	13.2	(3.9)	(1.1)	(3.6)	6.0	(22.3)	14.8	(10.7)	2.9	(8.0)	12.0	15.0
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	44.3	32.6	45.8	41.9	40.8	37.2	43.2	20.9	35.7	24.9	27.8	19.8	31.8
Restated Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	44.3	32.6	45.8	41.9	40.8	37.2	43.2	20.9	35.7	24.9	27.8	19.8	31.8
Cash and Cash Equivalents (and Bank Overdraft) at YTD	32.6	45.8	41.9	40.8	37.2	43.2	20.9	35.7	24.9	27.8	19.8	31.8	46.8

The cash balance at the end of March is higher than anticipated due to the receipt of PDC capital funding of £18m in February, where the remaining offsetting capital costs will be incurred in April. The net movement in cash has largely been recovered by 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 and on a daily basis by the Operational Finance teams. While the position for the early part of 2024/25 shows a significant cash pressure, and a contingent cash funding request for Q1 2024/25 has been submitted to NHSE.

Appendix 2 - Divisional Financial Performance and Further Supporting Analysis: Month 12 2023/24

Narrative: Divisional Finance Teams

Tables and Charts: Central Finance

Divisional Summary: Clinical Support Services

Performance versus budget

I & E Subjective £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Income	9.2	10.2	1.0	11%	110.3	111.2	0.9	1%	110.3	110.1	(0.1)
Pay	(12.1)	(13.1)	(0.9)	-8%	(144.8)	(151.9)	(7.1)	-5%	(144.8)	(151.3)	(6.5)
Non-Pay	(0.5)	(0.5)	0.0	0%	(6.5)	(8.8)	(2.3)	-36%	(6.5)	(9.2)	(2.7)
Surplus / (Deficit)	(3.4)	(3.4)	0.1	2%	(41.0)	(49.5)	(8.4)	-21%	(41.0)	(50.4)	(9.3)

Directorate £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
CAPPRO	(1.6)	(1.8)	(0.2)	-10%	(19.1)	(20.4)	(1.3)	-7%	(19.1)	(20.3)	(1.2)
CSS Management	(0.1)	0.1	0.2	390%	(0.6)	(1.0)	(0.4)	-67%	(0.6)	(1.4)	(0.8)
Path and Labs	0.5	(0.2)	(0.8)	-147%	6.2	0.1	(6.1)	-98%	6.2	0.3	(5.9)
Pharmacy	(1.1)	(0.5)	0.6	53%	(13.1)	(12.6)	0.4	3%	(13.1)	(13.3)	(0.2)
Psych Meds	(0.5)	(0.5)	0.0	6%	(5.8)	(5.4)	0.4	6%	(5.8)	(5.4)	0.4
Radiology	(0.7)	(0.5)	0.2	27%	(8.6)	(10.1)	(1.5)	-17%	(8.6)	(10.4)	(1.7)
Surplus / (Deficit)	(3.4)	(3.4)	0.1	2%	(41.0)	(49.5)	(8.4)	-21%	(41.0)	(50.4)	(9.3)

In Month

- Commissioning (activity) income updated for API payments +£200k. ONS/UKHSA contracts which stopped in March 23 gives a cost pressure of £343k/mth.
- CDC showing a cost pressure of £169k and COVID testing £35k/month.
- Increase in additional sessions seen in Radiology & Anaesthetics -£172k compared to run rate.
- Decrease in clinical supplies due to stock adjustment (+£200k), Sterile Services +£120k for 2nd giving set.

Year to date

- API payments +£1.7m YTD mostly in Radiology.
- Pathology's budget includes the 2 contracts that ceased in March 23; giving a cost pressure of -£4.1m YTD.
- Industrial Action costs were -£908k.
- Unachieved Cash releasing CIP -£3,16k YTD & -£492k YTD relating to old year targets.
- CDC Income and activity showed a cost pressure of --£1.0m YTD. COVID testing -£390k YTD.
- Clinical supplies increase -£0.7m due to activity

Headline narrative:

- Commissioning activity Income shown as a block contract apart from API element. Critical care and Direct Access are excluded from API.
- Challenging cash releasing CIP Target of £6.2m
- Internal trading for Diagnostics is matched to budget, but currently running 7-9% higher than 22/23 levels, which would have generated +£2.0m
- Industrial Actions costs £0.9m

Risks (R) and Opportunities (O):

- Contribution from Pathology contracts ceased in March 23 can't be offset (R).
- Challenging CIP targets (R).
- Industrial Action continues (R).
- OCC recruitment stalls and uses premium costs (R).
- Activity increases not funded.
- Plan to reduce Premium costs (O).

Efficiency Tracker	Plan 2023/24	Identified 2023/24	Unidentified 2023/24
Efficiency £m	8.0	7.6	0.5
% of budget	3.20%	3.01%	0.19%

*Plan CIP 1.1% of expenditure budget allocated. Overall value subject to change as further expenditure budget is allocated to divisions.

£m	Plan M12 YTD	Actual M12 YTD	Variance YTD M12
Income	2.4	1.3	(1.2)
Pay	3.5	2.3	(1.1)
Non-pay	1.7	1.5	(0.1)
Unidentified	0.5	0.0	(0.5)
Total	8.0	5.1	(2.9)

Commissioning by POD Year To Date	ACTIVITY			FINANCE (£m)		
	Plan	Actual	Variance	Plan	Actual	Variance
DC	2,066	2,239	173	2.1	2.4	0.2
Electives	197	251	54	1.2	1.2	0.1
Non Elective	261	310	49	2.3	2.5	0.2
Outpatient	37,173	49,614	12,441	6.7	8.5	1.8
Pass through	0	0	0	1.0	2.0	1.0
A&E	0	0	0	0.0	0.0	(0.0)
Chemotherapy	0	0	0	0.0	0.0	0.0
Critical Care	8,355	9,336	981	14.8	16.6	1.9
Diagnostics	5,458,224	5,962,593	504,370	37.2	41.0	3.8
Financial Adj - mainly Blended payment	0	0	0	(1.6)	(4.8)	(3.2)
Maternity Pathway	0	0	0	0.0	0.0	0.0
Other	0	0	0	30.0	30.4	0.5
Radiotherapy	0	0	0	0.0	0.0	0.0
Other Subtotal				93.6	99.9	6.2
Other Adj				(3.5)	(7.3)	(3.8)
Total				90.1	92.6	2.5

Divisional Summary: Medicine Rehabilitation and Cardiac

Performance versus budget

I & E Subjective £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Income	27.0	28.7	1.7	6%	323.6	332.0	8.4	3%	323.6	331.2	7.6
Pay	(15.0)	(16.8)	(1.9)	-13%	(179.0)	(195.7)	(16.7)	-9%	(179.0)	(195.7)	(16.7)
Non-Pay	(8.5)	(10.4)	(1.9)	-23%	(101.6)	(116.3)	(14.7)	-14%	(101.6)	(115.1)	(13.5)
Surplus / (Deficit)	3.6	1.5	(2.0)	-57%	43.0	20.0	(23.0)	-53%	43.0	20.4	(22.6)

Directorate £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Specialist Medicine	1.2	1.3	0.1	8%	14.7	11.3	(3.4)	-23%	14.7	11.1	(3.7)
CCTS	1.0	0.3	(0.7)	-69%	12.2	8.0	(4.2)	-34%	12.2	8.9	(3.3)
AMR	2.1	0.8	(1.3)	-62%	25.9	11.1	(14.8)	-57%	25.9	10.2	(15.7)
MRC Management	(0.8)	(0.9)	(0.1)	-14%	(9.8)	(10.4)	(0.6)	-6%	(9.8)	(9.7)	0.1
Surplus / (Deficit)	3.6	1.5	(2.0)	-57%	43.0	20.0	(23.0)	-53%	43.0	20.4	(22.6)

In Month

- Pay** – key drivers -£0.8m, ED,EAU, Gen Med high premium costs for nursing & CSWs due to vacancies, sick leave, MH/challenging patients corridor nursing. Medics IA costs £0.1m. Escalation, additional capacity/approved winter pressure costs -£0.2m. CIP target -£0.4m.
- Non-Pay** – Increase in pass through -£0.6m, offset by income. NHSE costs Hyperacute Rehab pilot -£0.4m & AI software -£0.1m, with income. Clinical supplies which is activity driven in Cardiac £0.4m, sleep and diabetes £0.4m.
- Undelivered CIP target £0.1m.

Year to Date

- Pay** – Medics £4.8m overspend of which £2m relates to IA, rota gaps and vacancy backfill ~£2.1m. Agency consultants used due to vacancies -£0.7m. Winter pressure/escalation costs £1.2m. Nursing & HCA overspends ~£9m driven by enhanced observations, corridor nursing. Undelivered CIP target £4.3m.
- Non-Pay** – Pass through spend -£5.4m, offset by income. Clinical supplies -£5.9m overspend due to activity/inflation in Cardiac angiography, sleep devices & diabetes pumps. Drugs overspend £1.2m also linked to activity in Spec Med.

Headline narrative:

- Commissioning Income is on a block basis.
- Income over recovery mainly linked to pass through income which partially offsets non pay overspends.
- Severe operational pressures in Urgent care with additional capacity opening.
- Corrective Action Statement now introduced to support pay controls.

Risks (R) and Opportunities (O):

- COVID-19 costs (R) increasing sickness
- Continuing and increased pressure on urgent care.
- Income for sleep devices and diabetes pumps/consumables now payable via (C&V) basis (ICB)

Efficiency Tracker	Plan 2023/24	Identified 2023/24	Unidentified 2023/24
Efficiency £m	8.4	7.6	0.8
% of budget	3.20%	2.88%	0.32%

*Plan CIP 1.1% of expenditure budget allocated. Overall value subject to change as further expenditure budget is allocated to divisions.

£m	Plan M12 YTD	Actual M12 YTD	Variance YTD M12
Income	1.4	1.4	(0.0)
Pay	5.7	5.1	(0.5)
Non-pay	0.6	0.4	(0.2)
Unidentified	0.8	0.0	(0.8)
Total	8.4	6.9	(1.5)

Commissioning by POD Year To Date	ACTIVITY			FINANCE (£m)		
	Plan	Actual	Variance	Plan	Actual	Variance
DC	12,914	13,329	415	13.9	13.9	(0.0)
Electives	1,511	1,714	203	12.8	14.7	1.9
Non Elective	45,678	50,662	4,984	118.5	120.5	2.0
Outpatient	293,231	309,422	16,192	38.8	41.8	3.1
Pass through	0	0	0	45.7	49.6	4.0
A&E	160,417	161,647	1,231	35.0	34.8	(0.1)
Chemotherapy	115	74	(41)	0.0	0.0	(0.0)
Critical Care	4,526	4,426	(100)	8.4	8.2	(0.3)
Diagnostics	19,164	21,338	2,174	2.6	2.9	0.3
Financial Adj - mainly Blended payment	0	0	0	0.0	0.3	0.3
Maternity Pathway	0	0	0	0.0	0.0	0.0
Other	0	0	0	28.7	28.7	0.0
Radiotherapy	0	0	0	0.0	0.0	0.0
Other Subtotal				304.3	315.5	11.2
Other Adj				7.7	4.7	(3.1)
Total				312.1	320.2	8.2

Divisional Summary: Neuro, Ortho, Trauma, Specialist Surgery and Children

Sources: Finance Ledger, SLAM and Commissioning Income Pack

Performance versus budget

I & E Subjective £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Income	32.9	34.5	1.6	5%	395.2	399.0	3.8	1%	395.2	397.8	2.7
Pay	(17.6)	(19.2)	(1.6)	-9%	(211.7)	(224.5)	(12.8)	-6%	(211.7)	(223.4)	(11.7)
Non-Pay	(10.6)	(12.2)	(1.6)	-15%	(127.0)	(135.2)	(8.2)	-6%	(127.0)	(134.2)	(7.2)
Surplus / (Deficit)	4.7	3.1	(1.6)	-34%	56.5	39.3	(17.2)	-30%	56.5	40.3	(16.2)

Directorate £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
JR and WW Theatres	(1.8)	(2.0)	(0.2)	-9%	(21.7)	(21.9)	(0.2)	-1%	(21.7)	(21.8)	(0.1)
Neurosciences	1.7	1.6	(0.1)	-6%	20.8	16.5	(4.4)	-21%	20.8	16.4	(4.4)
NOTSSCaN Management	(0.3)	(0.1)	0.1	50%	(3.1)	(1.1)	2.0	64%	(3.1)	(0.9)	2.2
Orthopaedics	1.5	0.8	(0.7)	-45%	18.5	14.7	(3.8)	-20%	18.5	15.4	(3.1)
Childrens	1.8	1.0	(0.8)	-43%	21.2	13.1	(8.1)	-38%	21.2	13.2	(8.0)
Specialist Surgery	1.3	1.1	(0.1)	-9%	15.0	12.9	(2.0)	-14%	15.0	13.0	(2.0)
Ophthalmology	0.5	0.6	0.1	18%	5.8	5.1	(0.7)	-12%	5.8	5.0	(0.8)
Surplus / (Deficit)	4.7	3.1	(1.6)	-34%	56.5	39.3	(17.2)	-30%	56.5	40.3	(16.2)

In Month

- API Commissioning Income adjustments
- £327k increase in Other Income -£93k for GPRU BCF and £234k from UHS as contribution to Children's Network.
- £419k of backdated invoices from University.
- £139k for bank holiday enhancements.
- £461k on non-pay - £298k for implants and £163k recharged from RNOH for scoliosis tests.

Year to date

- Efficiency target of £10.6m cash releasing savings. Target phased evenly in 12ths – £4.6m not delivered.
- Year to date cost of industrial action - £1.2m
- Continued growth in block drugs for Ophthalmology (Aflibercept), Rheumatology and Cystic Fibrosis Home Care Drugs (Keystone NICE Guidance) - £3.1m.
- £222k adverse variance in winter pressures funded beds (Over four months) + 4 beds remained open in Neuro

Headline narrative:

- **£17.2m worse than budget**
- £4.6m efficiency delivery
- £1.2m consultant cover for Junior Doctor Industrial Action
- £3.1m in block drugs
- £0.22m winter pressures over funding
- £1.6m PYE Neonates & PCCU safe Staffing BC

Risks (R) and Opportunities (O):

- Ongoing impact of industrial action (R):
 - Cost c. £200k per strike
 - EL Activity – cancellations
 - Cont. engagement - Efficiencies (R)
- Action plan to reduce sickness rates (O)
- Admin staff retention and recruit (R).
- Impact of Winter Pressures & medical Outliers on cost and activity (R)
- Not meeting forecast (R)

Efficiency Tracker	Plan 2023/24	Identified 2023/24	Unidentified 2023/24
Efficiency £m	11.3	10.4	0.9
% of budget	3.20%	2.66%	0.54%

*Plan CIP 1.1% of expenditure budget allocated. Overall value subject to change as further expenditure budget is allocated to divisions.

£m	Plan M12 YTD	Actual M12 YTD	Variance YTD M12
Income	1.9	1.3	(0.5)
Pay	3.1	1.6	(1.6)
Non-pay	5.4	3.7	(1.6)
Unidentified	0.9	0.0	(0.9)
Total	11.3	6.7	(4.6)

Commissioning by POD Year To Date	ACTIVITY			FINANCE (£m)		
	Plan	Actual	Variance	Plan	Actual	Variance
DC	24,436	23,107	(1,330)	30.6	30.7	0.1
Electives	9,657	9,003	(654)	59.7	56.6	(3.1)
Non Elective	23,723	24,226	504	103.7	102.7	(1.0)
Outpatient	498,074	521,606	23,532	73.5	77.8	4.3
Pass through	0	0	0	53.8	56.6	2.9
A&E	13,634	16,366	2,732	1.9	2.2	0.4
Chemotherapy	1,675	2,257	582	0.6	0.8	0.2
Critical Care	30,475	27,413	(3,062)	39.0	35.5	(3.5)
Diagnostics	5,259	5,515	255	0.5	0.5	0.0
Financial Adj - mainly Blended payment	0	0	0	3.0	3.5	0.4
Maternity Pathway	0	0	0	0.0	0.0	0.0
Other	0	0	0	30.9	30.0	(0.9)
Radiotherapy	0	0	0	0.0	0.0	0.0
Other Subtotal				397.1	397.1	0.0
Other Adj				(9.0)	(5.4)	3.5
Total				388.1	391.6	3.5

Divisional Summary: Surgery, Women's and Oncology

Sources: Finance Ledger, SLAM and Commissioning Income Pack

Performance versus budget

I & E Subjective £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Income	31.4	32.8	1.5	5%	376.2	393.2	17.0	5%	376.2	392.9	16.7
Pay	(15.0)	(16.7)	(1.7)	-11%	(180.1)	(189.3)	(9.2)	-5%	(180.1)	(187.9)	(7.8)
Non-Pay	(11.5)	(14.7)	(3.3)	-28%	(137.5)	(160.0)	(22.5)	-16%	(137.5)	(158.5)	(21.1)
Surplus / (Deficit)	4.9	1.4	(3.5)	-72%	58.6	43.9	(14.7)	-25%	58.6	46.5	(12.1)

Directorate £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
GET	(1.1)	(2.1)	(1.0)	-97%	(12.4)	(16.2)	(3.8)	-31%	(12.4)	(15.6)	(3.2)
Gynaecology	0.5	0.5	(0.0)	-4%	6.0	5.3	(0.8)	-13%	6.0	5.2	(0.8)
Maternity	1.2	0.9	(0.3)	-28%	14.6	12.1	(2.4)	-17%	14.6	12.3	(2.2)
Oncology	1.2	0.3	(0.9)	-75%	14.3	13.2	(1.0)	-7%	14.3	13.9	(0.4)
Renal	2.0	1.3	(0.7)	-37%	24.2	20.0	(4.2)	-17%	24.2	20.4	(3.8)
SuWOn Management	(0.5)	(0.5)	(0.0)	-8%	(6.0)	(5.3)	0.8	13%	(6.0)	(4.7)	1.3
Surgery	1.5	1.0	(0.5)	-30%	18.0	14.7	(3.3)	-18%	18.0	15.0	(3.0)
Surplus / (Deficit)	4.9	1.4	(3.5)	-72%	58.6	43.9	(14.7)	-25%	58.6	46.5	(12.1)

In Month

- £3.5m underachievement due to backdated pay costs linked to recharges, additional non pass through drugs spend and CIP.
- Pay spend stable up to month 11 and at the average for 23/24
- Non-pay – Non pass through drug costs driving negative variance to plan. 3 'mab' drugs, existing NICE approvals

Year to date

- £14.8m overachievement on pass through drugs income.
- Pay overspend due to CIP and IA, £5.0m offset by vacancies not covered with NHSP/Agency
- Non-pay overspend on pass through drugs, £14.8m plus £6.0m of non pass through drugs spend, additional internal recharges for ITU and blood and CIP slippage

Headline narrative:

- M12 WTE of 3,354
- Pay spend on average up at 15.7m M1-11.
- High use of temporary medical staffing to cover rota gaps and on calls
- Pressure around drugs spend (Non-Chemo)
- No medical agency staff but continued reliance to additional sessions

Risks (R) and Opportunities (O):

- Insufficient budget for Swindon Radiotherapy Centre (R)
- Insufficient budget for existing clinical engineering contracts (R)
- Reliance on additional hours for junior medical rotas (R)
- Admin staff retention and ability to attract (R)
- Slippage on Ockenden funding (O)

Efficiency Tracker	Plan 2023/24	Identified 2023/24	Unidentified 2023/24
Efficiency £m	10.0	12.6	- 2.6
% of budget	3.20%	4.03%	-0.83%

*Plan CIP 1.1% of expenditure budget allocated. Overall value subject to change as further expenditure budget is allocated to divisions.

£m	Plan M12 YTD	Actual M12 YTD	Variance YTD M12
Income	1.1	0.2	(0.9)
Pay	2.4	1.6	(0.9)
Non-pay	9.0	9.4	0.3
Unidentified	(2.6)	0.0	2.6
Total	10.0	11.2	1.2

Commissioning by POD Year To Date	ACTIVITY			FINANCE (£m)		
	Plan	Actual	Variance	Plan	Actual	Variance
DC	38,159	38,392	233	27.5	28.8	1.3
Electives	5,255	5,287	31	31.0	30.8	(0.1)
Non Elective	26,567	27,777	1,210	90.7	89.4	(1.3)
Outpatient	302,400	307,897	5,497	51.9	54.9	2.9
Pass through	0	0	0	86.2	102.1	15.9
A&E	0	0	0	0.0	0.0	0.0
Chemotherapy	24,926	29,584	4,658	8.0	9.0	1.0
Critical Care	4	0	(4)	0.0	0.0	(0.0)
Diagnostics	44,835	41,961	(2,874)	0.7	0.8	0.1
Financial Adj - mainly Blended payment	0	0	0	0.5	(0.2)	(0.7)
Maternity Pathway	16,650	15,510	(1,140)	17.4	16.7	(0.7)
Other	0	0	0	41.5	43.0	1.5
Radiotherapy	55,811	50,592	(5,219)	15.4	14.5	(1.0)
Other Subtotal				370.8	389.8	19.0
Other Adj				(9.2)	(12.1)	(2.9)
Total				361.5	377.7	16.1

Performance versus Budget

I & E Subjective £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Income	6.3	9.2	3.0	47%	87.5	92.9	5.4	6%	87.5	95.0	7.5
Pay	(7.8)	(8.2)	(0.5)	-6%	(93.0)	(97.3)	(4.3)	-5%	(93.0)	(102.3)	(9.4)
Non-Pay	(19.2)	(21.7)	(2.5)	-13%	(229.1)	(225.8)	3.3	1%	(229.1)	(223.6)	5.6
Surplus / (Deficit)	(20.7)	(20.7)	(0.0)	0%	(234.7)	(230.2)	4.5	2%	(234.7)	(231.0)	3.7

Divisions £'m	IN MONTH 12				YEAR TO DATE				FULL YEAR		
	Plan	Actual	Variance	Variance %	Plan	Actual	Variance	Variance %	Plan	Forecast	Variance
Corporate	(11.1)	(10.2)	0.9	8%	(120.8)	(119.7)	1.0	1%	(120.8)	(120.3)	0.5
Operational Services	(1.0)	(0.3)	0.7	67%	(11.8)	(9.7)	2.1	18%	(11.8)	(10.3)	1.6
Education and Training	3.0	3.0	(0.0)	-1%	36.6	34.3	(2.3)	-6%	36.6	33.8	(2.7)
Estates	(12.5)	(12.8)	(0.3)	-2%	(147.7)	(144.9)	2.8	2%	(147.7)	(144.6)	3.1
Hosting Services	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%	0.0	0.0	0.0
Central COVID	0.8	(0.5)	(1.2)	-164%	9.1	9.9	0.8	9%	9.1	10.3	1.3
Surplus / (Deficit)	(20.7)	(20.7)	(0.0)	0%	(234.7)	(230.2)	4.5	2%	(234.7)	(231.0)	3.7

In Month

- Income for SDE (Digital) fully in position along with associated non pay costs..
- Income in Education reflects latest Q5 schedule from NHSE. Local CEAs paid in March
- PFI Estates accruals reduced along with accruals for Energy trading scheme.
- TVCA income released into OSI in March

Year to date

Education & training income based on NHSE estimates.
Education income reduced due to reduced tariff for students 22/23

Corporate and Estates budgets now more closely aligned to actuals and cost saving discussions happening across all corporate areas.

Headline narrative:

- Release of deferred income for SDE and TVCA
- High inflation impact on non pay contracts linked to automatic CPI / RPI increases
- Budgets across corporate areas amended.
- Reduction in PFI accruals and Churchill land rental costs.
- CHP Breakdown for 21 days.

Risks (R) and Opportunities (O):

- Need to have savings plans in place to achieve reductions in costs
- Budgets revised to reflect pay requirements in corporate areas.
- Ongoing recruitment in Estates to replace external suppliers
- Review of Education income with NHSE to understand changes.

Efficiency Tracker	Plan 2023/24	Identified 2023/24	Unidentified 2023/24
Efficiency £m	32.8	26.4	6.4
% of budget	3.20%	2.57%	0.63%

*Plan CIP 1.1% of expenditure budget allocated. Overall value subject to change as further expenditure budget is allocated to divisions.

£m	Plan M12 YTD	Actual M12 YTD	Variance YTD M12
Income	7.0	31.6	24.6
Pay	1.5	5.4	3.9
Non-pay	7.1	17.6	10.5
Unidentified	6.4	0.0	(6.4)
Total	22.0	54.5	32.5