

Title	Page
Trust performance summary – Key indicators	2
CFO Message	3-5
Trust underlying Covid-19 financial impact	6
Summary financial position	7
Covid-19 expenditure overview	8
Forecast outturn FY21/22	9-10
Clinical and other income	11-13
Elective Recovery Fund – plan and forecast	14
Pay expenditure	15-17
Non-pay expenditure	18-19
Cash flow forecast	20
Appendices	21



Trust actual surplus / (deficit)

£0.0m	Actual (adjusted)*
£0.0m	Plan (adjusted)*
£0.0m	Actual YTD (adjusted)*
£0.0m	Plan YTD (adjusted)*



Covid-19 spend and system Covid-19 funding

£3.9m	Revenue actual
£28.1m	Revenue actual YTD
£4.4m	Covid funding in month
£23.6m	Covid funding YTD



Net current assets/(liabilities, debtor days and payables performance

Net current assets
(£46.2m)

Not Available

Debtor days
24

28



Cash and EBITDA

Cash
£163m

£150m

EBITDA
£20.4m

£20.8m

Payables performance (YTD) **		
Actual	82.7%	Value
Plan	87.2%	Quantity
This month		
Previous month		



Capital expenditure

£3.4m	Capital - actual spend in month
£27.1m	Capital - actual spend YTD
£31.1m	Capital - plan YTD



Elective Recovery Fund (ERF)

ERF values subject to change due to coding updates

(£0.3m)	ERF forecast actual in month
£0.0m	ERF plan in month
£16.4m	ERF forecast actual YTD
£7.5m	ERF plan YTD

Legend	£ in million
	In month
	YTD

* On a control total basis, excluding the effects of impairments and donated assets
 ** Payables performance YTD relates to the Better Payment Practice Code target to pay suppliers within due date or 30 days of receipt of a valid invoice.

Month 7 Financial Performance

- **The Month 7 year to date (YTD) position is breakeven for performance management purposes.** The gross YTD deficit is £0.3m.
- The reported position includes £16.4m of ERF income.
- The underlying Covid-19 financial impact in month remains high at £24.6m. Clinical Income, on a payment by activity basis, being adversely impacted by £19.6m in month due to reductions in productivity from working in a Covid-19 environment (refer to page 7 for a detailed breakdown and mitigations).

Covid-19 Expenditure

- The Trust has incurred £28.1m of Covid-19 associated expenditure in the YTD, which is broadly in line with plan.
- Whilst there has been a reduction in the actual levels of Covid-19 patients in the hospitals, the amount of Covid-19 spend incurred to date is a reflection of the pressures services are facing, to cope with higher than usual demand, together with the need to maintain a Covid secure environment.

Elective Recovery Fund (ERF)

- Following further validation of the H1 ERF CUH has recognised £16.4m of funding through the ERF mechanism (in line with an NHSE/I ERF forecast). This is £0.6m lower than the figure reported at M6. Overall the ERF income is £8.9m higher than the initial H1 planning assumption mainly driven by the baseline change due to theatre closures of £5.1m and pricing and performance movements of £3.8m.
- This additional funding has been invested to support reductions in patient waiting lists, to cover additional costs associated with the delivery of activity and will not lead to improved financial performance for CUH or the system during H1.
- For H2, ERF performance will be measured using an aggregated baseline of referral to treatment (RTT) pathway stop clocks in 2019/20 from both the Admitted and Non Admitted pathways. RTT pathway stop clock performance in H2 will be assessed against a threshold of 89% of this baseline with system performance above this level being eligible for additional funding. For activity between 89% and 94%, activity will be funded at 100% of tariff, and above 94% activity will be funded at 120% of tariff. As in H1, performance will be assessed at a system rather than an organisational level.
- CUH is projecting to achieve the target in October, December, February and March, however ERF funding for this is not being recognised at this stage due to the uncertainty of system level performance. We are awaiting further guidance from NHSEI and an update is expected to be provided next month.

Productivity and Efficiency Programme (PEP, previously CIP)

- The Trust will need to address an efficiency requirement of £12.4m or 2.2% of the H2 income baseline. The increased requirement is driven by a general efficiency requirement of 0.82% over the six month period, an additional variable efficiency factor applied to the C&P health system due to distance from control total target, a reduction of 25% in the 'lost income' support and a c.6% reduction in the Covid-19 fixed allocation.
- The Trust is targeting the delivery of it's PEP across the following three main areas:
 - *Efficiency and productivity savings, i.e. schemes that will help to reduce the current cost base or by growing the margin on other income generation schemes. In support of this a cost reduction plan of £2.4m has been included in the Trust's forecast for H1.*
 - *COVID-19 cost reductions – this category focuses on safely reducing the actual level of expenditure on items that are recorded on the COVID-19 cost tracker*
 - *Delivering increased ERF income/cost margin*
- The increased H2 efficiency target is challenging to the Trust and work continues across the organisation to identify the initiatives that will meet both the H2 target and form the basis of the 22/23 programme.

Cash and Capital Position

- The Trust has agreed an initial capital allocation for the year of £42.7m for its core capital requirements. In addition to this, we expect to receive further funding for the Regional Surge Centre (£17.9m), Children's Hospital (£8.5m), Pathology systems upgrade (£1.8m) and a Treatment Planning CT (£0.9m). This provides a total capital programme of £73.8m (including £1.9m of capitalised PFI costs). Other centrally funded capital allocations may become available during the course of the year.
- Capital expenditure reported in the year to date totals £27.1m and the Trust remains on track to deliver the full plan by year-end.
- The Trust's cash position is strong and the 13 week cash flow forecast does not identify any need for additional revenue cash support in the foreseeable future.

FY21/22 H2 Financial Plan

- The Trust has completed its financial planning work for H2 following the submission of the plan to NHSE/I on 25 November.
- The H2 arrangements are broadly consistent with the current H1 framework and are summarised by:
 - *System funding envelopes, containing adjusted CCG allocations, system top-up and COVID-19 fixed allocation, based on the H1 2021/22 envelopes adjusted for additional known pressures, such as the impact of the pay award, and increased efficiency requirement;*
 - *Block payment arrangements remain in place for relationships with NHS Commissioners (comprising NHS England and CCGs) and NHS providers (comprising NHS Foundation Trusts and NHS Trusts). Signed contracts between NHS Commissioners and NHS providers are not required for the 2021/22 financial year.*
- Importantly, H1 and H2 will be treated as a single financial period meaning any carry forward surplus or deficit from H1 will contribute to the whole 2021/22 financial year, for which there is an expectation that all systems and individual organisations will achieve breakeven (i.e. those systems with a deficit in H1 are expected to make it up in H2).
- In addition to an increased efficiency requirement of £12.4m the performance measurement for ERF in H2 is now based on RTT stop clock volumes. The Trust is not currently forecasting to earn additional ERF income in H2 but this remains under review.
- Following H2 system planning exercise the Trust successfully demonstrated that it required the £13.5m of funding that was returned to the system for H1. In addition, the Trust has received £1.7m of Capacity funding and this has been allocated against a number of clinical priority investments.
- We are awaiting an update in regard to the allocation of Winter funding – the Trust has bid for c.£8m from a regional allocation of £100m.
- Budgets have been allocated for H2 and form the basis of the financial analysis produced within this report.

Trust underlying Covid-19 financial impact

	FY20/21 £'m	FY21/22 M1 to M6	FY21/22 M7	YTD £'m	Covid-19 Financial Pressure
	123.5	45.9	19.6	65.5	Compromised Clinical Income
	(49.6)	(8.7)	(0.8)	(9.5)	Expenditure - reduced service delivery costs
1	73.9	37.2	18.8	56.0	Productivity Reduction
	79.7	24.1	3.9	28.0	Covid-19 revenue costs
	0.0	2.5	0.0	2.5	Covid-19 impact outstanding annual leave
2	79.7	26.6	3.9	30.5	Covid-19 – Incremental Costs
	19.7	(1.5)	(0.1)	(1.6)	R&D income at risk
	21.6	13.1	2.0	15.1	Other income reductions
3	41.3	11.6	1.9	13.6	Other compromised Income
	194.9	75.5	24.6	100.1	Full adverse impact of Covid-19
	4.4	0.0	0.0	0.0	Remedial fire safety works (net)
	19.1	0.0	0.0	0.0	Impairment of Trust estate
	0.0	(0.2)	0.0	(0.1)	Depreciation and Amortisation
		4.6	0.8	5.4	Service Developments: expenditure
4	23.5	4.5	0.8	5.3	Other major items
	£'m	£'m	£'m	£'m	Mitigations
	(86.7)	(46.5)	(19.2)	(65.7)	Clinical income through block payments
	(10.6)	(0.9)	(1.2)	(2.1)	Clinical income through pass through
	(95.0)	(27.4)	(4.5)	(31.9)	System Covid funding+Out of envelope funding
	(11.0)	0.0	0.0	0.0	20/21 Additional top-up from £5.9m to £7.8m per month
		(4.6)	(0.8)	(5.4)	Service Developments: income
	(0.9)	(0.5)	0.2	(0.3)	Other adjustments - donated asset income
5	14.2	0.0	(0.1)	(0.0)	Reported NHS Finance Performance Position: Deficit/(Surplus)

NOTE: ERF Income and Expenditure is excluded from this analysis

NOTE: Pay Award arrears excluded

This table sets out the adverse impact of Covid-19 on the Trust's finances and the mitigating mechanisms currently in place. The underlying performance is driven by four factors:

1) Productivity Reduction

Compromised clinical income and costs of delivering increasing activity volumes including service developments

2) Covid-19 – Incremental Costs

Covid-19 direct expenditure and incremental Covid-19 related increases in our usual cost base

3) Other compromised income

R&D income, Education and training, Inter Trust services and non NHS paying patient income

4) Other major items

Includes net gap between funding and initial assessment of expenditure for Remedial fire safety works, Impairment of the Trust estate value and expenditure on commissioned service developments outside of the plan for H1

5) Net other month 7 funding adjustments

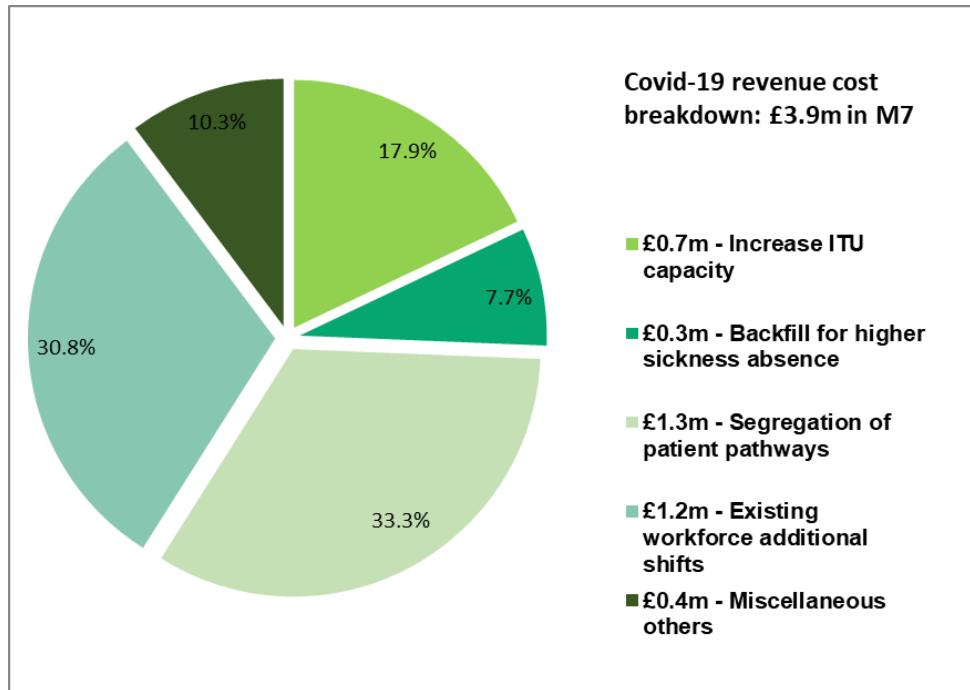
Funding adjustments recognised in month 1 to month 7.

YTD the underlying financial pressure from Covid-19 stands at £100.1m.

Please note: At this stage we are not analysing the total cost of Covid-19 service provision.

£ Millions	In Month				Year to Date			
	Budget	Actual	Variance	Variance (Exc Covid)	Budget	Actual	Variance	Variance (Exc Covid)
Clinical Income - exc. D&D*	55.9	65.5	9.6	9.6	392.3	416.6	24.3	24.3
Clinical Income - D&D*	12.2	12.9	0.6	0.6	84.9	89.7	4.8	4.8
Devolved Income	23.5	12.9	(10.5)	(10.5)	158.1	143.8	(14.3)	(14.3)
Covid - Income top-up	4.4	4.4	0.0		23.2	23.6	0.4	
Total Income	96.0	95.7	(0.3)	(0.3)	658.5	673.6	15.1	14.7
Pay	48.6	49.8	(1.2)	(1.2)	329.7	342.0	(12.2)	(12.2)
Drugs	14.0	13.3	0.7	0.7	96.1	95.6	0.5	0.5
Non Pay	26.0	25.5	0.5	0.5	180.3	187.6	(7.3)	(7.3)
Covid - Pay	2.9	2.5	0.4		16.2	17.3	(1.1)	
Covid - Drugs	0.1	0.1	(0.0)		0.1	0.7	(0.6)	
Covid - Non pay	1.5	1.3	0.2		15.2	10.1	5.1	
Operating Expenditure	93.1	92.6	0.6	(0.0)	637.7	653.3	(15.5)	(19.0)
EBITDA	2.8	3.1	0.3	(0.3)	20.8	20.4	(0.4)	(4.3)
Depreciation, Amortisation & Financing	2.9	2.9	(0.0)	(0.0)	20.7	20.6	0.1	0.1
Reported gross Surplus / (Deficit)	(0.1)	0.2	0.2	(0.3)	0.1	(0.2)	(0.3)	(4.2)
Add back technical adjustments:								
Impairments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital donations/grants net I&E impact	0.0	(0.2)	(0.2)	(0.2)	(0.1)	0.2	0.3	0.3
Net benefit of PPE consumables transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Surplus / (Deficit) NHS financial performance basis	(0.1)	(0.0)	0.0	(0.5)	0.0	0.0	0.0	(3.9)

*D&D = Drugs & devices



Key messages:

During Q1 of this financial year, whilst we came out of the second Covid wave, we saw a reduction in Covid spend run rate, averaging at £3.1m per month compared to a monthly average spend of circa £6.7m during the last quarter of FY20/21.

The Trust continues to invest in services to cope with the increased demand and these pressures have been recognised nationally, with NHS E/I updating the Covid guidance at the start of Q2 of FY21/22 to include “existing workforce carrying out additional shifts to meet increased demand”, which explains the increase in the reported Covid spend run rate from month 4 onwards.

The main areas of Covid recurrent investment in Month 7 are:

- Segregation of patient pathways £1.3m
- Existing workforce covering additional shifts £1.2m
- Cost to maintain the increase in ITU capacity £0.7m
- Miscellaneous spend £0.4m

Within miscellaneous spend, which sits mainly within corporate services, there has been an increase in decontamination / cleaning cost, additional security services to facilitate social distancing and the cost for the vaccination and testing programme.

Division	Nov-20 (m)	Dec-20 (m)	Jan-21 (m)	Feb-21 (m)	Mar-21 (m)	Apr-21 (m)	May-21 (m)	Jun-21 (m)	Jul-21 (m)	Aug-21 (m)	Sep-21 (m)	Oct-21 (m)
Corporate	£4.1	£1.8	£1.7	£2.3	£3.0	£1.1	£1.1	£1.7	£1.2	£1.9	£0.7	£1.1
Division A	£0.0	£1.1	£2.9	£2.3	£1.7	£1.0	£1.0	£0.0	£2.9	£1.5	£1.0	£1.3
Division B	£0.1	£0.4	£0.5	£0.5	£0.3	£0.3	£0.3	(£0.0)	£0.7	£0.7	£0.4	£0.5
Division C	£0.0	£0.3	£1.1	£1.2	£1.1	£0.2	£0.2	£0.8	£0.3	£0.5	£0.5	£0.5
Division D	£0.1	£0.9	£0.2	£0.2	£0.4	£0.4	£0.4	£0.4	£0.5	£0.6	£0.5	£0.3
Division E	£0.2	£0.2	£0.2	£0.2	£0.3	£0.0	£0.0	£0.3	£0.5	£0.1	£0.2	£0.2
Total	£4.5	£4.7	£6.6	£6.7	£6.7	£3.1	£3.1	£3.1	£6.1	£5.3	£3.4	£3.9

Covid second wave

Activity recovery

Month 1 to Month 7 Forecast – key messages

£'m	H1	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	H2	Total 21/22
Operating income from patient care activities	483.1	82.6	82.6	82.6	82.6	82.6	82.6	495.5	978.7
Other operating income	79.4	13.4	13.1	13.1	13.1	13.1	13.1	78.8	158.2
Total operating income	562.5	96.0	95.7	95.7	95.7	95.7	95.7	574.3	1,136.8
Employee expenses	(294.4)	(51.5)	(51.6)	(51.6)	(51.7)	(51.7)	(51.5)	(309.5)	(603.9)
Operating expenses excluding employee expenses	(261.8)	(43.5)	(43.1)	(43.1)	(43.0)	(43.0)	(43.1)	(258.9)	(520.6)
Operating Surplus/(Deficit)	6.4	1.0	1.0	1.0	1.0	1.0	1.0	5.9	12.3
Finance expense	(3.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(3.0)	(6.4)
PDC dividends payable/refundable	(2.9)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(2.9)	(5.8)
Net finance costs	(6.3)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(5.9)	(12.2)
Surplus/(Deficit) - NHS financial performance basis for the year to date	0.1	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.1
Add back technical adjustments:									
Impairments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital donations/grants net I&E impact	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)
Net benefit of PPE consumables transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported gross surplus/(deficit)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)

Key messages:

- The Trust has submitted an H2 (M7-12) plan to NHS E/I which will deliver a break-even position on an NHS financial basis.
- The Trust is not expecting to receive ERF income in H2.
- The Trust has recognised the return of the £13.5m H1 ICS income contribution within the H2 plan.
- Efficiencies savings of £12.4m are included within the H2 plan.
- NHS E/I have confirmed that the Trust's financial performance will be based on H1 and H2 as detailed above.

Month 7 performance against forecast

£'m	M7 YTD Plan	M7 YTD Actual	Variance	Notes
Operating income from patient care activities	565.7	591.1	25.4	
Other operating income	92.8	82.5	(10.2)	
Total income	658.5	673.6	15.1	Total income is above plan year to date
Employee expenses	(345.8)	(359.2)	(13.4)	
Operating expenses excluding employee expenses	(305.3)	(307.4)	(2.1)	
Operating surplus / (deficit)	7.4	7.0	(0.4)	Operating position is marginally behind plan year to date
Finance costs				
Finance expense	(3.9)	(3.8)	0.1	
PDC dividends payable/refundable	(3.4)	(3.4)	0.0	
Net Finance costs	(7.3)	(7.2)	0.1	
Reported gross surplus/(deficit)	0.1	(0.2)	(0.3)	Performance is marginally behind plan year to date
Add back technical adjustments:				
Impairments	0.0	0.0	0.0	
Capital donations/grants net I&E impact	0.0	0.2	0.2	
Net benefit of PPE consumables transactions	0.0	0.0	0.0	
Surplus/(Deficit) - NHS financial performance basis for the year to date	0.1	0.0	(0.1)	Net position is in line with plan year to date

Key messages:

- The Trust is line with plan on an NHS financial performance basis.
- The reported position includes £54.6m (£7.8m/month) of top-up funding. This matches the funding level in FY20/21. The Trust has also received £23.0m (£3.1m/month for H1 and £4.4m/month for H2) of system Covid-19 funding and £0.7m of outside envelope Covid funding to cover new schemes that were outside the originally funding allocations e.g. the vaccination centre.
- The reported expenditure position includes £28.1m of Covid expenditure in the year to date.



Note: The Feb-21 and Mar-21 income figures include additional ad hoc income to support fire safety works, lost income, annual leave and superannuation funding.

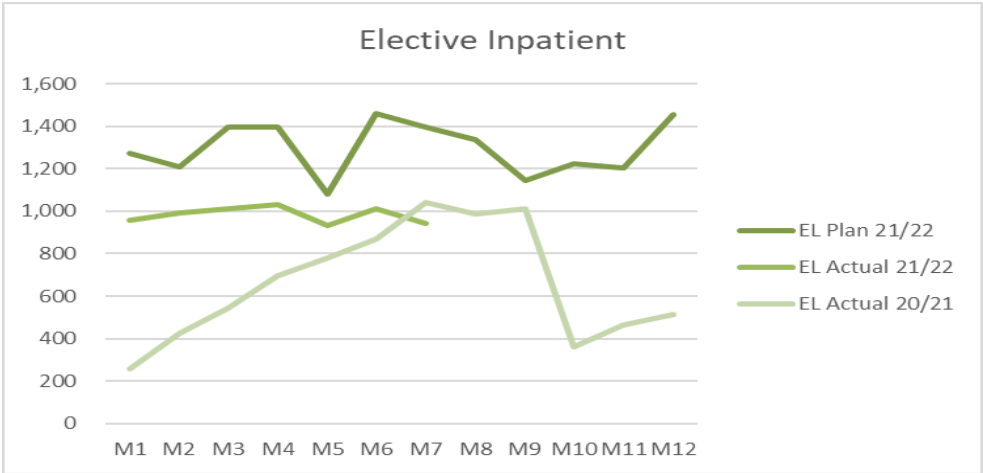
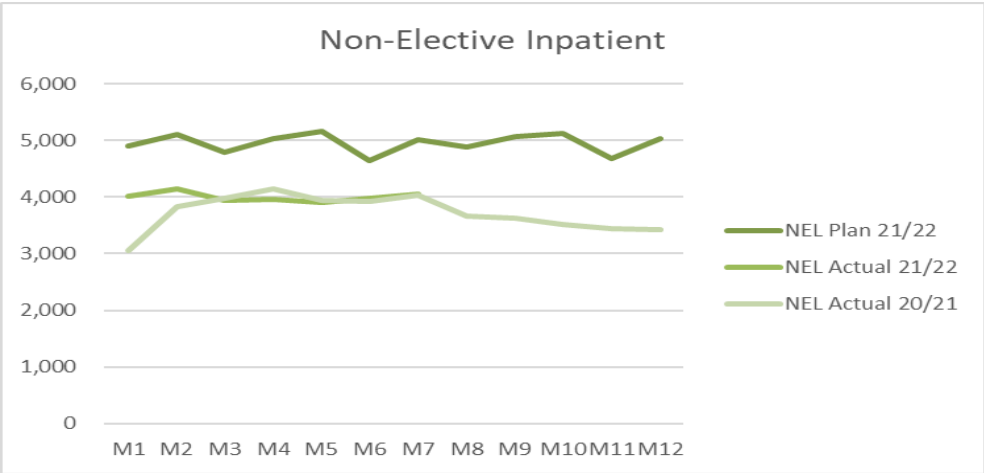
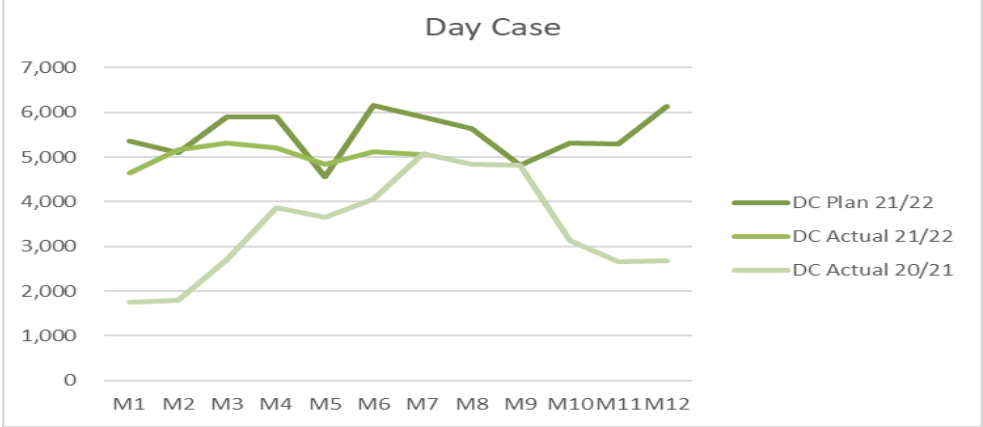
£'m

	In Month			Year to Date		
	Plan	Actual	Variance	Plan	Actual	Variance
Admitted Patient Care	29.2	26.8	(2.4)	197.8	174.5	(23.2)
Outpatient	10.4	10.9	0.4	72.0	70.3	(1.7)
Accident and Emergency	2.1	2.2	0.1	14.5	14.3	(0.2)
Other Activity	26.411	38.5	12.1	192.9	247.1	54.2
Total Clinical Income	68.1	78.4	10.2	477.2	506.3	29.1
Devolved Income	23.5	12.9	(10.5)	158.1	143.8	(14.3)
Covid - Income top-up	4.4	4.4	0.0	23.2	23.6	0.4
Total Trust Income	96.0	95.7	(0.3)	658.5	673.6	15.1

Key messages:

- For H2 the Clinical Income plan continues to reflect a pre-Covid level of performance. The devolved income plan includes monthly top-up funding of £7.8m and Covid funding of £3.1m per month for H1 and £4.4m per month for H2.
- At the end of month 7, the Trust's overall income position is £15.1m above plan. Clinical income is £29.1m ahead of plan, with devolved income £14.3m adverse to plan. At M6 the pay award arrears funding was estimated at £7.8m and was reported within devolved income. In M7, £8.6m of funding was received via the Clinical Income funding flows so this has been reclassified within the 'Other activity' line. Pay award funding for H2 is included in the plan but following NHS E/I guidance was excluded from H1 plans. The underlying adverse variance is driven by lower customer activity billing and specific risk adjustments.
- The Clinical Income position includes forecast ERF income of £16.4m year to date.
- Within Admitted Patient Care, Outpatients and Accident and Emergency there is adverse variance of £25.1m due to Covid with this shortfall in income covered by the block payment within Other Activity.

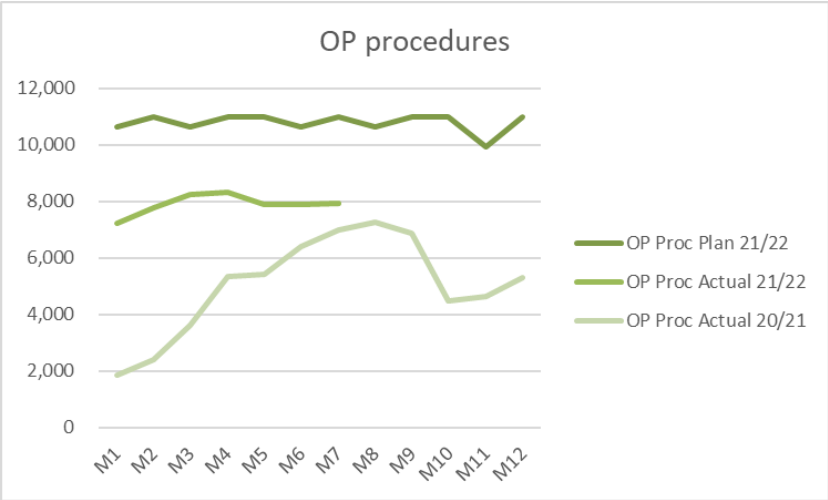
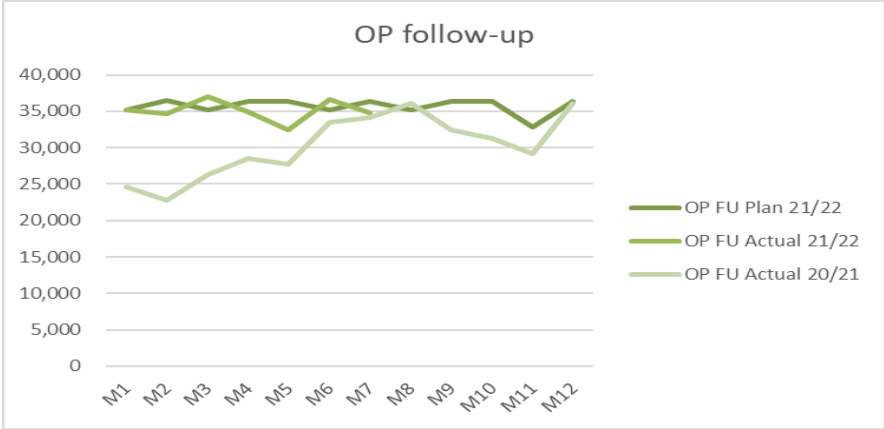
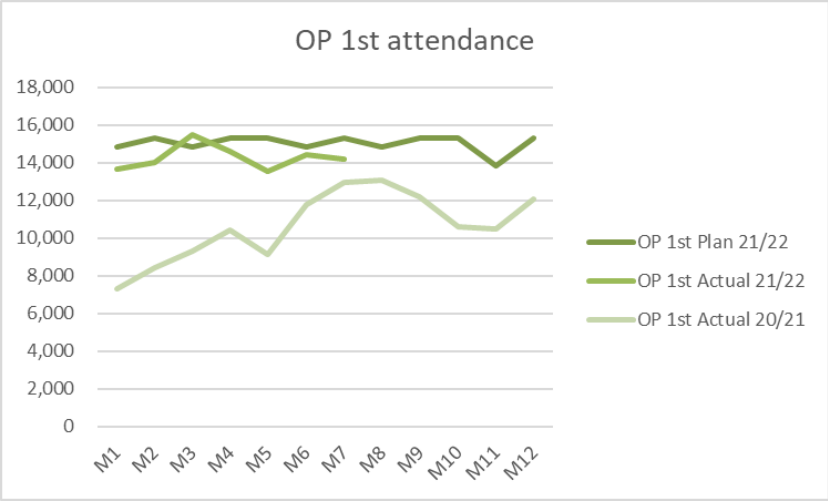
Clinical Income - Activity information (A&E, DC, NEL and EL)



Key messages:

- A&E activity remains close to planned activity levels at month 7 (set at pre-Covid level).
- Elective inpatient spells have decreased in month 7 and are lower than previous year, but day case spells remain steady.
- Non-elective spells are comparable to FY20/21 level but report below 21/22 plan.

Clinical Income - Activity information (OP FA, FUP and Procedure)



Key messages:

- Outpatient attendances have decreased slightly in month 7 and are performing below plan, although higher than prior year.
- Outpatient procedures are performing above 20/21 actuals but remain below plan.

£m	Month 7
1.3	Drugs and Devices over-performance
(20.6)	Contracted clinical commissioning income under-performance
1.0	Non-contracted clinical commissioning income over-performance
(18.3)	In month overall service under-performance
19.9	Offset - by clinical income mainly through block, ERF additional income & additional commissioner funding received for new service developments
8.6	Pay award arrears H1 funding
10.2	NET clinical income over-performance

Key messages:

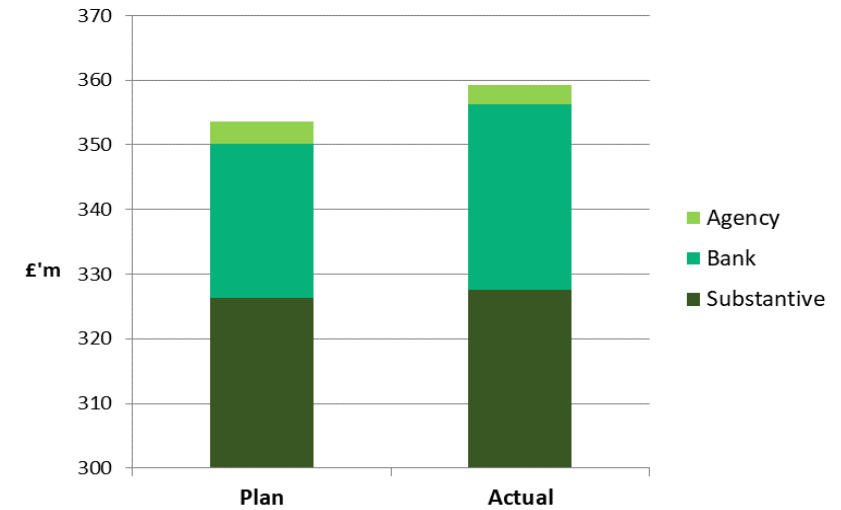
- The table summarises the ERF plan and forecast for H1 and H2 FY21/22.
- The Trust is forecasting receipt of £16.4m of ERF funding for H1. This includes a downward revision of £0.9m in the H1 estimate reported at M7.
- For H2 ERF will be measured by an aggregated baseline of RTT performance against both Admitted and Non Admitted Pathways.
- March 2020 was influenced by Covid admissions and therefore the baseline for March 2022 measurement has been artificially constructed by NHSE/I, this is part of the reason for projected achievement in March 2022 and as such should be caveated.
- CUH is projecting to achieve the target in October, December, February and March, however this will not be recognised at this stage due to uncertainty at system performance level. We awaiting further guidance from NHSEI.

	FY21/22 H1 ERF Initial Plan (£'m)							FY21/22 H2 ERF Initial Plan (£'m)							21/22 FY
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	H1 Total	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	H2 Total	Total
ERF PLAN	2.7	3.6	0.0	0.5	0.6	0.2	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.5
POD	FY21/22 H1 ERF Actual and Forecast (£'m)							FY21/22 H2 ERF Actual and Forecast (£'m)							21/22 Total
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Total	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total	Total
	Actual (confirmed)	Actual (confirmed)	Actual (confirmed)	Actual (confirmed)	Actual (awaiting validation)	Forecast	H1 Forecast	H2 Forecast							21/22 Forecast
DC	3.9	4.4	4.4	4.6	3.8	4.4	25.5	Metric n/a in H2							
IP spell	4.5	5.1	5	4.6	4.4	4.5	28.1								
OP Attendance	8	8.1	8.7	8.4	7.7	8.2	49.2								
OP Procedure	1.3	1.4	1.5	1.5	1.4	1.4	8.4								
Total £	17.8	19	19.5	19.1	17.3	18.5	111.1								
Percentage (%) against FY19/20 actuals (i.e. baseline)	96%	107%	97%	100%	99%	97%									
Admitted Pathway %	Metric n/a in H1							84%	80%	95%	80%	83%	137%		
Non Admitted Pathway %								89%	87%	101%	85%	89%	107%		
H2 Pathway Forecast %								89%	87%	102%	85%	90%	115%		
ERF ACTUAL AND FORECAST	5.3	6.5	3.9	1.0	0.6	0.0	17.3	0.1	0.0	2.6	0.0	0.1	4.8	7.6	24.9
H1 System Adjustment								(0.9)							(0.9)
Estimated H2 System Adjustment								(0.1)			(2.6)	(0.1)	(4.8)	(7.6)	(7.6)
CUMULATIVE TOTAL	5.3	11.8	15.7	16.7	17.3	17.3	17.3	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
POD	FY21/22 H1 ERF variance to plan (£'m)							FY21/22 H2 ERF variance to plan (£'m)							Total
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Total	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Total	Total
FORECAST ERF ABOVE PLAN	2.6	2.9	3.9	0.5	0.0	(0.2)	9.8	(0.9)	0.0	0.0	0.0	0.0	0.0	0.0	8.9

Key messages:

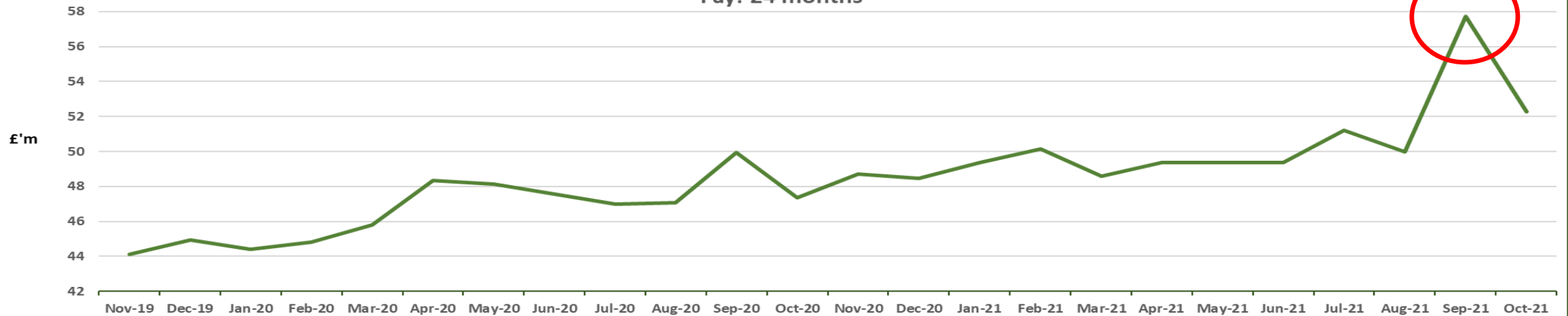
- At the end of month 7, the Trust is reporting a £12.3m adverse position on pay. This is mainly explained by the H1 back-dated pay award payment of £7.8m.
- The Trust continues to take actions to restore and maintain services in a Covid safe environment and has invested £17.3m of Covid pay related spend as at month 7.
- When excluding the H1 pay award, Covid related pay budget and spend, the Trust is reporting an underlying adverse variance of £3.0m YTD, of which circa £1.9m relates to additional investment to secure the ERF delivery. Refer overleaf for an additional analysis of the Covid element in pay expenditure.
- Bank spend as a proportion to the total pay bill as at month 7 is 9.4%, while agency spend for the same time period is only 1.1% of the total pay bill. The main driver for the bank spend is the additional shifts required to meet the increased demand.

Pay analysis (recurrent) - year to date



Note: The Sep-21 figures included estimated pay arrears of £7.8m

Pay: 24 months

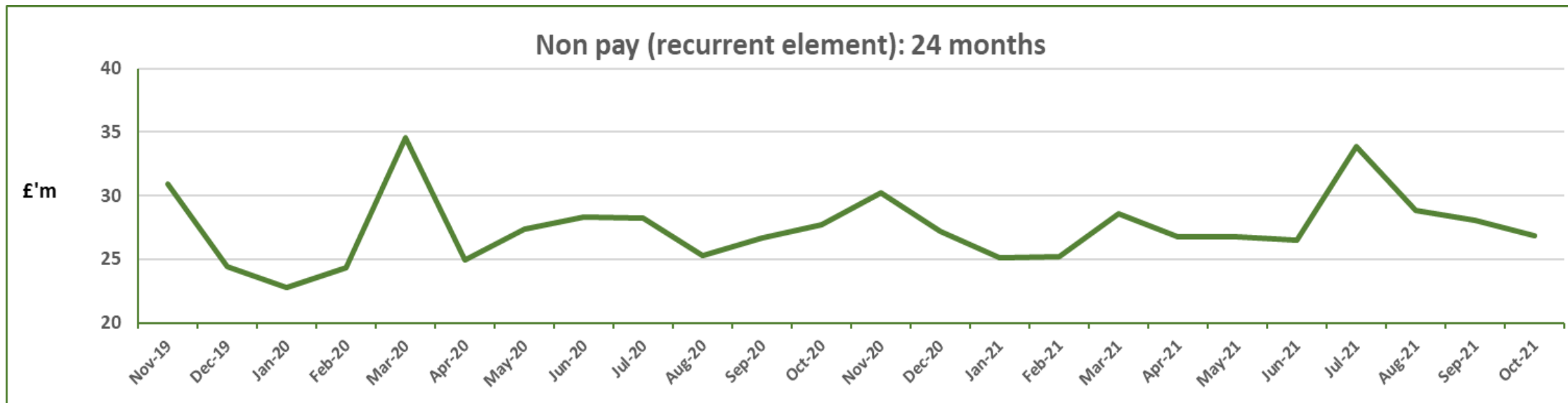


£ Millions	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Non Covid:						
Administrative & Clerical	6.8	7.7	(0.9)	46.5	51.8	(5.2)
Allied Healthcare Professionals	2.7	2.8	(0.2)	18.5	19.3	(0.8)
Clinical Scientists & Technicians	4.4	4.5	(0.1)	30.2	31.3	(1.1)
Medical and Dental Staff	15.8	15.5	0.2	108.4	111.5	(3.1)
Nursing	17.7	17.9	(0.2)	118.0	120.6	(2.6)
Other Pay Costs	1.2	1.3	(0.1)	8.1	7.6	0.6
Subtotal for non-covid	48.5	49.8	(1.3)	329.7	342.0	(12.3)
Covid:						
Administrative & Clerical	0.2	0.3	(0.0)	1.4	1.8	(0.4)
Allied Healthcare Professionals	0.1	0.1	0.0	0.7	0.9	(0.2)
Clinical Scientists & Technicians	0.1	0.1	0.0	0.4	0.5	(0.1)
Medical and Dental Staff	0.8	0.7	0.1	5.2	5.1	0.2
Nursing	1.1	1.3	(0.2)	5.2	8.6	(3.4)
Other Pay Costs	0.6	0.1	0.5	3.3	0.4	2.9
Subtotal for covid	2.9	2.5	0.4	16.2	17.3	(1.1)
Total Pay Cost	51.5	52.3	(0.8)	345.9	359.3	(13.4)

Note: The non-Covid YTD adverse pay variance of £12.3m includes £7.4m of direct pay award arrears and £1.9m of funded ERF staff support costs. The underlying adverse variance is therefore £3.0m. The Covid adverse pay variance includes £0.4m of pay award arrears.

	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
£ Millions						
Non Covid:						
Agency	0.3	0.4	(0.1)	2.4	1.8	0.6
Bank	1.9	3.7	(1.8)	17.8	22.3	(4.5)
Contracted	0.1	0.3	(0.1)	1.5	1.7	(0.2)
Substantive	46.1	45.4	0.8	308.1	316.2	(8.2)
Subtotal for non-covid	48.5	49.8	(1.3)	329.7	342.0	(12.3)
Covid:						
Agency	0.1	0.2	(0.0)	0.9	1.2	(0.3)
Bank	1.0	1.2	(0.2)	5.5	6.4	(1.0)
Contracted	0.0	0.0	(0.0)	0.0	0.2	(0.2)
Substantive	1.8	1.1	0.7	9.8	9.5	0.4
Subtotal for covid	2.9	2.5	0.4	16.2	17.3	(1.1)
Total Pay Cost	51.5	52.3	(0.8)	345.9	359.3	(13.4)

Note: The non-Covid YTD adverse pay variance of £12.3m includes £7.4m of direct pay award arrears and £1.9m of funded ERF staff support costs. The underlying adverse variance is therefore £3.0m. The Covid adverse pay variance includes £0.4m of pay award arrears.



Key messages:

- At the end of month 7, the Trust's non pay position is £2.2m adverse to plan (including Covid costs).
- When excluding Covid related non-pay budget and expenditure, the variance becomes adverse £6.7m YTD (refer to the next slide).
- The Trust continues to invest to support services to recover activity to pre-Covid levels. Non pay expenditure totalling £6.8m, fully covered by the ERF funding was reported within the month 4 position which explains the uplift on the graph above in that month and also explains the YTD adverse variance as at month 7.
- The allocation of the non-pay costs that can be categorised as Covid remains under review and it is anticipated that there will be further adjustments in future months.

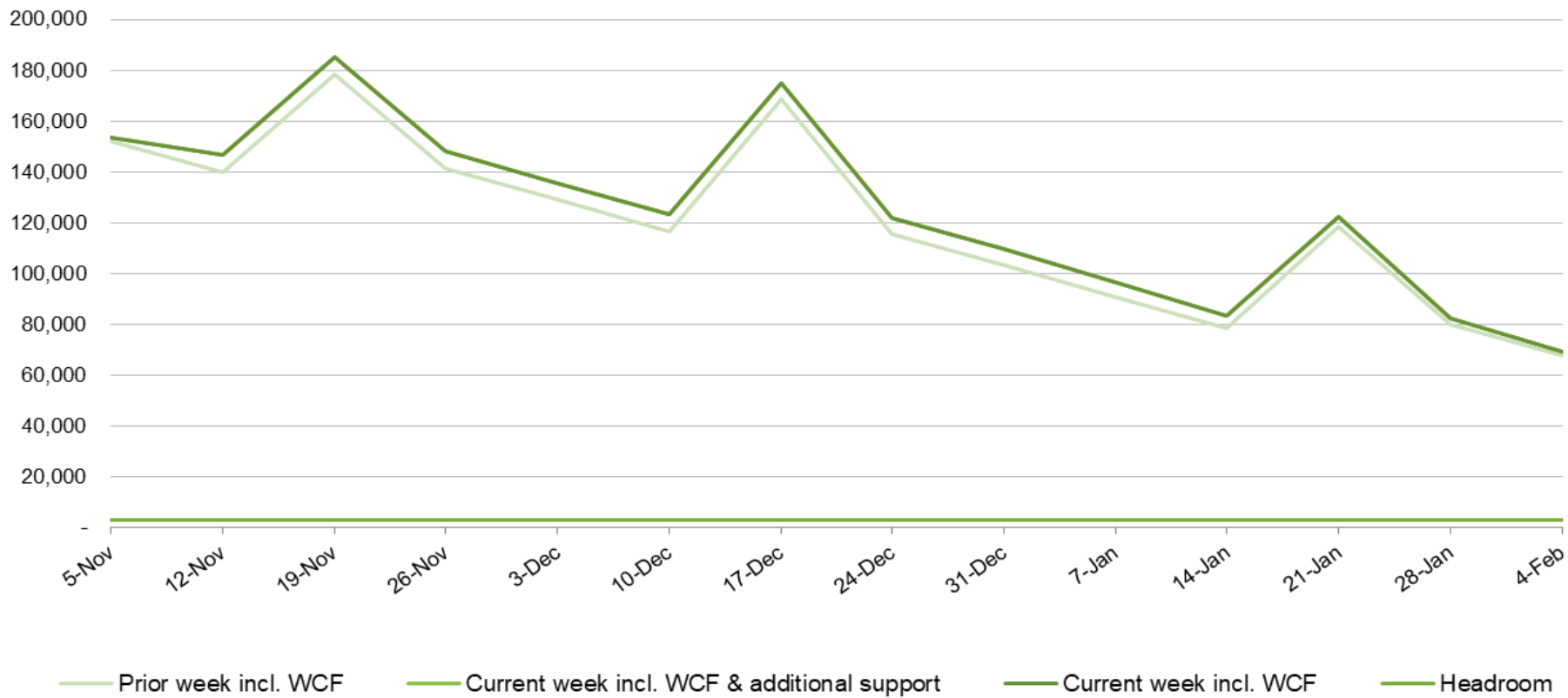
£millions

Non Covid:

	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Drugs	14.0	13.3	0.7	96.1	95.6	0.5
Clinical Supplies	15.4	14.8	0.6	105.8	106.2	(0.4)
Misc Other Operating expenses	1.0	1.0	(0.0)	7.7	12.2	(4.5)
Premises	5.2	5.5	(0.3)	36.5	36.7	(0.2)
Clinical Negligence	1.9	1.9	(0.0)	13.6	13.6	0.0
Other non pay costs (including CIP)	2.1	1.9	0.2	14.9	14.9	0.0
Total Recurrent	39.8	38.5	1.3	274.6	279.2	(4.6)
Other non pay costs	0.3	(0.2)	0.4	1.9	1.0	0.9
Receivables impairment net of reversals	0.0	0.5	(0.5)	0.0	3.0	(3.0)
Total Non-recurrent	0.3	0.4	(0.1)	1.9	4.0	(2.1)
Subtotal for non-covid	40.0	38.9	1.2	276.5	283.2	(6.7)
Covid:						
Drugs	0.1	0.1	(0.0)	0.1	0.7	(0.6)
Clinical Supplies	0.8	0.7	0.1	6.9	5.8	1.2
Misc Other Operating expenses	0.1	0.1	0.0	0.7	(0.2)	0.9
Premises	0.1	0.0	0.1	0.7	0.9	(0.2)
Clinical Negligence	0.0	0.0	0.0	0.0	0.0	0.0
Other non pay costs (including CIP)	0.4	0.5	(0.1)	6.9	3.7	3.2
Subtotal for covid	1.6	1.4	0.1	15.3	10.8	4.6
Total Non Pay	41.6	40.3	1.3	291.8	294.0	(2.2)

Note: The Month 7 figures show a year to date adverse variance of £6.7m - this includes £6.8m of funded ERF costs.

CUH 13 week rolling cash flow forecast (£000)



Key messages:

- The forecast suggests that there is no requirement for additional revenue cash support within this 13 week period.

Appendices

Month 7 capital expenditure position

Year to Date (Month 7)			
	Budget £m	Actuals £m	Variance £m
Programme			
Estates/HV	6.8	3.0	3.8
e Hospital / Legacy Systems	0.6	0.6	(0.0)
Medical Equipment Replacement	2.0	1.1	0.9
G2	1.7	1.4	0.4
Cancer Research Hospital	0.0	1.3	(1.3)
Children's Hospital (CCRH)	2.9	3.0	(0.1)
Surge Centre	13.2	14.5	(1.2)
Other Developments / PFI	3.7	2.2	1.5
Mitigations identified by CAB	0.0	0.0	0.0
Programme Total	31.1	27.1	3.9

Forecast		
Budget £m	Expenditure £m	Variance £m
14.4	12.2	2.3
1.9	1.7	0.2
11.2	11.2	0.0
2.0	2.1	(0.1)
0.0	1.9	(1.9)
8.5	6.8	1.7
25.1	25.1	0.0
10.7	10.6	0.1
0.0	2.3	(2.3)
73.8	73.8	(0.0)

Key Issues/Notes Year to Date

- The capital programme has net slippage of £3.9m. This comprises:
Estates - £1.3m backlog maintenance, £478k on PET CT/MRI Mag 2 enabling,
Other Developments - Thrombectomy £703k, Orthopaedic Theatres £435k.
- Medical Equipment spending is £0.9m behind budget due to extended lead times.
- Cancer Hospital spending totals £1.3m, funding approval has been delayed.
- Spending totalled £3.4m in October.

Key Issues/Notes Forecast

- The forecast remains to achieve plan.
- CAB is actively managing the identified slippage by bringing forward schemes from FY22/23.

Balance sheet	M7 Actual £million
Non-current assets	
Intangible assets	25.3
Property, plant and equipment	410.8
Total non-current assets	436.1
Current assets	
Inventories	11.0
Trade and other receivables	77.3
Cash and cash equivalents	163.1
Total current assets	251.4
Current liabilities	
Trade and other payables	(181.5)
Borrowings	(8.5)
Provisions	(11.2)
Other liabilities	(96.3)
Total current liabilities	(297.6)
Total assets less current liabilities	390.0
Non-current liabilities	
Borrowings	(90.1)
Provisions	(5.1)
Total non-current liabilities	(95.2)
Total assets employed	294.8
Taxpayers' equity	
Public dividend capital	557.4
Revaluation reserve	34.4
Income and expenditure reserve	(297.0)
Total taxpayers' and others' equity	294.8

Balance sheet commentary at month 7

- The balance sheet shows total assets employed of £294.8m.
- Non-current liabilities as at month 7 stand at £95.2m, of which £90.1m represents capital borrowing (including PFI) and £5.1m relates to provisions, mainly for the Remedial Fire Safety works.
- Cash remains strong as at month 7 despite the Trust action to continue accelerating creditor payments to support the private sector to recover from the downtime in business during the Covid-19 lock down.
- The balance sheet includes £33.3m of resource to support the completion of the Remedial fire safety works expected to be deployed over the coming years.