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### 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

£3.7m	Revenue actual
£35.6m	Revenue actual YTD
£4.7m	Covid funding in month
£33.4m	Covid funding YTD



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

<b>Net current assets</b>
(£55.8m)
Not Available
<b>Debtor days</b>
23
24

	<b>Payables performance (YTD) **</b>	
Actual	82.7%	Value
Plan	87.7%	Quantity
This month		
Previous month		



### Cash and EBITDA

<b>Cash</b>	
£163.5m	Actual
£152.0m	Plan
<b>EBITDA</b>	
£26.2m	Actual
£26.4m	Plan



### Capital expenditure

£7.4m	Capital - actual spend in month
£37.5m	Capital - actual spend YTD
£47.4m	Capital - plan YTD



### Elective Recovery Fund (ERF)

ERF values subject to change due to coding updates

£0.0m	ERF forecast actual in month
£0.0m	ERF plan in month
£17.1m	ERF forecast actual YTD
£7.5m	ERF plan YTD

<b>Legend</b>	£ 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.

- **The Month 9 year to date (YTD) position is breakeven for performance management purposes.** The gross YTD deficit is £0.2m.
- The reported position includes £17.1m of ERF income.
- The underlying Covid-19 financial impact in month remains high at £6.6m. Clinical Income, on a payment by activity basis, performing above pre Covid-19 levels, for the first time, by £1.5m in month mainly due to admitted patient care casemix being above the planned figures (refer to page 7 for a detailed breakdown and mitigations).

### Covid-19 Expenditure

- The Trust has incurred £35.6m 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 is recognising £17.1m (an additional £0.7m in month) of funding through the ERF mechanism (in line with a revised NHSE/I ERF forecast). Overall the ERF income is £9.6m 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 H2.
- 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.

## 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*
- £6.2m of efficiencies have been identified in M7, M8 and M9 which is in line with the H2 plan. In the year to date £11.0m of efficiencies have been identified so far.
- 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), a Treatment Planning CT (£0.9m) and voice recognition technology (£3.1m). Together with some recent smaller funding allocations, this provides a total capital programme of £77.9m (including £1.9m of capitalised PFI costs). Other centrally funded capital allocations may still become available during the closing months of the year, but it will become increasingly difficult to spend these if offered.
- Overall, the capital programme forecast remains on budget at £77.9m. Whilst there are risks to the forecast, we are continuing to mitigate these by bringing forward planned capital spend from 2022/23 (mainly medical equipment replacement).
- 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 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.
- The Trust has been allocated c.£8.3m of the £100m regional Elective plus funding (Winter funding) and this will be paid to the Trust in M9-12.
- Budgets have been allocated for H2 and form the basis of the financial analysis produced within this report.

## FY22/23 Planning and process

Planning guidance has, in part, been published with further detailed technical guidance and templates expected throughout January 2022.

The key financial planning messages outlined below:

- Systems will continue to be the key unit for financial planning purposes, with the aim to breakeven collectively and individually.
- From 2022/23, reset to move systems back towards a fair share distribution of resource at the levels affordable within the Spending Round 21 settlement.
- £2.3billion elective recovery funding is available to support recovery of elective services in 2022/23. Systems will be allocated a proportion of this additional funding on a fair share basis for Cambridgeshire and Peterborough (C&P); the system is currently estimating this as £33m.
- Access to the additional elective funding will be dependent on sign-off of activity plans and systems will need to earn their share of the funding based on delivery against a value-based activity target. Further guidance by the end of January.
- Systems will continue to receive SDF allocations to support the delivery of the Long Term Plan commitments; for C&P this is £23m, with allocation to individual organisations not yet complete.
- Systems will continue to receive a fixed system allocation for Covid-19 services based on their provider and commissioner footprints. For C&P this is £45m, a reduction of £60m from 2021/22 funding.
- Cost inflation is assumed at 2.8%, with a 1.1% efficiency requirement (net 1.7% inflation).
- Initial system analysis of the anticipated movement in 22/23 income for CUH shows a net increase of £1.2m. This figure includes a potential increase in income through growth funding (c£27m) and inflation (c£28m). The anticipated income reduction for efficiency is c£20m (national efficiency of 1.1% equates to c£12m and system specific efficiency of c£8m). There is also a significant reduction in Covid-19 funding of c£26m and a removal of the support funding CUH has received for lost income £5m.

## Trust approach to planning

- The budgeting process has commenced and is expected to run until early March 2022.
- Finance colleagues are engaging with Divisional and Directorate colleagues to develop the detailed financial plans for 2022/23 with the objective of delivering a realistic plan with clear ownership that supports operational delivery.

## Trust underlying Covid-19 financial impact

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FY20/21 £'m	FY21/22 M1 to M8	FY21/22 M9	YTD £'m	Covid-19 Financial Pressure
123.5	26.9	(1.5)	25.3	Compromised Clinical Income
(49.6)	(26.3)	1.4	(24.9)	Expenditure - reduced service delivery costs
<b>73.9</b>	<b>0.6</b>	<b>(0.1)</b>	<b>0.4</b>	<b>Productivity Reduction</b>
79.7	32.0	3.6	35.6	Covid-19 revenue costs
0.0	2.5	0.0	2.5	Covid-19 impact outstanding annual leave
<b>79.7</b>	<b>34.4</b>	<b>3.6</b>	<b>38.0</b>	<b>Covid-19 – Incremental Costs</b>
19.7	(2.7)	0.8	(1.9)	R&D income at risk
21.6	19.8	2.3	22.2	Other income reductions
<b>41.3</b>	<b>17.1</b>	<b>3.1</b>	<b>20.2</b>	<b>Other compromised Income</b>
<b>194.9</b>	<b>52.1</b>	<b>6.6</b>	<b>58.7</b>	<b>Full adverse impact of Covid-19</b>
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	0.0	2.2	2.2	Study leave
0.0	0.0	1.9	1.9	Pass-through drugs
0.0	(0.1)	0.0	(0.1)	Depreciation and Amortisation
	6.5	1.6	8.1	Service Developments: expenditure
<b>23.5</b>	<b>6.4</b>	<b>5.7</b>	<b>12.1</b>	<b>Other major items</b>

£'m	£'m	£'m	£'m	Mitigations
(86.7)	(23.6)	(3.7)	(27.2)	Clinical income through block payments
(10.6)	0.4	(2.3)	(1.9)	Clinical income through pass through
(95.0)	(28.7)	(4.7)	(33.4)	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
	(6.5)	(1.6)	(8.1)	Service Developments: income
(0.9)	(0.2)	(0.1)	(0.3)	Other adjustments - donated asset income
<b>14.2</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>Reported NHS Finance Performance Position: Deficit/(Surplus)</b>

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, impact of provision assessment and expenditure on commissioned service developments outside of the plan for H1

### 5) Net other month 9 funding adjustments

Funding adjustments recognised in month 1 to month 9.

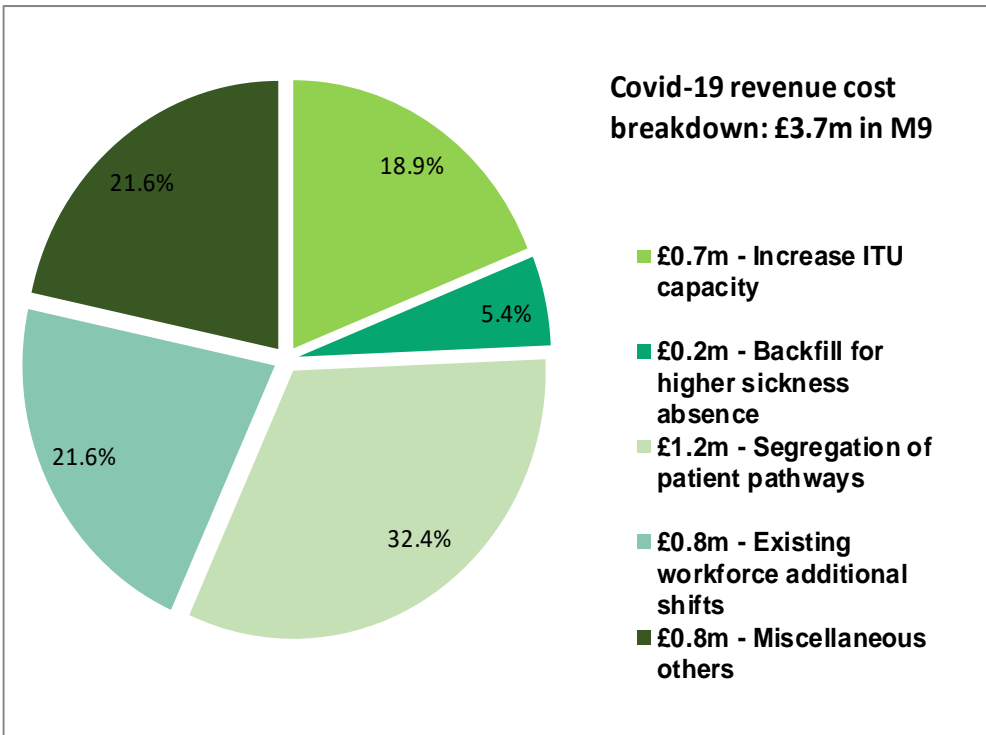
**YTD the underlying financial pressure from Covid-19 stands at £58.7m.**

**Please note:** The methodology for calculating the Productivity Reduction and Mitigations was reviewed in M9 – the resulting presentation of the year to date figures better reflects the underlying performance in 21/22.

£ Millions	In Month				Year to Date			
	Budget	Actual	Variance	Variance (Exc. Covid )	Budget	Actual	Variance	Variance (Exc. Covid )
Clinical Income - exc. D&D*	53.8	58.5	4.6	4.6	500.6	530.5	29.9	29.9
Clinical Income - D&D*	12.2	15.9	3.7	3.7	109.2	117.0	7.9	7.9
Devolved Income	25.0	21.9	(3.1)	(3.1)	207.4	187.2	(20.2)	(20.2)
Covid - Income top-up & outside envelope	4.6	4.7	0.1		32.7	33.4	0.7	
<b>Total Income</b>	<b>95.7</b>	<b>101.0</b>	<b>5.4</b>	<b>5.2</b>	<b>849.8</b>	<b>868.1</b>	<b>18.3</b>	<b>17.5</b>
Pay	49.0	49.1	(0.1)	(0.1)	427.7	439.8	(12.1)	(12.1)
Drugs	14.0	15.6	(1.6)	(1.6)	124.1	125.1	(0.9)	(0.9)
Non Pay	25.6	29.9	(4.2)	(4.2)	231.6	241.4	(9.8)	(9.8)
Covid - Pay	2.6	2.0	0.6		21.3	21.5	(0.2)	
Covid - Drugs	0.1	0.1	(0.0)		0.3	0.9	(0.7)	
Covid - Non pay	1.5	1.6	(0.1)		18.2	13.1	5.1	
<b>Operating Expenditure</b>	<b>92.8</b>	<b>98.2</b>	<b>(5.4)</b>	<b>(5.9)</b>	<b>823.3</b>	<b>841.9</b>	<b>(18.6)</b>	<b>(22.8)</b>
<b>EBITDA</b>	<b>2.9</b>	<b>2.8</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>26.6</b>	<b>26.2</b>	<b>(0.3)</b>	<b>(5.3)</b>
Depreciation, Amortisation & Financing	2.9	2.9	(0.0)	(0.0)	26.5	26.4	0.1	0.1
<b>Reported gross Surplus / (Deficit)</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>0.1</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(5.2)</b>
<b>Add back technical adjustments:</b>								
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	0.1	0.1	0.1	(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
<b>Surplus / (Deficit) NHS financial performance basis</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.6)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(4.9)</b>

\*D&D = Drugs & devices





#### Key messages:

During Q1 of this financial year, following the second Covid wave, there was 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 9 are:

- Segregation of patient pathways £1.2m
- Existing workforce covering additional shifts £0.8m
- Miscellaneous spend £0.8m
- Cost to maintain the increase in ITU capacity £0.7m

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	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)	Nov-21 (m)	Dec-21 (m)
Corporate	£1.7	£2.3	£3.0	£1.1	£1.1	£1.7	£1.2	£1.9	£0.7	£1.1	£1.5	£1.3
Division A	£2.9	£2.3	£1.7	£1.0	£1.0	£0.0	£2.9	£1.5	£1.0	£1.3	£1.5	£1.2
Division B	£0.5	£0.5	£0.3	£0.3	£0.3	(£0.0)	£0.7	£0.7	£0.4	£0.5	£0.1	£0.4
Division C	£1.1	£1.2	£1.1	£0.2	£0.2	£0.8	£0.3	£0.5	£0.5	£0.5	£0.3	£0.5
Division D	£0.2	£0.2	£0.4	£0.4	£0.4	£0.4	£0.5	£0.6	£0.5	£0.3	£0.2	£0.2
Division E	£0.2	£0.2	£0.3	£0.0	£0.0	£0.3	£0.5	£0.1	£0.2	£0.2	£0.1	£0.1
<b>Total</b>	<b>£6.6</b>	<b>£6.7</b>	<b>£6.7</b>	<b>£3.1</b>	<b>£3.1</b>	<b>£3.1</b>	<b>£6.1</b>	<b>£5.3</b>	<b>£3.4</b>	<b>£3.9</b>	<b>£3.8</b>	<b>£3.7</b>
Covid second wave						Activity recovery						

## Full Year 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	483.133	82.591	82.591	82.591	82.592	82.592	82.592	495.549	978.682
Other operating income	79.397	13.375	13.079	13.078	13.079	13.079	13.077	78.767	158.164
<b>Total operating income</b>	<b>562.530</b>	<b>95.966</b>	<b>95.670</b>	<b>95.669</b>	<b>95.671</b>	<b>95.671</b>	<b>95.669</b>	<b>574.316</b>	<b>1,136.846</b>
Employee expenses	(294.384)	(51.459)	(51.554)	(51.568)	(51.702)	(51.716)	(51.547)	(309.546)	(603.930)
Operating expenses excluding employee expenses	(261.774)	(43.525)	(43.133)	(43.120)	(42.987)	(42.973)	(43.137)	(258.875)	(520.649)
<b>Operating Surplus/(Deficit)</b>	<b>6.372</b>	<b>0.982</b>	<b>0.983</b>	<b>0.981</b>	<b>0.982</b>	<b>0.982</b>	<b>0.985</b>	<b>5.895</b>	<b>12.267</b>
Finance expense	(3.414)	(0.502)	(0.502)	(0.502)	(0.502)	(0.502)	(0.504)	(3.014)	(6.428)
PDC dividends payable/refundable	(2.880)	(0.480)	(0.480)	(0.480)	(0.480)	(0.480)	(0.480)	(2.880)	(5.760)
<b>Net finance costs</b>	<b>(6.294)</b>	<b>(0.982)</b>	<b>(0.982)</b>	<b>(0.982)</b>	<b>(0.982)</b>	<b>(0.982)</b>	<b>(0.984)</b>	<b>(5.894)</b>	<b>(12.188)</b>
<b>Surplus/(Deficit) - NHS financial performance basis for the year to date</b>	<b>0.078</b>	<b>(0.000)</b>	<b>0.001</b>	<b>(0.001)</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>0.001</b>	<b>0.001</b>	<b>0.079</b>
Add back technical adjustments:									
Impairments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital donations/grants net I&E impact	(0.078)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(0.078)
Net benefit of PPE consumables transactions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Reported gross surplus/(deficit)</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>0.001</b>	<b>(0.001)</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>0.001</b>	<b>0.001</b>	<b>0.001</b>

### 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.
- Productivity and Efficiency schemes totalling £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 9 performance against forecast

£'m	M9 YTD Plan	M9 YTD Actual	Variance	Notes
Operating income from patient care activities	730.9	759.6	28.7	
Other operating income	118.9	108.5	(10.5)	
<b>Total income</b>	<b>849.8</b>	<b>868.1</b>	<b>18.3</b>	<b>Total income is ahead of plan year to date</b>
Employee expenses	(449.0)	(461.3)	(12.4)	
Operating expenses excluding employee expenses	(391.6)	(397.8)	(6.2)	
<b>Operating surplus / (deficit)</b>	<b>9.3</b>	<b>9.0</b>	<b>(0.3)</b>	<b>Operating position is marginally behind plan year to date</b>
Finance costs				
Finance expense	(4.9)	(4.9)	0.0	
PDC dividends payable/refundable	(4.3)	(4.3)	0.0	
<b>Net Finance costs</b>	<b>(9.2)</b>	<b>(9.2)</b>	<b>0.1</b>	
<b>Reported gross surplus/(deficit)</b>	<b>0.1</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>Performance is marginally behind plan year to date</b>
Add back technical adjustments:				
Impairments	0.0	0.0	0.0	
Capital donations/grants net I&E impact	(0.1)	0.2	0.3	
Net benefit of PPE consumables transactions	0.0	0.0	0.0	
<b>Surplus/(Deficit) - NHS financial performance basis for the year to date</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>Net position is in line with plan year to date</b>

### Key messages:

- The Trust is line with plan on an NHS financial performance basis.
- The reported position includes £62.4m (£7.8m/month) of top-up funding. This matches the funding level in FY20/21. The Trust has also received £27.4m (£3.1m/month for H1 and £4.6m/month for H2) of system Covid-19 funding and £1.0m 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 £35.6m 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	27.1	26.1	(1.0)	253.1	225.0	(28.1)
Outpatient	10.4	12.6	2.2	92.5	93.3	0.8
Accident and Emergency	2.1	2.0	(0.1)	18.6	18.4	(0.2)
Other Activity	26.4	33.7	7.3	245.5	310.8	65.3
<b>Total Clinical Income</b>	<b>66.0</b>	<b>74.4</b>	<b>8.3</b>	<b>609.7</b>	<b>647.5</b>	<b>37.7</b>
Devolved Income	25.0	21.9	(3.1)	207.4	187.2	(20.2)
Covid - Income top-up & outside envelope	4.6	4.7	0.1	32.7	33.4	0.7
<b>Total Trust Income</b>	<b>95.7</b>	<b>101.0</b>	<b>5.4</b>	<b>849.8</b>	<b>868.1</b>	<b>18.3</b>

#### 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 £4.6m per month for H2.
- At the end of month 9, the Trust's overall income position is £18.3m above plan. Clinical income is £37.7m ahead of plan, with devolved income £20.2m adverse to plan. The underlying adverse variance is driven by lower customer activity billing and specific risk adjustments.
- Pay award funding for H2 is included in the plan but following NHS E/I guidance was excluded from H1 plans.
- The Clinical Income position includes forecast ERF income of £17.1m year to date.
- Within Admitted Patient Care, Outpatients and Accident and Emergency there is adverse variance of £27.5m due to Covid with this shortfall in income covered by the block payment within Other Activity.

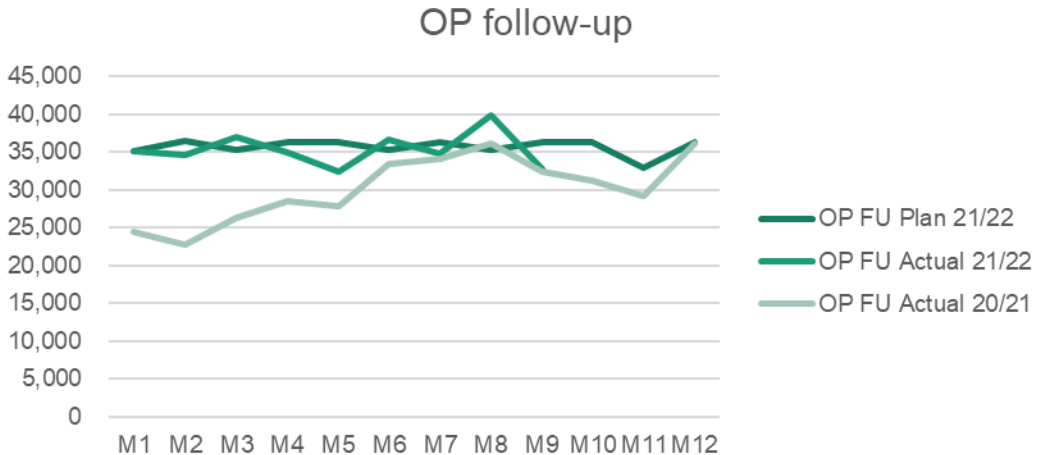
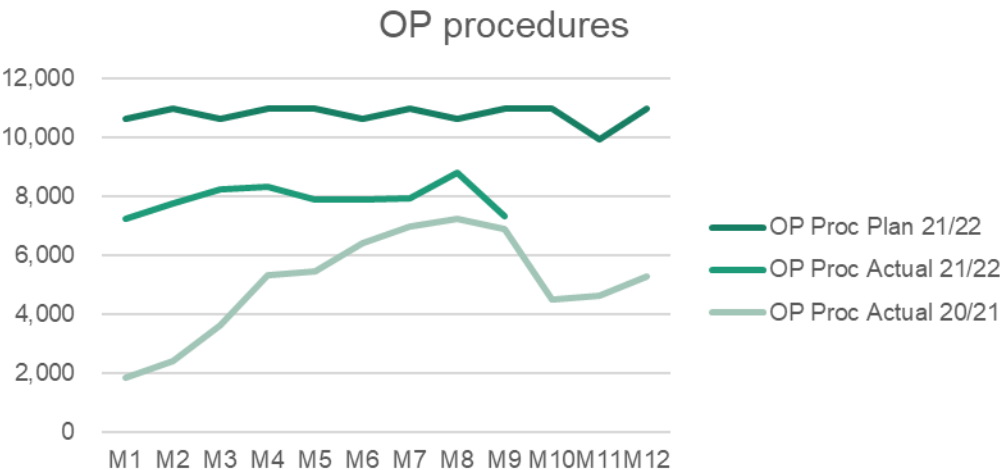
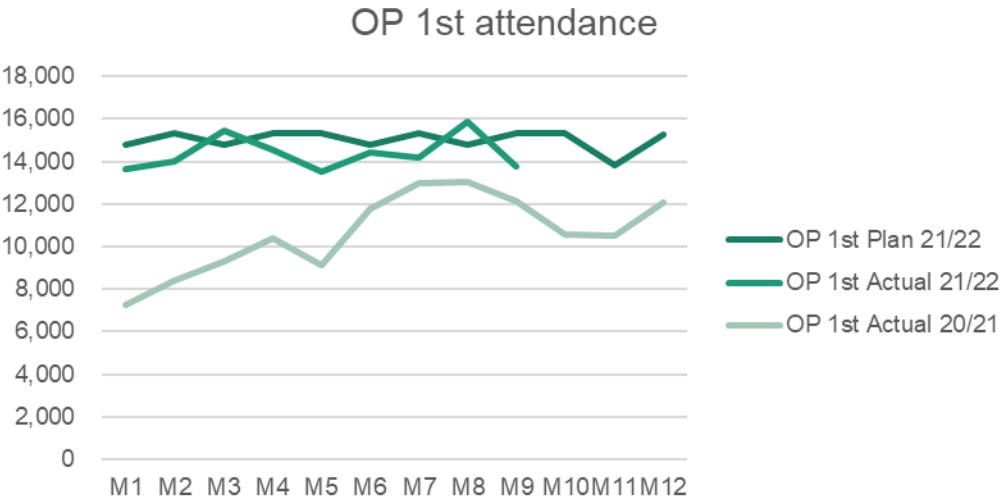
# Clinical Income - Activity information (A&E, DC, NEL and EL)



**Key messages:**

- A&E activity remains relatively close to planned activity levels at month 9 (set at pre-Covid levels).
- Elective inpatient spells have remained stable in month 9 and remain lower than in the previous year. Day case spells have seen a decreased level in month 9 but follows plan.
- Non-elective spells are comparable to FY20/21 level but remain considerably below 21/22 plan.

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



- Key messages:**
- Outpatient first attendances have dropped below plan in month 9 but still above prior year activity levels.
  - Outpatient follow-ups & procedures have decreased in month 9 and are performing close to 20/21 actuals but remain below plan.

£m	Month 9
2.3	Drugs and Devices over-performance
1.6	Contracted clinical commissioning income over-performance
(0.0)	Non-contracted clinical commissioning income performance
3.8	In month overall service over-performance
3.7	Offset - by clinical income mainly through block & additional commissioner funding (Adult critical care £0.3m, Genomics £0.8m, n/r funding £0.5m, Elective + funding £2.2m)
0.8	Additional ERF
8.3	NET clinical income over-performance

	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
	FY21/22 H1 ERF Actual and Forecast (£'m)							FY21/22 H2 ERF Actual and Forecast (£'m)							21/22 Total
POD	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 (confirmed)	Actual (confirmed)	H1 Actual	Actual (awaiting validation)	Actual (awaiting validation)	Actual (awaiting validation)	H2 Forecast				21/22 Forecast
DC	3.9	4.4	4.4	4.6	3.8	4.5	25.6	Metric n/a in H2							
IP spell	4.5	5.1	5	4.6	4.4	4.8	28.4								
OP Attendance	8	8.1	8.7	8.4	7.7	8.6	49.5								
OP Procedure	1.3	1.4	1.5	1.5	1.4	1.4	8.5								
Total £	17.8	19	19.5	19.1	17.3	19.3	112.0								
Percentage (%) against FY19/20 actuals (i.e. baseline)	96%	107%	97%	100%	99%	101%									
RTT % Forecast H2	Metric n/a in H1							74%	77%	78%	80%	83%	137%		
								91%	95%	97%	85%	89%	107%		
								81%	84%	86%	85%	90%	115%		
ERF ACTUAL AND FORECAST	5.3	6.5	3.9	1.0	0.6	1.2	18.5	0.1	0.0	2.6	0.0	0.1	4.8	7.6	26.1
H1 System Adjustment								(1.4)							(1.4)
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	18.5	18.5	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1
	FY21/22 H1 ERF variance to plan (£'m)							FY21/22 H2 ERF variance to plan (£'m)							
POD	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	1.0	11.0	(1.4)	0.0	0.0	0.0	0.0	0.0	0.0	9.6

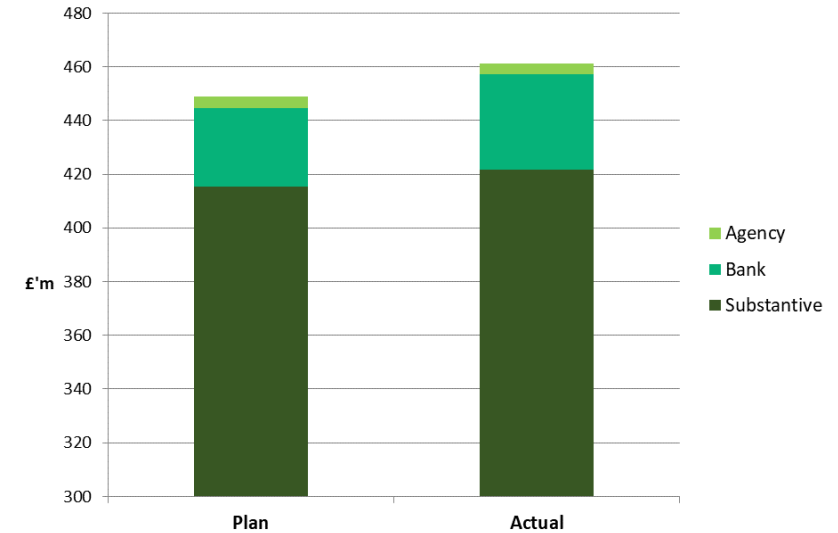
### Key messages:

- The table summarises the ERF plan and forecast for H1 and H2 FY21/22.
- The Trust has a receipt of £17.1m of ERF funding for H1. This includes a downward revision of £1.4m in the H1 estimate reported.
- 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 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.

### Key messages:

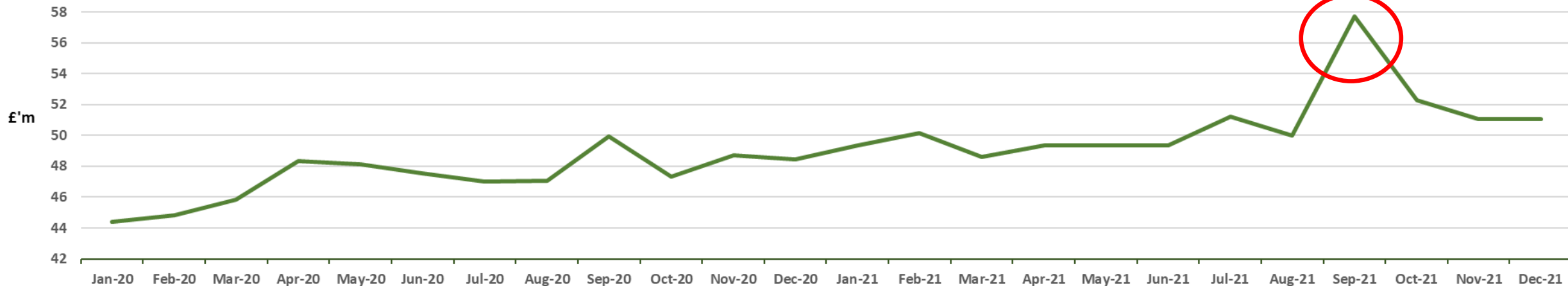
- At the end of month 9, the Trust is reporting a £12.3m adverse position on pay. This is mainly explained by the H1 back-dated pay award payment of £7.8m.
- The Trust continues to take actions to restore and maintain services in a Covid safe environment and has invested £21.4m of Covid pay related spend as at month 9.
- When excluding the H1 pay award, Covid related pay budget and spend, the Trust is reporting an underlying adverse variance of £4.4m YTD, of which circa £2.1m relates to additional investment to secure the ERF delivery and other investments that are fully funded from income sources i.e. R&D. 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 9 is 7.7%, while agency spend for the same time period is only 0.9% 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



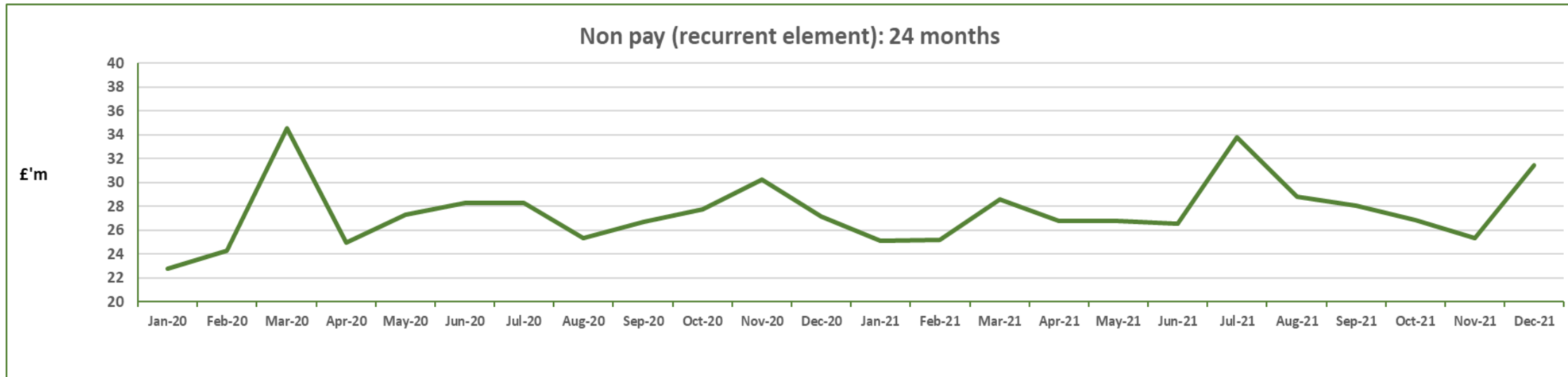


£ Millions	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Non Covid:</b>						
Administrative & Clerical	6.9	7.3	(0.5)	60.3	66.2	(5.9)
Allied Healthcare Professionals	2.7	2.8	(0.1)	23.9	24.6	(0.8)
Clinical Scientists & Technicians	4.4	4.6	(0.2)	39.1	40.3	(1.3)
Medical and Dental Staff	15.9	15.8	0.1	140.2	143.4	(3.3)
Nursing	17.8	17.3	0.5	153.6	155.1	(1.5)
Other Pay Costs	1.3	1.2	0.1	10.7	10.1	0.6
<b>Subtotal for non-covid</b>	<b>49.0</b>	<b>49.1</b>	<b>(0.1)</b>	<b>427.7</b>	<b>439.8</b>	<b>(12.1)</b>
<b>Covid:</b>						
Administrative & Clerical	0.2	0.3	(0.1)	1.8	2.4	(0.5)
Allied Healthcare Professionals	0.1	0.1	0.0	0.9	1.1	(0.2)
Clinical Scientists & Technicians	0.1	0.1	(0.0)	0.5	0.6	(0.1)
Medical and Dental Staff	0.7	0.5	0.2	6.7	6.3	0.4
Nursing	1.0	0.9	0.0	7.1	10.6	(3.5)
Other Pay Costs	0.5	0.1	0.4	4.3	0.6	3.7
<b>Subtotal for covid</b>	<b>2.6</b>	<b>2.0</b>	<b>0.6</b>	<b>21.3</b>	<b>21.5</b>	<b>(0.2)</b>
<b>Total Pay Cost</b>	<b>51.6</b>	<b>51.1</b>	<b>0.5</b>	<b>449.1</b>	<b>461.3</b>	<b>(12.3)</b>

**Note:** The non-Covid YTD adverse pay variance of £12.1m includes £7.4m of direct pay award arrears and £2.1m of funded ERF staff support costs. The underlying adverse variance is therefore £2.6m. The Covid adverse pay variance includes £0.2m of pay award arrears.

	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>£ Millions</b>						
<b>Non Covid:</b>						
Agency	0.4	0.3	0.0	3.2	2.6	0.6
Bank	2.1	2.5	(0.4)	22.0	27.8	(5.9)
Contracted	0.2	0.2	(0.1)	1.8	2.0	(0.2)
Substantive	46.4	46.0	0.4	400.8	407.4	(6.6)
<b>Subtotal for non-covid</b>	<b>49.0</b>	<b>49.1</b>	<b>(0.1)</b>	<b>427.7</b>	<b>439.8</b>	<b>(12.1)</b>
<b>Covid:</b>						
Agency	0.1	0.1	0.0	1.1	1.4	(0.2)
Bank	0.9	0.7	0.2	7.3	7.9	(0.6)
Contracted	0.0	0.0	(0.0)	0.0	0.2	(0.2)
Substantive	1.5	1.1	0.4	12.9	12.0	0.9
<b>Subtotal for covid</b>	<b>2.6</b>	<b>2.0</b>	<b>0.6</b>	<b>21.3</b>	<b>21.5</b>	<b>(0.2)</b>
<b>Total Pay Cost</b>	<b>51.6</b>	<b>51.1</b>	<b>0.5</b>	<b>449.1</b>	<b>461.3</b>	<b>(12.3)</b>

**Note:** The non-Covid YTD adverse pay variance of £12.1m includes £7.4m of direct pay award arrears and £2.1m of funded ERF staff support costs. The underlying adverse variance is therefore £2.6m. The Covid adverse pay variance includes £0.2m of pay award arrears.



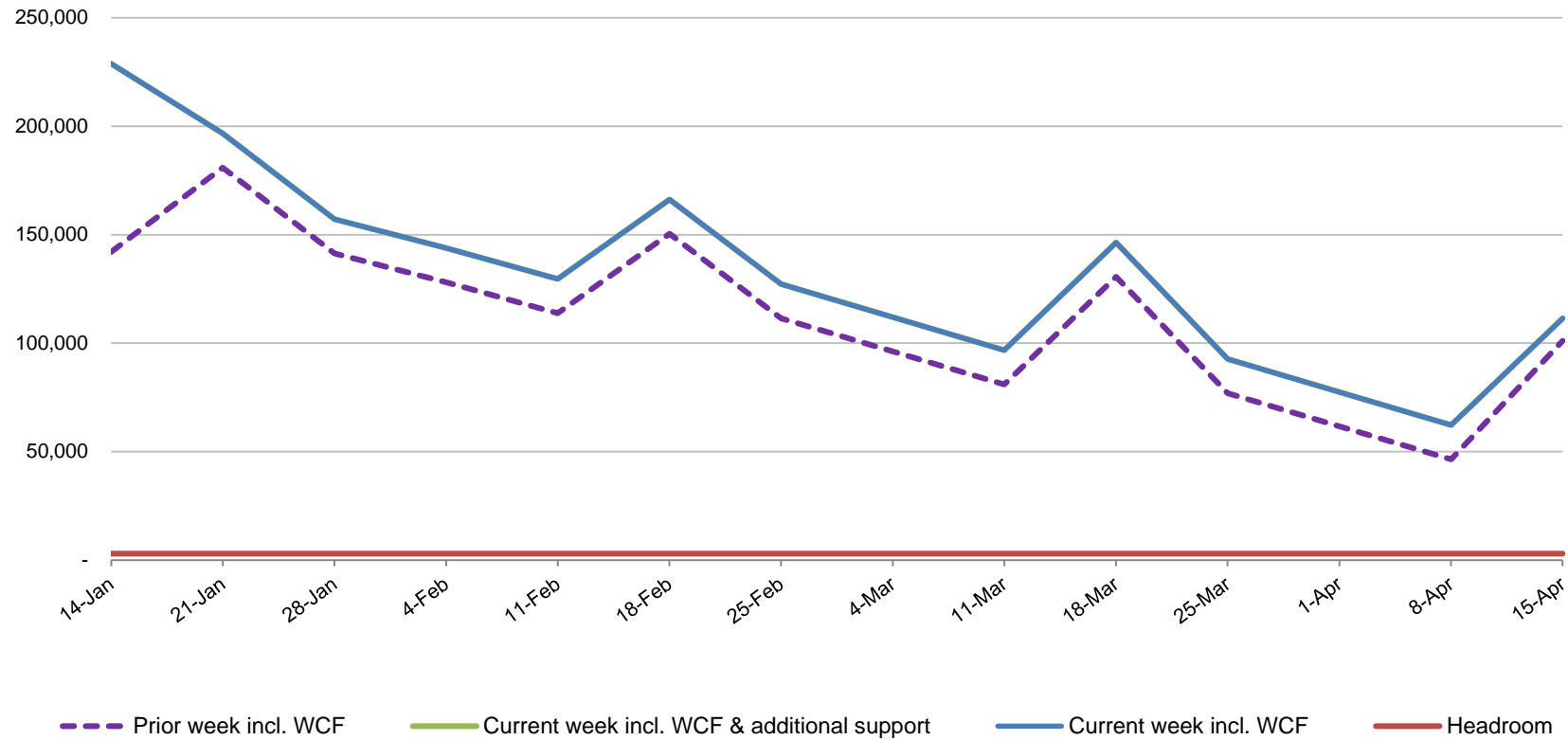
#### Key messages:

- At the end of month 9, the Trust's non pay position is £6.3m adverse to plan (including Covid costs).
- When excluding Covid related non-pay budget and expenditure, the variance becomes adverse £10.7m 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.
- At Month 9 the Trust has adjusted the Injury Cost Recovery provision and increased the Study Leave Provision by £2.2m to reflect estimated 21/22 impact.
- 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.

<i>£millions</i>	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Non Covid:</b>						
Drugs	14.0	15.6	(1.6)	124.1	125.1	(0.9)
Clinical Supplies	15.4	14.4	1.0	136.6	134.0	2.5
Misc Other Operating expenses	0.7	(0.6)	1.2	9.1	12.2	(3.1)
Premises	5.2	5.4	(0.2)	46.9	47.3	(0.4)
Clinical Negligence	1.9	1.9	(0.0)	17.5	17.5	(0.0)
Other non pay costs ( including CIP )	2.1	3.2	(1.1)	19.1	20.7	(1.5)
<b>Total Recurrent</b>	<b>39.4</b>	<b>40.0</b>	<b>(0.6)</b>	<b>353.4</b>	<b>356.8</b>	<b>(3.4)</b>
Other non pay costs	0.3	0.3	(0.1)	2.4	1.5	0.8
Receivables impairment net of reversals	0.0	5.1	(5.1)	0.0	8.2	(8.2)
<b>Total Non-recurrent</b>	<b>0.3</b>	<b>5.5</b>	<b>(5.2)</b>	<b>2.4</b>	<b>9.7</b>	<b>(7.3)</b>
<b>Subtotal for non-covid</b>	<b>39.6</b>	<b>45.4</b>	<b>(5.8)</b>	<b>355.7</b>	<b>366.5</b>	<b>(10.7)</b>
<b>Covid:</b>						
Drugs	0.1	0.1	(0.0)	0.3	0.9	(0.7)
Clinical Supplies	0.8	0.7	0.1	8.6	7.1	1.5
Misc Other Operating expenses	0.1	0.0	0.1	0.9	(0.2)	1.1
Premises	0.1	0.1	(0.0)	0.9	1.2	(0.2)
Clinical Negligence	0.0	0.0	0.0	0.0	0.0	0.0
Other non pay costs ( including CIP )	0.4	0.7	(0.3)	7.8	5.1	2.8
<b>Subtotal for covid</b>	<b>1.6</b>	<b>1.7</b>	<b>(0.1)</b>	<b>18.5</b>	<b>14.0</b>	<b>4.4</b>
<b>Total Non Pay</b>	<b>41.2</b>	<b>47.1</b>	<b>(5.9)</b>	<b>374.2</b>	<b>380.5</b>	<b>(6.3)</b>

**Note:** The Month 9 figures show a year to date adverse variance of £6.3m - this includes £4.6m of Injury Cost Recovery impairment of long-term debtors and £2.0m of funded ERF expenditure

# 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 9 capital expenditure position

Year to Date (Month 9)			
	Budget £m	Actuals £m	Variance £m
<b>Programme</b>			
Estates/HV	8.6	4.9	3.8
e Hospital / Legacy Systems	1.2	1.2	0.0
Medical Equipment Replacement	3.3	2.3	1.0
G2	1.7	1.9	(0.1)
Cancer Research Hospital	0.0	1.4	(1.4)
Childrens Hospital (CCRH)	4.5	3.5	1.0
Surge Centre	21.4	18.0	3.4
Other Developments/PFI	6.6	4.4	2.2
Mitigations identified by CAB	0.0	0.0	0.0
<b>Programme Total</b>	<b>47.4</b>	<b>37.5</b>	<b>9.9</b>

Forecast		
Budget £m	Expenditure £m	Variance £m
14.3	11.7	2.6
6.0	6.0	0.0
11.1	11.1	0.0
2.0	2.2	(0.2)
0.0	1.9	(1.9)
8.5	6.2	2.3
25.1	25.1	0.0
10.9	9.1	1.8
0.0	4.6	(4.6)
<b>77.9</b>	<b>77.9</b>	<b>0.0</b>

### Key Issues/Notes Year to Date

- The capital programme has net slippage of £9.9m (M8 £11.7m):  
Surge Centre is now £3.4m behind original plan phasing.  
Estates schemes £3.8m behind original plan.  
Thrombectomy has slipped by £1.4m.  
Orthopaedic theatres have slipped by £0.9m.
- Spending totalled £7.4m in December.

### Key Issues/Notes Forecast

- The forecast remains to achieve plan.
- Thrombectomy is forecasting slippage of £2.0m.
- CAB is actively managing the identified slippage by bringing forward schemes from 2022/23.
- The budget has increased by £1.1m following additional NHSE/I funding allocations.

## Balance sheet

### M9 Actual £million

#### Non-current assets

Intangible assets 21.9  
Property, plant and equipment 421.0

**Total non-current assets** **442.9**

#### Current assets

Inventories 11.0  
Trade and other receivables 72.7  
Cash and cash equivalents 163.5

**Total current assets** **247.2**

#### Current liabilities

Trade and other payables (187.3)  
Borrowings (8.5)  
Provisions (9.6)  
Other liabilities (97.6)

**Total current liabilities** **(303.0)**

**Total assets less current liabilities** **387.1**

#### Non-current liabilities

Borrowings (87.2)  
Provisions (5.2)

**Total non-current liabilities** **(92.4)**

**Total assets employed** **294.7**

#### Taxpayers' equity

Public dividend capital 557.4  
Revaluation reserve 34.4  
Income and expenditure reserve (297.1)

**Total taxpayers' and others' equity** **294.7**

### Balance sheet commentary at month 9

- The balance sheet shows total assets employed of £294.7m.
- Non-current liabilities as at month 9 stand at £92.4m, of which £90.0m represents capital borrowing (including PFI).
- Cash remains strong as at month 9 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 £31.6m of resource to support the completion of the Remedial fire safety works expected to be deployed over the coming years.