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### Trust actual surplus / (deficit)

(£0.2m)	Actual (adjusted)*
(£0.2m)	Plan (adjusted)*
£2.3m	Actual YTD (adjusted)*
£2.2m	Plan YTD (adjusted)*



### Covid-19 expenditure and system Covid-19 funding

£2.0m	Covid actual in month
£1.8m	Covid plan in month
£1.9m	Covid funding in month
£14.0m	Covid actual YTD
£13.4m	Covid plan YTD
£12.9m	Covid funding YTD



### Net current assets

(£61.1m)

(£54.4m)

### Debtor days

20

23



### Cash

£179.2m

£166.8m

### EBITDA

£25.1m

£27.0m

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

Payables performance (YTD) **		
Actual	86.0%	Value
Plan	88.4%	Quantity
This month		
Previous month		

### Cash and EBITDA

Actual

Plan

Actual YTD

Plan YTD



### Capital expenditure

£5.2m	Capital - actual spend in month
£20.4m	Capital - actual spend YTD
£30.7m	Capital - plan YTD



### Elective Recovery Fund (ERF)

ERF values based on CUH fair share but not yet confirmed and may be subject to change

£2.5m	ERF forecast actual in month
£2.5m	ERF plan in month
£9.8m	ERF forecast actual YTD
£9.8m	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 position is a £2.3m surplus for performance management purposes.** This is in line with the Trust financial plan.
- The month 7 surplus is due to the phasing of £4m of income receipts relating to the redevelopment of the Cambridge Biomedical Campus which were received in the first quarter of 22/23 (in line with plan). This surplus is offset in later months leading to a full year planned breakeven position.
- The year to date position includes pass-through drugs and devices income and expenditure over performance of £7.0m and fire prevention works income and expenditure underperformance of £4.6m (as the phasing of works are not aligning to the plan).
- The pay expenditure position is £5.0m adverse to plan year to date largely due to the September payment of the national pay award arrears of £7.8m for which the Trust was funded in full from a nationally mandated uplift to NHS Commissioner block payments. The underlying favourable variance is largely due to slippage on planned investments including the investment in a higher proportion of level 2/3 beds in critical care.
- Whilst the Trust is operating in line with its plan, within this position the delays in investment in additional operational capacity are further contributing to productivity shortfalls, as discussed below.

## Productivity

- The Trust is operating broadly in line with its expenditure plan at month 7 year to date but continues to perform below its planned levels of productivity.
- At month 7 the under performance in clinical activity can be valued at £21.9m with £19.7m of this from planned care services due to operational pressures and limitations, including as a result of staffing vacancies. In year the Trust remains protected from this shortfall through the block funding arrangement but this represents a significant performance challenge to be addressed in advance of the new year.
- There has been an estimated increase in expenditure levels of £13-15m associated with operational delivery/capacity.
- Overall, with the reduction in productivity and additional capacity investments in year, we are performing at a c.£33-35m gap from pre-Covid-19 levels.
- Non recurrent efficiency savings delivered in the year will also add to the longer term cost management target for the Trust.

## Covid-19 Expenditure

- The Trust has incurred £14.0m of Covid-19 associated expenditure year to date which is £0.6m above the plan.
- The Trust has received £12.9m of funding to support the Covid-19 expenditure.
- Whilst the number of Covid-19 patients in the hospital fluctuates from month to month, 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 safe operating environment.

## Elective Recovery Fund (ERF)

- The Trust has recognised Elective Recovery Fund (ERF) income of £9.9m year to date in line with plan and based on a fair share allocation. For the full year the Trust has planned to receive £29.7m of ERF funding.
- NHS England has provided some assurance that the planned ERF will be funded in full for 22/23 at system level therefore the Trusts continues to report full income recognition with no clawback. The final process for calculating the value of ERF has not yet been published at the time of this report and therefore there remains an element of risk associated with this income.
- Further detail on this risk is included in this report.

## Productivity and Efficiency Programme (PEP, previously CIP)

- The Trust successfully delivered an efficiency requirement of £12.4m in H2 21/22 and £17.2m in total across 21/22.
- For 22/23 the efficiency requirement is £62.0m and this will be delivered via the following themes:-
  - Covid cost reductions           £22.4m
  - Efficiency & transformation   £32.7m
  - Productivity & growth           £6.9m
- At month 7 our cumulative position is in line with plan, with efficiencies of £37.1m achieved.
- Pay efficiencies are currently ahead of plan by £1.9m. Within this, recurrent initiatives are (£2.1m) adverse to plan and non-recurrent schemes are £3.9m ahead of plan.
- For non-pay efficiencies, initiatives are (£0.7m) adverse to plan, reporting achievement of £12.6m against plan of £13.4m.
- Income efficiencies are reporting adverse to plan by (£1.1m) driven by a shortfall in non-recurrent scheme delivery. This measure includes the non-recurrent campus development project income receipt of £4m.
- The latest full year efficiency forecast identifies full delivery of the plan however there is a significant estimated shortfall in recurrent savings of £5.6m. This is mainly attributed to Trust-wide and cross-divisional schemes.
- The Trust will continue to review existing schemes alongside the development plans across 22/23 with the clear objective to increase the proportion of schemes that will deliver recurrent benefits into 23/24.

## Cash and Capital Position

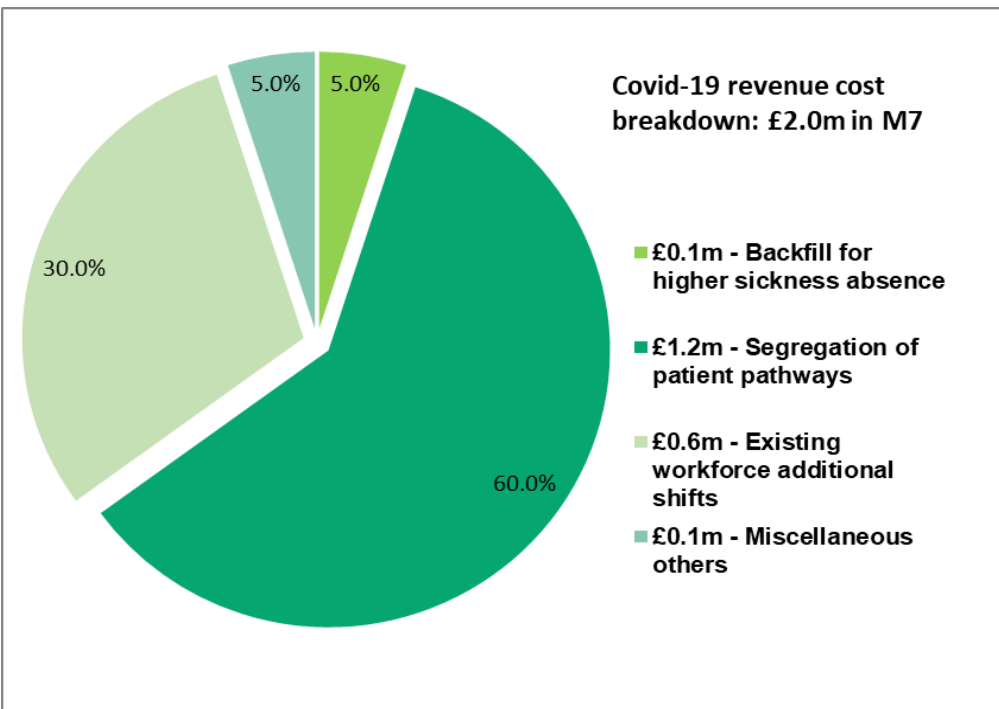
- The Trust has received an initial system capital allocation for the year of £32.2m for its core capital requirements. In addition to this, we expect to receive further funding for the Children's Hospital (£3.7m), Cancer Hospital (£7.5m) and orthopaedic theatre scheme (£14.9m) and additional theatre equipment (£4.1m). Together with capital contributions from ACT, this would provide a total capital programme of £62.4m for the year.
- The Trust has invested £20.4m in its capital programme so far - £10.3m below the planned figure of £30.7m. The year-end forecast however, remains in line with the plan of £62.4m of capital expenditure in year.
- The Trust's cash position remains strong and the 13 week cash flow forecast does not identify any need for additional revenue cash support in the foreseeable future.

## FY22/23 Financial Plan

- It should be noted that the following key areas of risk still remain and have been included as part of the overall plan submission, to be monitored in year:
  - 1) Inflation pressures above the (revised) funded level
  - 2) Covid-19 costs exceeding budgeted levels (e.g. due to an increase in Covid rates)
  - 3) Non receipt of forecast ERF income
- The following point should also be noted in respect of the 22/23 financial plan:
  - 1) The plan retains CUH support to our ICS of £11m to ensure that all ICS organisations can deliver break-even financial performance.
- **In addition to those risks highlighted above, going into 23/24, the Trust is also carrying the following risks due to in year performance:**
  - 1) Productivity levels performing below plan carrying forward a productivity gap to 23/24 posing a financial risk if the current block funding financial framework is changed
  - 2) Under delivery of recurrent efficiencies carrying forward a recurrent cost pressure to 23/24

## Month 7 performance against plan

£ Millions	In Month				Year to Date				Full Year
	Budget	Actual	Variance	Variance (Exc. Covid & Pay Award)	Budget	Actual	Variance	Variance (Exc. Covid & Pay Award)	Budget
Clinical Income - exc. D&D*	70.4	71.6	1.2	0.1	491.5	496.8	5.2	(3.0)	858.9
Clinical Income - D&D*	13.5	15.3	1.8	1.8	94.5	101.4	7.0	7.0	161.9
Covid - Income top-up & outside envelope	1.8	1.9	0.1	0.1	12.6	12.9	0.3	0.3	21.6
ERF income	2.5	2.5	0.0	0.0	9.9	9.9	0.0	0.0	29.7
Devolved Income	15.0	14.8	(0.2)	(0.2)	108.4	103.4	(5.0)	(5.0)	163.3
<b>Total Income</b>	<b>103.1</b>	<b>106.0</b>	<b>2.9</b>	<b>1.7</b>	<b>716.9</b>	<b>724.4</b>	<b>7.5</b>	<b>(0.7)</b>	<b>1,235.4</b>
Pay	54.9	56.0	(1.1)	(0.1)	377.0	381.3	(4.4)	3.2	656.4
Drugs	14.4	15.7	(1.3)	(1.3)	100.9	106.4	(5.6)	(5.6)	173.0
Non Pay	28.7	29.2	(0.6)	(0.5)	198.4	197.5	0.9	1.3	341.3
Covid - Pay	1.2	1.3	(0.0)	(0.0)	8.8	9.5	(0.7)	(0.5)	14.4
Covid - Drugs	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1	0.4
Covid - Non pay	0.6	0.8	(0.2)	(0.2)	4.6	4.4	0.2	0.2	7.4
<b>Operating Expenditure</b>	<b>99.7</b>	<b>103.0</b>	<b>(3.3)</b>	<b>(2.1)</b>	<b>689.9</b>	<b>699.3</b>	<b>(9.5)</b>	<b>(1.3)</b>	<b>1,192.9</b>
<b>EBITDA</b>	<b>3.4</b>	<b>3.0</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>27.0</b>	<b>25.1</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>42.5</b>
Depreciation, Amortisation & Financing	3.5	3.3	0.3	0.3	24.8	23.4	1.4	1.4	42.5
<b>Reported gross Surplus / (Deficit)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>2.2</b>	<b>1.6</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>0.0</b>
<b>Add back technical adjustments:</b>									
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	0.0	0.1	0.1	0.1	0.0	0.6	0.6	0.6	0.0
Net benefit of PPE consumables transactions	0.0	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>(0.2)</b>	<b>(0.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>2.2</b>	<b>2.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>



### Key messages:

The Trust has recorded £2.0m of Covid expenditure in month 7, bringing the total year to date for 22/23 to £14.0m. This represents a £0.6m adverse variance against the plan of £13.4m.

The main areas of Covid investment in Month 7 are:

- Segregation of patient pathways £1.2m
- Existing workforce covering additional shifts £0.6m
- Backfill for higher sickness absence £0.1m
- Miscellaneous expenditure £0.1m

Total expenditure for 21/22 was £45.5m which averaged £3.8m per month. The Trust's plan for 22/23 includes a reduction in funding for Covid-19 of £22.4m due to the financial impact of the pandemic reducing. Expenditure seen in month 7 is in line with average spend for the year to date of £2.0m per month.

The Trust plans to maintain the current reduction in Covid-19 expenditure. This is based on operational planning which aims to manage Covid cases efficiently during times of prevalence and work in line with national guidance.

Division (£m's)	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr & May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
Corporate	£1.5	£1.3	£1.5	£1.3	(£1.0)	£1.4	£0.6	£0.6	£0.2	£0.2	£0.6
Division A	£1.5	£1.2	£1.7	£1.2	£1.1	£0.7	£0.4	£0.4	£0.3	£0.3	£0.3
Division B	£0.1	£0.4	£0.3	£0.5	£0.5	£0.9	£0.4	£0.3	£0.3	£0.4	£0.4
Division C	£0.3	£0.5	£0.6	£0.5	£0.5	£0.7	£0.3	£0.4	£0.4	£0.4	£0.4
Division D	£0.2	£0.2	£0.2	£0.1	£0.2	£0.5	£0.3	£0.3	£0.1	£0.2	£0.1
Division E	£0.1	£0.1	£0.2	£0.2	£0.3	£0.4	£0.1	£0.2	£0.2	£0.2	£0.2
<b>Total</b>	<b>£3.8</b>	<b>£3.7</b>	<b>£4.5</b>	<b>£3.9</b>	<b>£1.5</b>	<b>£4.5</b>	<b>£2.2</b>	<b>£2.2</b>	<b>£1.6</b>	<b>£1.6</b>	<b>£2.0</b>

Elective Activity Recovery Period

## Full Year Plan – key messages

£'m	M1&2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	22/23
Operating income from patient care activities	175.6	87.8	88.0	88.0	88.0	89.3	89.3	89.4	90.2	90.2	90.2	1,065.7
Other operating income	31.8	13.7	13.7	13.7	13.6	13.8	13.8	13.9	14.0	13.9	13.9	169.8
<b>Total operating income</b>	<b>207.4</b>	<b>101.5</b>	<b>101.7</b>	<b>101.7</b>	<b>101.6</b>	<b>103.1</b>	<b>103.1</b>	<b>103.2</b>	<b>104.1</b>	<b>104.0</b>	<b>104.1</b>	<b>1,235.4</b>
Employee expenses	(109.3)	(54.5)	(54.9)	(55.3)	(55.6)	(56.1)	(56.4)	(56.5)	(57.0)	(57.2)	(58.0)	(670.8)
Operating expenses excluding employee expenses	(92.4)	(45.9)	(45.9)	(46.0)	(46.2)	(46.3)	(46.3)	(46.1)	(46.3)	(46.1)	(46.5)	(554.0)
<b>Operating Surplus/(Deficit)</b>	<b>5.6</b>	<b>1.0</b>	<b>0.8</b>	<b>0.4</b>	<b>(0.1)</b>	<b>0.7</b>	<b>0.4</b>	<b>0.6</b>	<b>0.8</b>	<b>0.7</b>	<b>(0.4)</b>	<b>10.6</b>
Finance expense	(1.2)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(7.2)
PDC dividends payable/refundable	(0.6)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(3.4)
<b>Net finance costs</b>	<b>(1.8)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(10.6)</b>
<b>Surplus/(Deficit) - NHS financial performance basis for the year to date</b>	<b>3.9</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.5)</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(0.3)</b>	<b>(0.0)</b>	<b>(0.2)</b>	<b>(1.3)</b>	<b>0.0</b>
Add back technical adjustments:												
Impairments	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net benefit of PPE consumables transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Reported gross surplus/(deficit)</b>	<b>3.9</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.5)</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(0.3)</b>	<b>(0.0)</b>	<b>(0.2)</b>	<b>(1.3)</b>	<b>0.0</b>

### Key messages:

- The Trust plan delivers a 22/23 break-even position on an NHS financial performance basis.
- It assumes that the Trust will receive £29.7m of ERF income however, this remains at risk as the final guidance for the payment mechanism has not yet been published.
- The Trust has supported the C&P ICS position by non-recurrently returning £11.0m of income.
- Productivity and Efficiency schemes totalling £62.0m are included within the overall plan. £51.0m is driven by the national efficiency expectation with a further £11.0m required to support the system financial position.

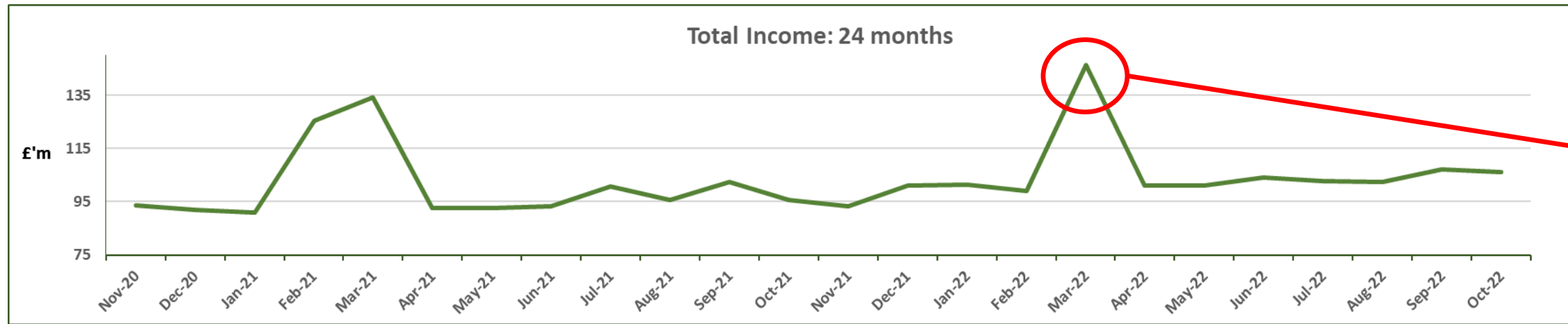


£'m	M7 YTD Plan	M7 YTD Actual	Variance	Key Variances
Operating income from patient care activities	616.6	628.9	12.3	Income over performance remains largely driven by the national pay award funding of £8.2m. The remaining variance derives from drugs over achievement, with lower CAR-T (£4.1m) and Cancer Drugs Funds (£2.2m) income fully offset by other high cost drugs, leading to net over performance of £7.0m.
Other operating income	100.3	95.5	(4.9)	Shortfall in income recognition is attributable to fire prevention works expenditure being lower than planned by (£4.6m).
<b>Total income</b>	<b>716.9</b>	<b>724.4</b>	<b>7.5</b>	
Employee expenses	(385.8)	(390.8)	(5.1)	Overspend is largely driven by the national pay award of £7.8m. Corresponding income over performance is reported above. This is partially offset by slippage on planned investments across a number of areas, predominantly seven critical care beds which remain largely closed due to staff vacancies. Overall there is Trust-wide slippage in Medical Staffing against the 22/23 sustainability agenda. This has resulted in increased Bank and Agency spend incurred at premium rates.
Operating expenses excluding employee expenses	(322.7)	(327.1)	(4.4)	Trust wide increase in annual leave and debt provisions to reflect year to date financial position.
<b>Operating surplus / (deficit)</b>	<b>8.4</b>	<b>6.4</b>	<b>(2.0)</b>	
Finance costs				
Finance income	0.0	1.3	1.3	Due to the significant increase in bank interest rates nationally, a year to date alignment of finance income was completed for H1, with current interest income for the year reporting at £1.3m. A full year forecast of this measure is expected to achieve income of c.£2.5-3.5m.
Finance expense	(4.2)	(4.1)	0.1	
PDC dividends payable/refundable	(2.0)	(2.0)	0.0	
<b>Net Finance costs</b>	<b>(6.2)</b>	<b>(4.8)</b>	<b>1.4</b>	
<b>Reported gross surplus/(deficit)</b>	<b>2.2</b>	<b>1.6</b>	<b>(0.6)</b>	
Add back technical adjustments:				
Impairments (AME)	0.0	0.0	0.0	
Capital donations/grants net I&E impact	0.0	0.6	0.6	
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>2.2</b>	<b>2.3</b>	<b>0.0</b>	<b>Net position is in line with plan year to date</b>

\*D&D = Drugs & devices

#### Key messages:

- Year to date performance on an NHS financial performance basis shows a surplus of £2.3m.
- This is due to the phasing of income associated with the development of the Cambridge Biomedical Campus and the Trust is forecasting to be back to breakeven by the end of the financial year.



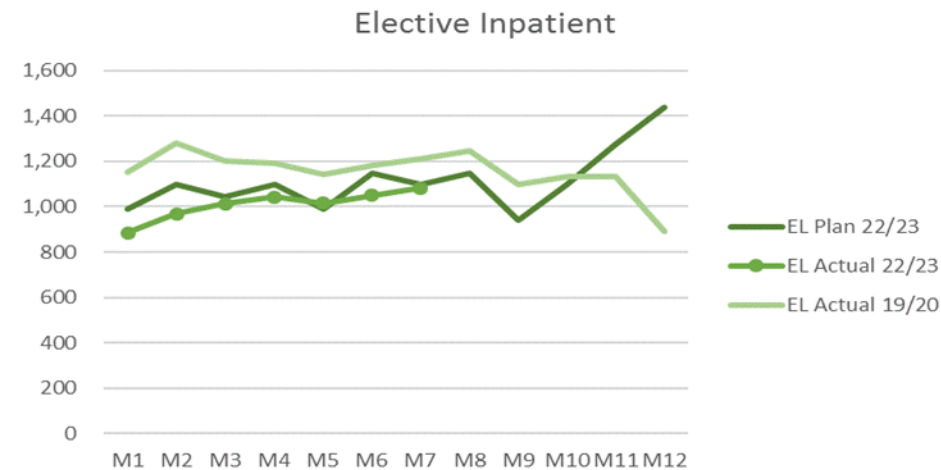
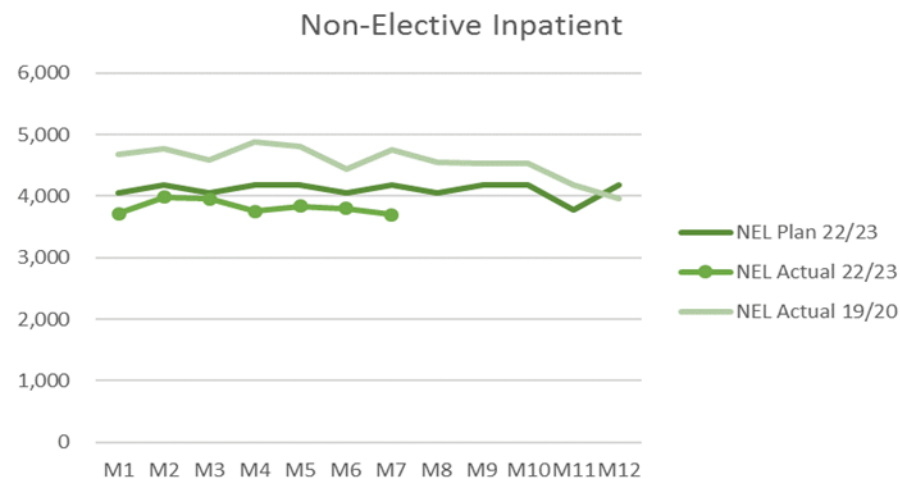
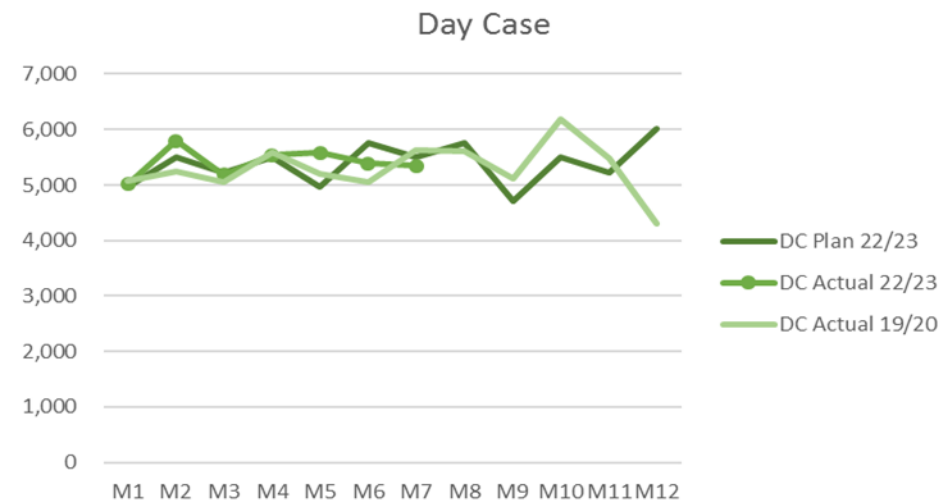
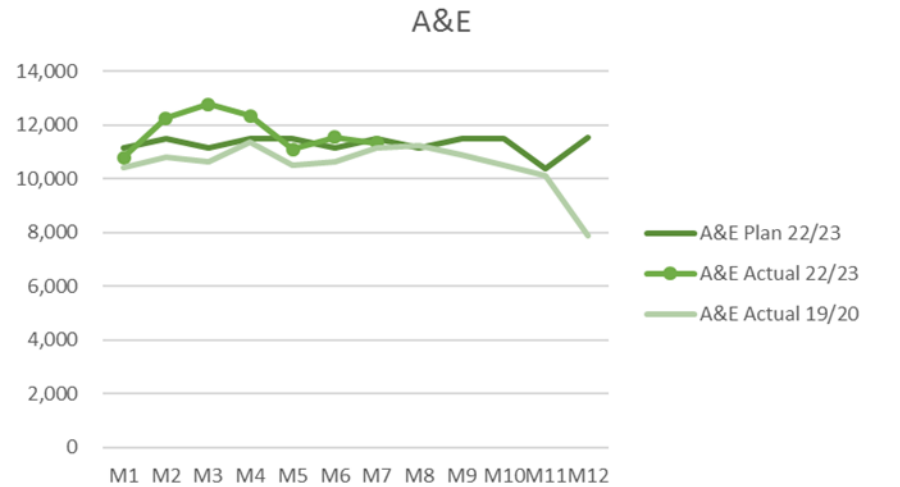
**Note:** The March 2022 figures include additional funding from NHSE/I for the extra 6% NHS pension contribution (£24.6m). The impact of R&D projects accounted for in M12 (£10.9m), apprenticeship funding (£2.4m), national PPE funding (£2.8m) and an NIHR R&D grant (£11.0m). All of which included matched expenditure in M12.

£'m	In Month			Year to Date		
	Plan	Actual	Variance	Plan	Actual	Variance
Elective admissions	12.0	11.9	(0.1)	84.1	77.0	(7.1)
Non-elective admissions	15.2	15.0	(0.2)	106.6	102.2	(4.4)
Outpatients	10.4	9.4	(1.1)	73.0	60.4	(12.6)
A&E	2.0	2.5	0.5	14.3	16.5	2.3
High-cost drugs income from commissioners	13.5	15.3	1.8	94.5	101.4	7.0
Other NHS Clinical Income	30.6	31.6	0.9	213.6	232.5	18.9
Covid - Income top-up & outside envelope	1.8	1.9	0.1	12.6	12.9	0.3
ERF	2.5	2.5	0.0	9.9	9.9	0.0
Pay award adjustment	0.0	1.2	1.2	0.0	8.2	8.2
<b>Total Clinical Income</b>	<b>88.1</b>	<b>91.3</b>	<b>3.1</b>	<b>608.5</b>	<b>621.0</b>	<b>12.5</b>
Devolved Income	15.0	14.8	(0.2)	108.4	103.4	(5.0)
<b>Total Trust Income</b>	<b>103.1</b>	<b>106.0</b>	<b>2.9</b>	<b>716.9</b>	<b>724.4</b>	<b>7.5</b>

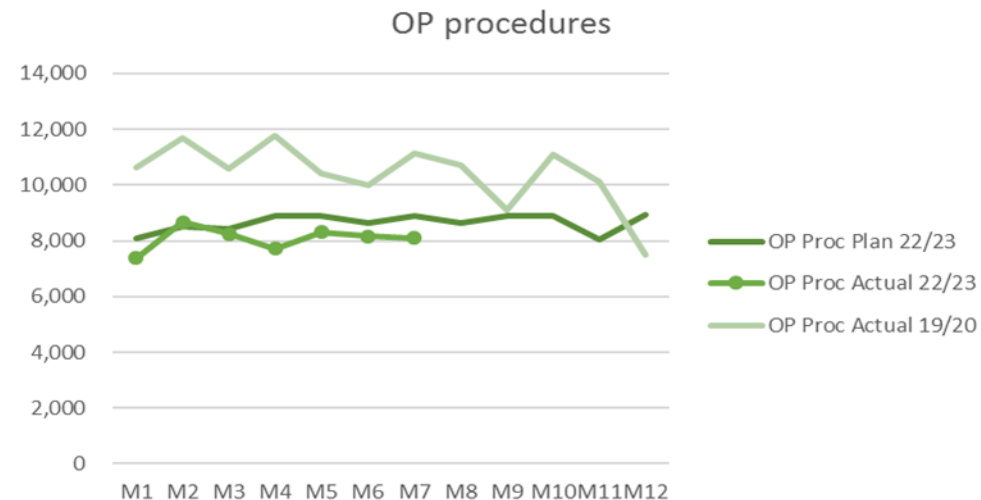
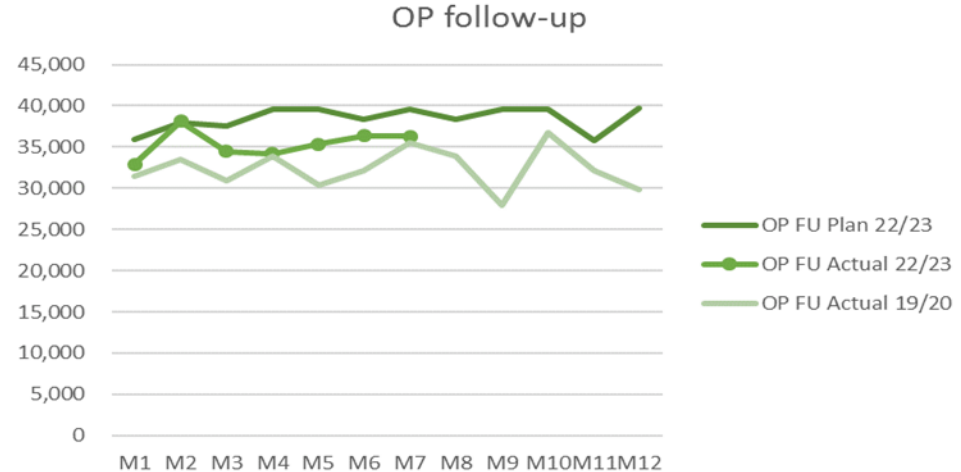
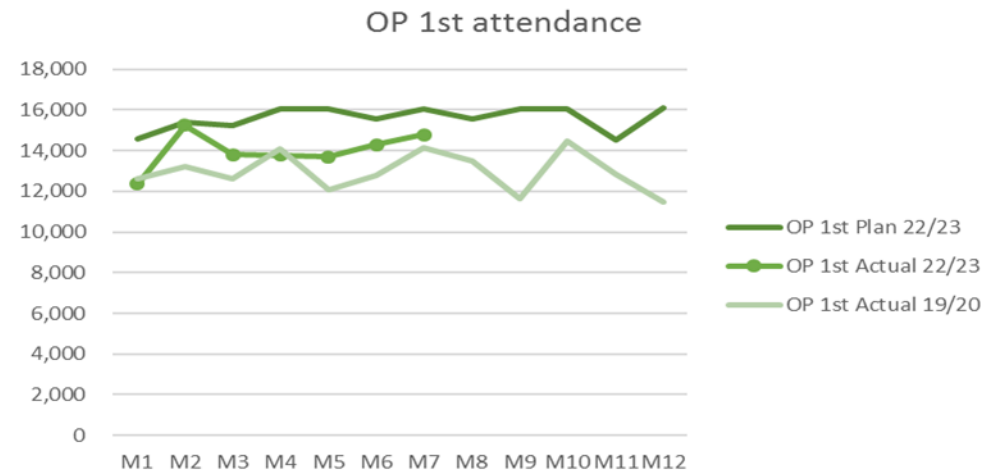
#### Key messages:

- The values included in the table for elective, non elective, outpatients and A&E income are as per regular reporting methods (PbR view). As the Trust's clinical income is predominantly through block contracts a block top-up is included within other clinical income.
- The total clinical income includes income earned from NHS and devolved administration commissioners and NHS arms length bodies. The headings reported above align to NHS E/I reporting categories.
- Year to date there is a favourable variance of £7.0m relating to high-cost drugs pass-through expenditure, which includes an under-performance by the Car-T service along with the Cancer Drugs Fund, which are both fully offset by over-performance for other high cost drugs.
- The Other NHS Clinical Income category includes £8.2m of additional pay award funding – this was provided in month 6 to cover the additional costs of the national pay settlements for Consultants, Agenda for Change staff and Very Senior Managers.
- The overall income recognised each month can fluctuate for a number of reasons including patient case-mix or commissioner pricing challenges.
- Devolved income is reporting an adverse variance of £5.0m year to date. This is largely driven by fire prevention works expenditure being lower than plan (£4.6m).

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



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



- Key messages:**
- A&E attendances report broadly in line with plan and 19-20 actuals. Year to date reports 3.4% above plan, and in month at 1.6% below plan.
  - Non elective spells continue to remain below plan and 19-20 actuals. Year to date, NEL is 7.3% below plan and in month 11.4%.
  - Elective spells are in line with plan at month 7, but report below 19-20 actuals. It is notable that the phasing of the plan increases in the last quarter due to planned capacity works. Year to date EL is 5.5% below plan, and in month 1.3%.
  - Day cases are lower than plan and 19-20 actuals at month 7. Year to date, DC is 1.2% above plan, however in month reports below plan by 2.7%.
  - Outpatient first attendances remain considerably below plan. Year to date, OP FA are 10.0% below plan and in month 7.9%.
  - Outpatient follow-up attendances also remain considerably below plan. Year to date, OP FUP are 7.8% below plan and in month 8.3%.
  - Outpatient procedures continue to report both below both plan and considerably below 19-20 levels. Year to date, OP proc are 6.3% below plan and in month 9.1%.

## Clinical Income – Elective Recovery Fund (ERF)

	FY22/23 ERF Initial Plan (£'m)												22/23 FY
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
ERF PLAN %	2.8%	2.8%	2.8%	5.5%	5.5%	5.5%	8.3%	8.3%	8.3%	16.7%	16.7%	16.8%	100.0%
ERF PLAN £m's	0.8	0.8	0.8	1.6	1.6	1.6	2.5	2.5	2.5	5.0	5.0	5.0	29.7

Please note:- due to rounding the M1-7 plan figures add to £9.9m.

### ERF:

- Planned ERF in months 1 to 3 is £0.8m per month, £1.6m for months 4 to 6, and £2.5m for month 7, totaling £9.9m (phased plan in table above).
- The Trust has received verbal assurance from NHSE/I that the H1 ERF will be awarded in full at 50% of the full year plan value, and further, that H2 will not be subject to clawback.**
- NHSE and other organisations have now enacted the above and paid 50% in full at month 6.
- The tables on the right are the initial regionally published ERF performance percentages of current year priced volume weighted activity against the equivalent 19/20 values, for months 1 to 3 (published October 2022).
- The Trust has not yet received written confirmation of the change to the ERF payment process and we are still in expectation of this in the coming months.
- Due to the complexity of the CUH portfolio of NHS Commissioners we will be seeking formal clarification from them that they will be funding ERF in line with our agreed plans and the NHSE/I update.

	CUH Provider Level		
	M1	M2	M3
Day Case	97%	110%	98%
Elec Spell	85%	80%	95%
OP 1st att	103%	110%	105%
OP proc	87%	90%	93%
<b>Overall</b>	<b>92%</b>	<b>95%</b>	<b>96%</b>

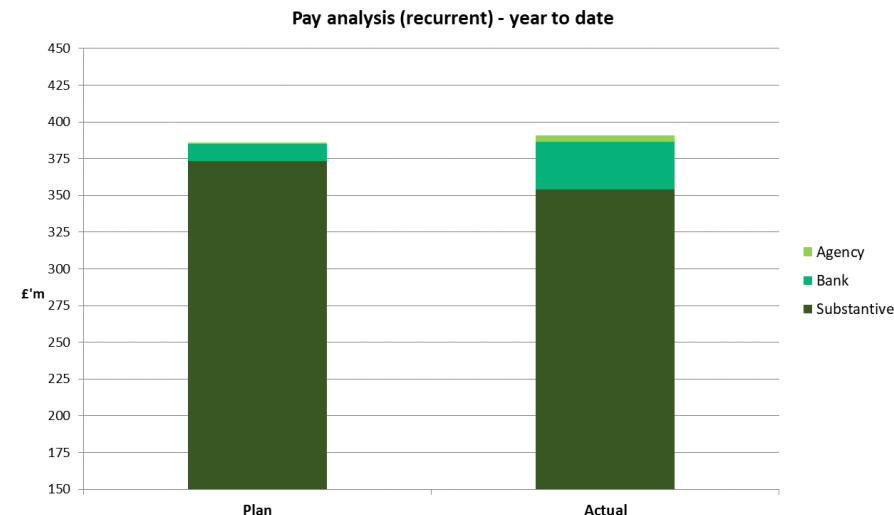
  

	QUE System Level		
	M1	M2	M3
Day Case	91%	106%	93%
Elec Spell	100%	102%	104%
OP 1st att	99%	100%	97%
OP proc	89%	97%	93%
<b>Overall</b>	<b>95%</b>	<b>100%</b>	<b>96%</b>

Please note: M4-7 national data not yet available

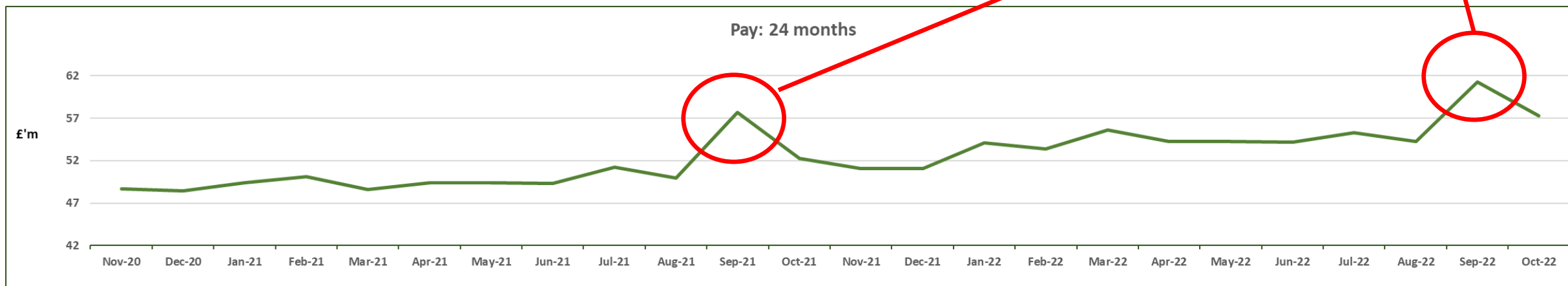
### Key messages:

- At the end of month 7, the Trust is reporting a £5.0m adverse position on pay with a £1.2m adverse position in month. The year to date position is driven by c£8.2m of national pay award arrears for Consultants, Agenda for Change staff over and above the 2% levels accrued earlier in the year. This expenditure is funded by additional clinical income.
- Excluding the pay award the key driver for the underlying favourable position is slippage on planned investments across a number of areas, predominantly seven critical care beds which remain closed due to staff vacancies. Overall there is Trust-wide slippage in Medical Staffing against the 22/23 sustainability agenda. This has resulted in increased Bank and Agency spend incurred at premium rates. Pay slippage is partially offset by pressures on Covid pay expenditure (£0.7m).
- The Trust continues to take actions to restore and maintain services in a Covid safe environment and has invested £9.5m of Covid pay related spend in the financial year to date.
- Bank spend as a proportion of the total 22/23 pay bill is 8.3%, 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 cover sickness and other vacancies along with meeting the increased demand on services.



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

**Note:** The Sep-22 figures includes net pay award arrears of £7.0m. .



**Note:** For comparability purposes the chart reports average values for months 1 & 2, in line with external reporting requirements month 1 values are not reported in isolation.

<i>£ Millions</i>	In Month				Year to Date			
	Budget	Actual	Variance	Variance (exc. Pay Award)	Budget	Actual	Variance	Variance (exc. Pay Award)
<b>Non Covid:</b>								
Administrative & Clerical	8.3	8.3	(0.0)	0.1	57.8	56.7	1.1	2.4
Allied Healthcare Professionals	3.3	3.2	0.1	0.2	22.9	21.7	1.2	1.7
Clinical Scientists & Technicians	5.4	4.9	0.4	0.5	36.8	34.2	2.6	3.4
Medical and Dental Staff	18.6	18.2	0.4	0.7	128.9	124.2	4.7	6.5
Nursing	20.1	19.7	0.4	0.8	139.1	134.6	4.4	7.4
Other Pay Costs	1.2	1.6	(0.4)	(0.4)	9.1	9.9	(0.9)	(0.6)
Efficiency savings	(2.0)	(0.0)	(2.0)	(2.0)	(17.5)	0.0	(17.5)	(17.5)
<b>Subtotal for non-covid</b>	<b>54.9</b>	<b>56.0</b>	<b>(1.1)</b>	<b>(0.0)</b>	<b>377.0</b>	<b>381.3</b>	<b>(4.3)</b>	<b>3.3</b>
<b>Covid:</b>								
Administrative & Clerical	0.2	0.2	0.0	0.0	1.4	1.3	0.1	0.1
Allied Healthcare Professionals	0.1	0.0	0.0	0.0	0.6	0.4	0.2	0.2
Clinical Scientists & Technicians	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1
Medical and Dental Staff	0.3	0.2	0.1	0.1	2.2	1.8	0.3	0.4
Nursing	0.6	0.8	(0.2)	(0.2)	4.1	5.4	(1.4)	(1.2)
Other Pay Costs	0.1	0.0	0.0	0.0	0.4	0.4	0.0	0.0
<b>Subtotal for covid</b>	<b>1.2</b>	<b>1.3</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>8.8</b>	<b>9.5</b>	<b>(0.7)</b>	<b>(0.5)</b>
<b>Total Pay Cost</b>	<b>56.1</b>	<b>57.3</b>	<b>(1.2)</b>	<b>(0.1)</b>	<b>385.8</b>	<b>390.8</b>	<b>(5.0)</b>	<b>2.8</b>

**Key messages:**

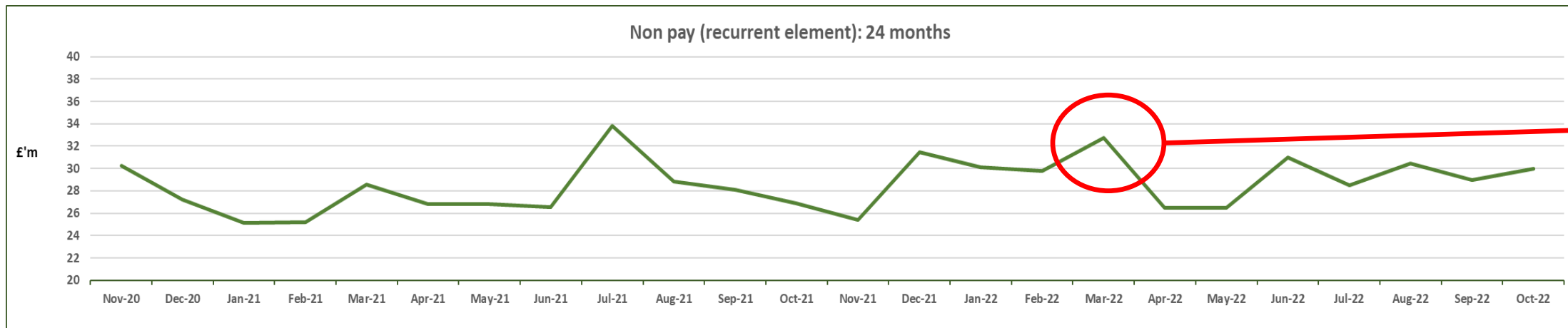
- Non Covid pay expenditure reports an adverse variance of £4.3m year to date.
- Covid expenditure is £0.7m adverse to plan. This is driven by higher usage of bank and agency nursing staffing than planned.

	In Month				Year to Date			
	Budget	Actual	Variance	Variance (exc. Pay Award)	Budget	Actual	Variance	Variance (exc. Pay Award)
<b>£ Millions</b>								
<b>Non Covid:</b>								
Agency	0.0	0.7	(0.7)	(0.7)	0.2	3.4	(3.2)	(3.2)
Bank	1.4	4.7	(3.3)	(3.2)	9.6	27.7	(18.1)	(17.6)
Contracted	0.2	0.3	(0.1)	(0.1)	1.5	2.1	(0.6)	(0.5)
Substantive	53.2	50.3	2.9	3.9	365.8	348.2	17.6	24.6
<b>Subtotal for non-covid</b>	<b>54.9</b>	<b>56.0</b>	<b>(1.1)</b>	<b>(0.0)</b>	<b>377.0</b>	<b>381.3</b>	<b>(4.3)</b>	<b>3.3</b>
<b>Covid:</b>								
Agency	0.1	0.1	(0.1)	(0.1)	0.5	1.0	(0.5)	(0.5)
Bank	0.3	0.4	(0.1)	(0.1)	2.3	4.9	(2.6)	(2.4)
Contracted	0.0	0.0	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)
Substantive	0.8	0.7	0.1	0.1	5.9	3.5	2.4	2.4
<b>Subtotal for covid</b>	<b>1.2</b>	<b>1.3</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>8.8</b>	<b>9.5</b>	<b>(0.7)</b>	<b>(0.5)</b>
<b>Total Pay Cost</b>	<b>56.1</b>	<b>57.3</b>	<b>(1.2)</b>	<b>(0.1)</b>	<b>385.8</b>	<b>390.8</b>	<b>(5.0)</b>	<b>2.8</b>

**Key messages:**

- Non Covid substantive and contracted staff expenditure is £17.0m below budget in the year to date however the Trust has incurred offsetting Bank and Agency expenditure which are adverse to budget by £18.1m and £3.2m respectively.
- Whilst the overall full year pay plan figures align to the Trust wide-view, the plan for Bank and Agency is understated. NHSE/I are aware of this position and are taking it into account for performance management purposes.





**Note:** For comparability purposes the chart reports average values for months 1 & 2, in line with external reporting requirements month 1 values are not reported in isolation.

### Key messages:

- At the end of month 7, the Trust's non pay position is £4.5m adverse to plan (including Covid costs) with an in month adverse movement of £2.1m.
- The in month adverse movement was primarily driven by drugs expenditure reporting £1.3m over budget and an increase in the level of debt provision (Receivables Impairment) of £0.4m offset by lower than planned expenditure for Clinical Supplies which included the Trust inflation funding reserves.
- The year to date adverse variance of £4.5m includes adverse movements of £5.6m for Drugs, £4.3m impairment of receivables, £1.9m untaken annual leave provisions; offset by fire prevention works expenditure being lower than planned (£4.7m) and lower than planned expenditure on Clinical supplies (£9.9m).
- Overall Drugs expenditure is £5.6m adverse to plan. The adverse variances are funded by commissioners and are largely driven by neurology and clinical immunology drugs, with the balance spread across a range of service areas and pass-through drugs and devices. Some offset has been provided by a reduction in volume of Car-T in the year to date, totalling at £4.1m as at month 7. Costs historically fluctuate from month to month so this area of expenditure will be monitored closely over the remainder of the financial year.
- In month 7, Covid non-pay expenditure reports £0.2m higher than average monthly spend due to backdated costs. This has the impact of reducing the favourable variance to £0.3m year to date.

**Note:** The following non-recurrent items have been adjusted out of the March 2022 figure presented; Impairment-AME (£15.8m), R&D grossing-up (£10.9m), R&D NIHR grant (£11.0m), National PPE (£2.8m), Notional apprenticeship fund (£2.4m) and Loss on disposal (£0.5m)

<i>£millions</i>	In Month				Year to Date			
	Budget	Actual	Variance	Variance exc. Pay Award	Budget	Actual	Variance	Variance exc. Pay Award
<b>Non Covid:</b>								
Drugs	14.4	15.7	(1.3)	(1.3)	100.9	106.4	(5.6)	(5.6)
Clinical Supplies	17.1	16.7	0.5	0.5	118.5	108.6	9.9	9.9
Misc Other Operating expenses	0.1	1.0	(0.9)	(0.9)	0.0	6.9	(6.8)	(6.8)
Premises	4.6	5.1	(0.5)	(0.4)	32.3	34.0	(1.6)	(1.2)
Clinical Negligence	2.0	2.0	0.0	0.0	14.2	14.2	0.0	0.0
Other non pay costs ( including CIP )	4.7	3.9	0.8	0.8	32.8	29.4	3.4	3.4
<b>Total Recurrent</b>	<b>43.0</b>	<b>44.4</b>	<b>(1.5)</b>	<b>(1.4)</b>	<b>298.7</b>	<b>299.4</b>	<b>(0.8)</b>	<b>(0.4)</b>
Other non pay costs	0.2	0.3	(0.0)	(0.0)	1.7	1.3	0.3	0.3
Receivables impairment net of reversals	(0.2)	0.3	(0.4)	(0.4)	(1.2)	3.2	(4.3)	(4.3)
<b>Total Non-recurrent</b>	<b>0.1</b>	<b>0.5</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>0.5</b>	<b>4.5</b>	<b>(4.0)</b>	<b>(4.0)</b>
<b>Subtotal for non-covid</b>	<b>43.0</b>	<b>45.0</b>	<b>(1.9)</b>	<b>(1.9)</b>	<b>299.2</b>	<b>303.9</b>	<b>(4.8)</b>	<b>(4.4)</b>
<b>Covid:</b>								
Drugs	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1
Clinical Supplies	0.2	0.4	(0.1)	(0.1)	2.0	1.8	0.2	0.2
Misc Other Operating expenses	0.0	0.1	(0.1)	(0.1)	0.3	0.3	0.0	0.0
Premises	0.1	0.0	0.0	0.0	0.4	0.4	0.1	0.1
Clinical Negligence	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non pay costs ( including CIP )	0.2	0.3	(0.0)	(0.0)	1.9	2.0	(0.1)	(0.1)
<b>Subtotal for covid</b>	<b>0.6</b>	<b>0.8</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>4.9</b>	<b>4.6</b>	<b>0.3</b>	<b>0.3</b>
<b>Total Non Pay</b>	<b>43.6</b>	<b>45.8</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>304.0</b>	<b>308.5</b>	<b>(4.5)</b>	<b>(4.1)</b>

#### Key messages:

- The non pay position shows a £4.5m adverse year to date variance at month 7. The key drivers for this position are described on the earlier page.
- The negative budget for Receivables impairment net of reversals relates to a budgeted reduction in the level of Aged Debt. Changes in this metric are reported each month.

£'m	M2 YTD		M3		M4		M5		M6		M7		M8		M9		M10		M11		M12		YTD		Forecast	
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual
Total Pay Efficiencies	1.8	2.5	1.5	1.7	3.8	4.0	2.4	2.7	2.3	3.1	2.2	1.9	1.8		1.6		2.5		2.1		2.4		14.0	15.9	24.5	26.1
Total Non-pay Efficiencies	3.4	3.0	1.7	1.7	2.1	1.6	2.6	2.2	1.5	1.8	2.2	2.3	2.3		2.4		1.9		2.3		1.4		13.4	12.6	23.8	22.1
Total Income Efficiencies	5.6	5.6	0.8	0.8	0.8	0.7	0.8	0.8	0.8	(0.3)	0.8	1.0	0.8		0.8		0.8		0.8		0.8		9.7	8.6	13.7	13.8
Total Efficiencies - 2022/23	10.8	11.1	4.0	4.2	6.7	6.3	5.7	5.7	4.6	4.6	5.2	5.2	4.9	0.0	4.9	0.0	5.2	0.0	5.2	0.0	4.6	0.0	37.1	37.1	62.0	62.0

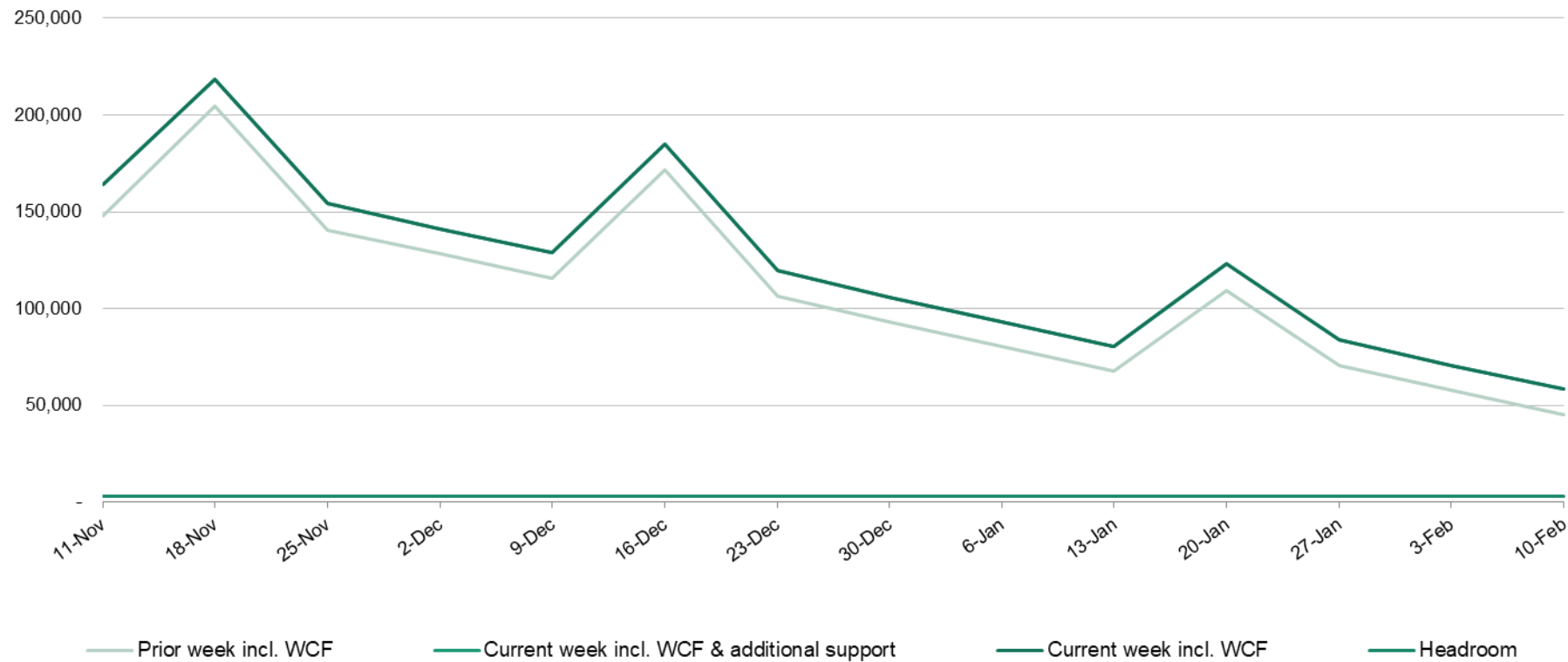
### Key messages:

- The Trust has identified £62.0m of efficiencies in line with plan; £42.0m are forecast to be recurrent. The plan includes £11.0m of non-recurrent savings that fund current year System support requirements.
- At month 7, the cumulative position reports in line with plan, with efficiencies of £37.1m achieved.
- Pay efficiencies are currently ahead of plan by £1.9m. Within this, recurrent initiatives are (£2.1m) adverse to plan and non-recurrent schemes are £3.9m ahead of plan.
- For non-pay efficiencies, initiatives are (£0.7m) adverse to plan, reporting achievement of £12.6m against plan of £13.4m.
- Income efficiencies are reporting adverse to plan by (£1.1m) driven by a shortfall in non-recurrent scheme delivery. This measure includes the non-recurrent campus development project income receipt of £4m.
- The latest full year efficiency forecast identifies full delivery of the plan however there is a significant estimated shortfall in recurrent savings of £5.6m. This is mainly attributed to Trust-wide and cross-divisional schemes.
- The Trust will continue to review existing schemes alongside the development plans across 22/23 with the clear objective to increase the proportion of schemes that will deliver recurrent benefits into 23/24.
- Please see appendices for detailed efficiency plan schedules.

	YTD Plan			YTD Actual Delivery			YTD Variance		
	£m	Non-		£m	Non-		£m	Non-	
		Recurrent	recurrent		Recurrent	recurrent		Recurrent	recurrent
Pay		13.6	0.4	14.0	11.5	4.4	15.9	(2.1)	3.9
Non-pay		12.9	0.5	13.4	11.4	1.2	12.6	(1.5)	0.7
Income		0.4	9.3	9.7	0.5	8.1	8.6	0.1	(1.2)
		26.9	10.2	37.1	23.4	13.7	37.1	(3.5)	3.5

	Full Year Plan			Forecast Full Year Delivery			Variance		
	£m	Non-		£m	Non-		£m	Non-	
		Recurrent	recurrent		Recurrent	recurrent		Recurrent	recurrent
Pay		23.8	0.7	24.5	20.6	5.5	26.1	(3.2)	4.8
Non-pay		23.2	0.6	23.8	20.7	1.4	22.1	(2.5)	0.8
Income		0.6	13.1	13.7	0.7	13.1	13.8	0.1	(0.0)
		47.6	14.4	62.0	42.0	20.0	62.0	(5.6)	5.6

# 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
<b>Programme</b>			
Orthopaedic theatres	7.0	5.9	1.0
Theatre equipment & infrastructure	1.8	-	1.8
P&Q ward modifications	1.1	-	1.1
Existing Estate/HV	4.2	2.4	1.8
Cancer Research Hospital (CCRH)	3.1	1.7	1.5
Thrombectomy	3.4	3.5	(0.1)
Medical Equipment Replacement	1.6	0.9	0.7
Children's Hospital (CCH)	2.9	1.9	1.0
Nuclear Medicine	1.8	2.2	(0.5)
e Hospital/Legacy Systems	1.6	0.1	1.5
Other Developments/PFI	2.2	1.7	0.4
<b>Programme Total</b>	<b>30.7</b>	<b>20.4</b>	<b>10.3</b>

Forecast		
Budget £m	Expenditure £m	Variance £m
14.9	14.9	-
4.1	4.1	-
2.5	2.5	-
9.9	10.0	(0.1)
5.3	5.3	-
5.9	5.9	-
3.7	3.7	-
5.9	5.9	-
3.0	2.8	0.2
3.0	3.5	(0.4)
4.2	3.8	0.4
<b>62.4</b>	<b>62.4</b>	<b>-</b>

### Key Issues/Notes Year to Date

£20.4m has been invested YTD, against a budget of £30.7m. The larger areas of spend this year have been:

- Orthopaedic theatres - £5.9m
- Thrombectomy - £3.5m
- Nuclear Medicine refurbishment - £2.2m
- Children's Hospital (CCH) - £1.9m
- Cancer Research Hospital (CCRH) - £1.7m

Spend continues to lag behind budget across most areas of the capital plan, although the gap of £10m has not widened in M7. YTD we have spent only 66% of the respective budget.

### Key Issues/Notes Forecast

The annual budget has reduced by £3.5m since last month due to a deferral of the receipt of funds from ACT for the MR upgrades (£2.5m) and an adjustment of the Orthopaedic Theatres budget (£1.0m). The latter reflects investment in 21/22 of £1.0m on equipment for that project.

Our forecast for 22/23 is in line with this revised lower annual budget of £62.4m, with a requirement for slippage on forecast projects of £1.9m to achieve this. There are risks around the delivery of the larger Estates projects and plans are being put in place to manage and mitigate any further slippage.

We have an annual budget of £0.6m for mid-year CAB approvals; at the end of M7 CAB had approved £0.2m of this.

## Balance sheet

	M7 Actual £m
<b>Non-current assets</b>	
Intangible assets	24.2
Property, plant and equipment	477.7
<b>Total non-current assets</b>	<b>501.9</b>
<b>Current assets</b>	
Inventories	11.8
Trade and other receivables	65.5
Cash and cash equivalents	179.2
<b>Total current assets</b>	<b>256.5</b>
<b>Current liabilities</b>	
Trade and other payables	(193.2)
Borrowings	(14.3)
Provisions	(6.3)
Other liabilities	(103.8)
<b>Total current liabilities</b>	<b>(317.6)</b>
<b>Total assets less current liabilities</b>	<b>440.8</b>
<b>Non-current liabilities</b>	
Borrowings	(116.6)
Provisions	(13.1)
<b>Total non-current liabilities</b>	<b>(129.7)</b>
<b>Total assets employed</b>	<b>311.1</b>
<b>Taxpayers' equity</b>	
Public dividend capital	583.3
Revaluation reserve	37.5
Income and expenditure reserve	(309.7)
<b>Total taxpayers' and others' equity</b>	<b>311.1</b>

### Balance sheet commentary at month 7

- The balance sheet shows total assets employed of £311.1m.
- Non-current liabilities at month 7 are £129.7m, of which £116.6m represents capital borrowing (including PFI and IFRS 16).
- Cash balances remain strong at month 7.
- The balance sheet includes £27.2m of resource to support the completion of the remedial fire safety works expected to be deployed over the coming years.
- International Financial Reporting Standard 16 (IFRS 16) changes the way in which leases are accounted and applies to the NHS from 1 April 2022. The impact on the Trust's balance sheet is that an additional £40m of non-current assets are recognised as at 1 April 2022, with a corresponding liability split £5m current liabilities and £35m non-current liabilities. The overall impact on net assets employed is therefore nil.