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Trust actual surplus / (deficit)

(£0.6m)	Actual (adjusted)*
(£0.6m)	Plan (adjusted)*
£0.5m	Actual YTD (adjusted)*
£0.5m	Plan YTD (adjusted)*



Elective Payment Mechanism (EPM)

EPM replaces ERF in 23/24 for the variable element of elective performance.

	In month	YTD
EPM forecast actual	£20.2m	£205.1m
Target adj. block increase	£1.0m	£10.3m
EPM actual + block increase	£21.2m	£215.4m
EPM original plan	£21.2m	£222.5m
EPM original target	£19.3m	£204.4m



Net current assets/(liabilities), debtor days, payables performance & EBITDA

Net current assets

(£96.3m)	Actual
(£50.9m)	Plan

Debtor days

21	This month
23	Previous month

Payables performance (YTD) **

85.2%	Value
85.1%	Quantity

EBITDA

£39.5m	Actual YTD
£35.7m	Plan YTD



Capital expenditure

£7.8m	Capital - actual spend in month
£41.5m	Capital - actual spend YTD
£38.3m	Capital - plan YTD



Cash

£133.6m	Actual
£136.1m	Plan

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 11 Financial Performance

- **The Month 11 year to date position is £0.5m surplus for performance management purposes.** This position is in line with our planned performance.
- The forecast outturn has improved to a break-even position following receipt of £3.0m of additional block payment funding to support the impact of Industrial Action in months 9 and 10 from NHSE.
- The following key points should be noted:
 - This position includes £9.5m of non-recurrent support.
 - Financial under performance is predominantly due to the impact of Industrial Action (IA), estimated at £17.5m for elective activity under performance year to date.
 - The NHSE confirmed reductions to the EPM target of 4%, alongside Specialised Commissioning target smoothing and the two block funding payments are to support Trusts to fully mitigate the impact of IA.
 - This is broadly the case for CUH, with the forecast value of the total NHSE support being estimated at £19.9m against a total IA impact of £27.8m for the full year. The residual pressure has been mitigated by underspends in non pay.
- Income favourable variance of £15.0m - Clinical income is favourable to plan by £6.4m and Devolved income is favourable to plan by £8.5m. Please see pages 10-14.
- Pay adverse variance of £13.7m - this position is due to direct costs associated with IA (£10.3m) and the adverse impact of IA on the Trust's ability to fully deliver the efficiency savings that were planned for the year to date. Please see pages 15-16.
- Non pay (including drugs) favourable variance of £2.5m - this position is driven by lower than planned activity and additional inflationary pressures not being identified so far. Please see pages 17-18.

Covid-19 Expenditure

- The Trust has received £5m of funding to cover Covid-19 expenditure in 23/24. The Trust is no longer required to report Covid-19 expenditure to NHSE and the Trust's internal reporting processes have been simplified.

Elective Payment Mechanism (EPM)

- The ERF schemes from previous years have now ended. Elective activity recovery in 23/24 is being incentivised via a 'variable' element of contract, where Trusts are paid on Payments by Results (PbR) for a selection of activity including Elective Inpatients, Day-cases, Outpatient First attendances, Outpatients procedures and Chemotherapy, known as the EPM.
- At month 11 YTD performance for the **EPM is in £0.6m above target and £17.5m below plan**, prior to target adjustments to support the impact of IA.

Additional funding to support the impact of IA:

- NHSE have provided further support for the impact of IA including the following three elements:
 1. A further target reduction of 2% - forecast additional income by year end of £3.9m
 2. A Specialised Commissioning target 'smoothing' adjustment – forecast additional income by year end of £3.2m
 3. A block payment to support the impact of IA – agreed with C&P ICB at £5.9m
 4. An additional block payment to support the pay impact of IA in month 9 and 10 – agreed with C&P ICB at £3.0m.
- The above items are in addition to the previous 2% target adjustment for April's IA.
- At month 11 YTD the impact of the target and smoothing adjustments is an increase in income payments of £10.1m and £8.9m block payment IA support.
- At month 11 YTD the adjusted **EPM performance is £10.9m above target and £7.2m below plan**.
- The target adjustments will provide a further £0.9m of financial support to the Trust by the end of the financial year.
- The total NHSE support for IA is now estimated at £19.9m against forecast IA costs of £27.8m.

Productivity and Efficiency Programme (PEP)

- For 23/24 the efficiency requirement will be delivered via Covid cost reduction, central efficiencies, direct 'cost out' and productivity / growth schemes.
- The current forecast is full delivery of the £53.1m target;
- Recurrent efficiencies currently total £46.9m and represent 90.0% of the total plan.
- The Month 11 PEP is performing in line with the plan. Pay efficiencies are currently behind plan by £5.8m with non-pay efficiencies favourable to plan by £2.6m and Income efficiencies £3.2m ahead of plan.
- The impact of ongoing IA means that planned productivity improvements driven by increased activity have not been achieved. Additionally, the Trust has needed to pay premium rates to cover staffing gaps.
- The Trust focus moves to developing the plans for 24/25 with the aim to increase productivity and deliver the planned cost efficiency schemes.

Cash and Capital Position



- The Trust received an initial system capital allocation for the year of £35.0m for its core capital requirements. In addition to this, we have received further funding for the Children's Hospital (£4.1m), Cancer Hospital (£6.4m), Community Diagnostics (£0.8m), and Secure Data Environments (1.8m). Together with capital contributions from ACT totalling £7.4m and technical adjustments in respect of PFI, the Trust's capital budget for the year now totals £58.3m.
- At Month 11 the capital programme is ahead of plan with spend year to date of £41.5m against a budget of £38.3m. This reflects a number of projects spending earlier than originally expected and does not indicate any actual overspending against project budgets. The forecast spend for the year remains on budget at £58.3m.
- 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.

£ Millions	In Month			Year to Date			Full Year	Full Year	Full Year
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Forecast	Variance
Clinical Income - exc. D&D*, EPM	65.3	70.5	5.2	717.8	717.3	(0.5)	782.9	772.1	(10.7)
Clinical Income - EPM variable	20.2	20.2	0.0	212.3	205.1	(7.2)	232.7	227.3	(5.4)
Clinical Income - D&D*	14.3	14.7	0.4	157.6	171.7	14.1	171.9	187.7	15.8
Devolved Income	15.3	15.3	(0.0)	168.6	177.2	8.5	183.9	194.3	10.4
Total Income	115.1	120.7	5.5	1,256.3	1,271.2	15.0	1,371.4	1,381.5	10.1
Pay	63.3	65.9	(2.6)	681.0	694.7	(13.7)	744.4	758.3	(13.9)
Drugs	15.9	17.7	(1.7)	175.2	191.0	(15.8)	191.2	208.2	(17.0)
Non Pay	33.3	34.4	(1.1)	364.4	346.1	18.3	397.4	373.2	24.2
Operating Expenditure	112.5	117.9	(5.4)	1,220.6	1,231.8	(11.2)	1,333.0	1,339.7	(6.7)
EBITDA	2.6	2.7	0.1	35.7	39.5	3.8	38.4	41.8	3.4
Depreciation, Amortisation & Financing	3.3	1.9	1.4	36.3	31.8	4.5	39.6	34.7	4.9
Reported gross Surplus / (Deficit)	(0.7)	0.8	1.5	(0.6)	7.7	8.3	(1.2)	7.1	8.3
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	0.2	0.1	1.1	(4.4)	(5.5)	1.2	(4.2)	(5.4)
IFRIC 12 scheme adjustments	0.0	(0.1)	(0.1)	0.0	(1.4)	(1.4)	0.0	(1.6)	(1.6)
Net benefit of PPE consumables transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjustment to remove PDC Dividend Benefit	0.0	(1.4)	(1.4)	0.0	(1.4)	(1.4)	0.0	(1.4)	(1.4)
Surplus / (Deficit) NHS financial performance basis	(0.6)	(0.6)	0.0	0.5	0.5	0.0	0.0	(0.0)	(0.0)

Please note that the values reported in the above table and throughout the report are subject to rounding

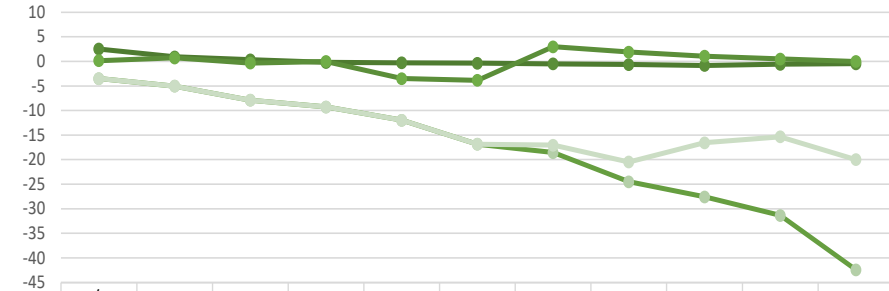
* D&D – drugs and devices.

Trust underlying performance

Key messages:

- 23/24 actual performance is forecast to meet plan but due to a range of non-recurrent items, outlined below, the Trust is forecasting an **underlying deficit of £42.4m**.
- Elective service productivity improvements could reduce the **underlying deficit to £20m**.
- This assessment is based on the Trust delivering the operational plan and includes the receipt of £5.9m from NHSE/I in Month 8 and £3.0m in month 11 in support of the costs of Industrial Action.
- At month 11, non-recurrent:
 - income benefits from the EPM baseline adjustments total £13.8m - (£15.0m full year).
 - support of £9.5m (£20.0m planned full year).
 - Industrial Action pay cost totals £10.3m at month 11.
- The Trust is planning to exit the year with an underlying monthly deficit which annualises at over £7.4m, if unfunded in 24/25.

Trust Monthly Financial Performance and Underlying Cumulative Performance (£'m)



	Apr/May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
23/24 Plan	2.5	0.9	0.3	(0.2)	(0.3)	(0.4)	(0.5)	(0.6)	(0.8)	(0.6)	(0.5)
23/24 Actual/Forecast Performance	0.2	0.7	(0.3)	0.0	(3.5)	(3.8)	3.0	1.9	1.1	0.5	0.0
Underlying Cumulative Performance	(3.5)	(5.0)	(7.9)	(9.3)	(12.0)	(16.9)	(18.5)	(24.5)	(27.6)	(31.3)	(42.4)
Underlying Cumulative Perf. + Mitigations	(3.5)	(5.0)	(7.9)	(9.3)	(12.0)	(16.9)	(17.0)	(20.5)	(16.6)	(15.3)	(20.0)

£'m	Actual M2 YTD	Actual M3 YTD	Actual M4 YTD	Actual M5 YTD	Actual M6 YTD	Actual M7 YTD	Actual M8 YTD	Actual M9 YTD	Actual M10 YTD	Actual M11 YTD	Forecast M12 YTD
NHS performance surplus / (deficit) - cumulative	0.2	0.7	(0.3)	0.0	(3.5)	(3.8)	3.0	1.9	1.1	0.5	0.0
Non-recurrent adjustments for Industrial Action											
Industrial action pay costs removed	2.2	3.0	4.1	5.3	6.0	5.9	5.9	7.0	8.9	10.3	10.3
Industrial action income removed (recognised in position)	0.0	0.0	0.0	0.0	0.0	0.0	(5.9)	(5.9)	(5.9)	(8.9)	(8.9)
Underlying plan adjustments											
Non-recurrent support	(3.3)	(5.0)	(6.7)	(8.3)	(6.5)	(6.9)	(7.0)	(9.0)	(9.5)	(9.5)	(20.0)
Baseline adjustment (EPM funding)	(2.5)	(3.8)	(5.0)	(6.3)	(7.5)	(8.8)	(10.0)	(11.3)	(12.5)	(13.8)	(15.0)
CUH service performance											
Exit expenditure run rate 23/24 is unfunded in 24/25	0.0	0.0	0.0	0.0	(0.5)	(3.3)	(4.5)	(5.9)	(7.7)	(8.1)	(7.4)
Non-recurrent non-pay budget support							(1.3)	(1.9)	(1.9)	(1.9)	(1.4)
Underlying 23/24 position - Exit run-rate	(3.5)	(5.0)	(7.9)	(9.3)	(12.0)	(16.9)	(18.5)	(24.5)	(27.6)	(31.3)	(42.4)
Mitigations											
Elective service exit run rate 23/24 increase	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.0	2.0	4.0	7.4
Elective service productivity increase	0.0	0.0	0.0	0.0	0.0	0.0	1.0	3.0	9.0	12.0	15.0
Mitigations	0.0	0.0	0.0	0.0	0.0	0.0	1.5	4.0	11.0	16.0	22.4
Underlying 23/24 position - Mitigated Position	(3.5)	(5.0)	(7.9)	(9.3)	(12.0)	(16.9)	(17.0)	(20.5)	(16.6)	(15.3)	(20.0)

Full Year Plan – key messages

£'m	M1&2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	23/24 Total
Operating income from patient care activities	196.8	98.4	98.4	103.2	99.3	101.0	101.0	101.0	101.0	101.0	101.0	1,202.1
Other operating income	27.8	13.9	13.9	14.9	14.1	14.1	14.1	14.1	14.1	14.1	14.1	169.3
Total operating income	224.5	112.3	112.3	118.1	113.4	115.1	115.1	115.1	115.1	115.1	115.1	1,371.4
Employee expenses	(118.2)	(59.5)	(59.7)	(66.0)	(61.6)	(63.1)	(63.2)	(63.3)	(63.3)	(63.3)	(63.4)	(744.4)
Operating expenses excluding employee expenses	(103.3)	(51.6)	(51.9)	(52.0)	(51.9)	(52.1)	(52.2)	(52.2)	(52.4)	(52.1)	(51.9)	(623.6)
Operating Surplus/(Deficit)	3.1	1.2	0.6	0.1	0.0	(0.1)	(0.2)	(0.3)	(0.5)	(0.3)	(0.2)	3.4
Finance income	1.2	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	7.0
Finance expense	(1.3)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(7.7)
PDC dividends payable/refundable	(0.7)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(3.9)
Net finance costs	(0.8)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(4.6)
Surplus/(Deficit) for the Period/Year	2.3	0.8	0.2	(0.3)	(0.4)	(0.5)	(0.6)	(0.7)	(0.9)	(0.7)	(0.6)	(1.2)
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	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2
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
Surplus/(Deficit) - NHS financial performance basis for the Period/Year	2.5	0.9	0.3	(0.2)	(0.3)	(0.4)	(0.5)	(0.6)	(0.8)	(0.6)	(0.5)	0.0

Key messages:

- The plan delivers a 23/24 break-even position on an NHS financial performance basis.
- It is assumed that any elective over-performance will be paid in full, the financial impact of IA will be fully mitigated by NHSE/I and that inflationary pressures will be contained within the modelled levels.
- Productivity and efficiency schemes totalling £53.1m are included within the overall plan. The programme will be delivered via improved productivity combined with cash releasing efficiencies.
- The plan for month 5 onwards has been updated to reflect the income and expenditure associated with the Medical and VSM Pay Award.

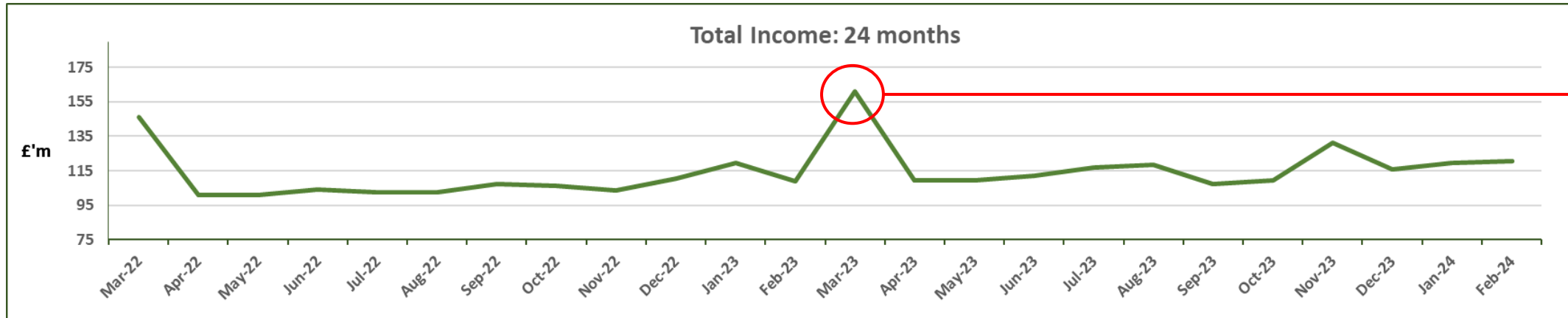
£'m	M11 YTD Plan	M11 YTD Actual	Variance	Key Variances
Operating income from patient care activities	1,101.1	1,108.4	7.3	Pass-through drugs income is higher than planned (£14.1m) and is driven by both cost and volume variations to plan. Injury cost recovery is £1.4m ahead of plan with Private Patients income £0.5m behind plan. Net other variable income elements are £7.7m behind the plan.
Other operating income	155.2	162.9	7.7	The favourable variance of £7.7m is driven by Donated asset income (£5.5m), Community Diagnostics Centre (CDC) income (£3.1m) and other recharges (£5.6m). Adverse variances include Fire safety works expenditure is (£7.3m) behind the initial plan following a review of the scheme expenditure so far (offsets with operating expenditure).
Total income	1,141.1	1,150.6	9.5	
Employee expenses	(681.0)	(694.7)	(13.7)	The primary drivers of the adverse position are the direct impact of the Industrial Action (£10.3m) and associated slippage on delivery of planned productivity and efficiency (£5.8m) offset by other favourable variances (£2.1m). The impact of premium rates of bank and agency pay are largely offset by fully funded vacancies (including medical pay award) but present an ongoing financial risk.
Operating expenses excluding employee expenses	(571.7)	(569.5)	2.1	The favourable position is driven by lower than planned expenditure on supplies and services (£18.7m) and premises costs (£4.7m), Clinical negligence (Maternity incentive scheme) rebate (£1.8m) offset by drugs expenditure over plan but largely offset by pass-through income (£15.8m) and non-allocated efficiency savings (£0.4m).
Operating surplus / (deficit)	3.6	7.0	3.4	
Finance costs				
Finance income	6.4	8.8	2.3	The Trust has received interest in excess of the plan - this is driven by higher interest rates payable on the Trust cash balances.
Finance expense	(7.1)	(5.9)	1.2	
PDC dividends payable/refundable	(3.6)	(2.2)	1.4	Revised accounting for PFI (IFRIC 12) reduces the PDC payable in year.
Net Finance costs	(3.8)	(0.5)	4.9	
Reported gross surplus/(deficit)	(0.6)	7.7	8.3	
Add back technical adjustments:				
Impairments (AME)	0.0	0.0	0.0	
Capital donations / Grants net I&E impact	1.1	(4.4)	(5.5)	
IFRIC 12 scheme adjustments	0.0	(1.4)	(1.4)	
Net benefit of PPE consumables transactions	0.0	0.0	0.0	
Adjustment to remove PDC dividend benefit	0.0	(1.4)	(1.4)	Removal of benefit of reduced PDC payable due to revised accounting for PFI (IFRIC 12).
Surplus/(Deficit) - NHS financial performance basis for the year to date	0.5	0.5	0.0	

Key messages:

- Year to date, on an NHS financial performance basis, the Trust is reporting a £0.5m surplus. This means the Trust is performing in line with plan.

£'m

	In Month			Year to Date		
	Plan	Actual	Variance	Plan	Actual	Variance
Elective admissions	13.8	10.1	(3.7)	136.2	128.4	(7.8)
Non-elective admissions	15.9	15.3	(0.6)	184.2	187.0	2.7
Outpatients - First	4.8	6.1	1.3	49.4	45.5	(3.9)
Outpatients - Follow-up	6.4	6.1	(0.3)	67.2	65.9	(1.3)
A&E	3.7	5.2	1.5	42.9	55.9	13.0
High-cost drugs income from commissioners	14.3	14.7	0.4	157.6	171.7	14.1
Other Clinical Income	40.9	47.8	7.0	450.2	439.8	(10.5)
Total Clinical Income	99.8	105.3	5.5	1,087.7	1,094.1	6.4
Devolved Income	15.3	15.3	(0.0)	168.6	177.2	8.5
Total Trust Income	115.1	120.7	5.5	1,256.3	1,271.2	15.0



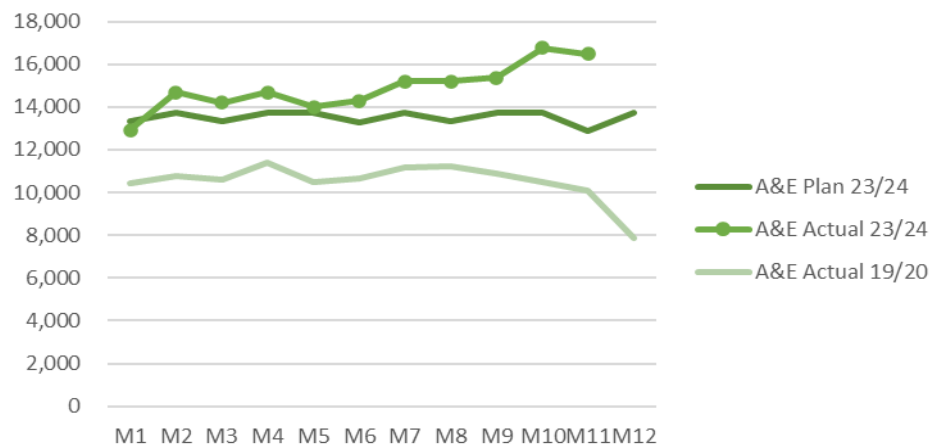
Note: The March 2023 figures include additional funding from NHSE/I for the non-consolidated pay award (£21.1m), the impact of R&D consortium arrangements accounted for in M12 (£13.6m), apprenticeship funding (£2.4m) and national PPE funding (£2.2m). All of which included matched expenditure in M12.

Key messages:

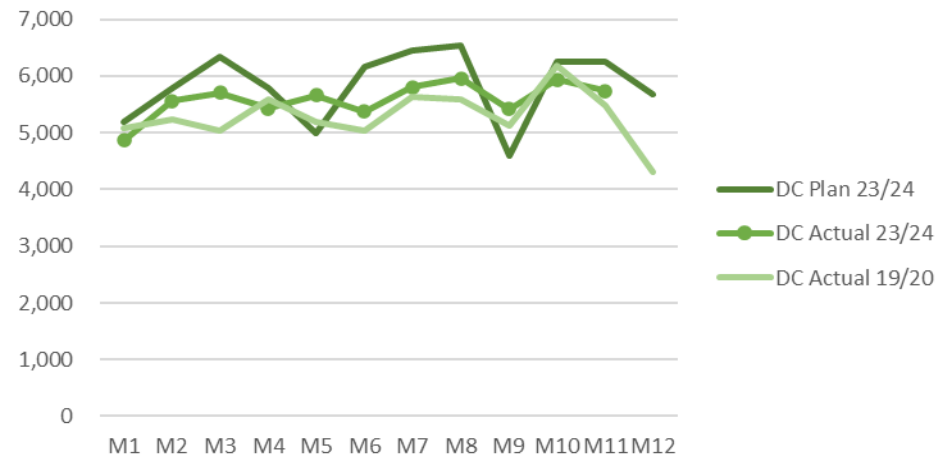
- The Trust income position is favourable to plan by £15.0m year to date.
- Clinical income is £6.4m ahead of plan in the year to date. High-cost drugs income from commissioners (pass-through drugs and devices) is £0.4m ahead of plan in month and £14.1m year to date. The position includes £8.9m of pay support funding and £10.1m of EPM / target smoothing which offsets the adverse impact of the IA to month 11.
- Devolved income is favourable year to date by £8.5m - this includes favourable variances for Community Diagnostic Centre (£3.1m), NHS injury scheme (£1.4m), donated income (£5.5m), Clinical excellence awards (£4.2m) with offsetting adverse variance in Clinical income, Education and training and R&D (£1.5m), fire safety works (£7.3m) and Private Patients income (£0.5m), utility recharges (£1.4m) and other adverse variances (£3.9m).

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

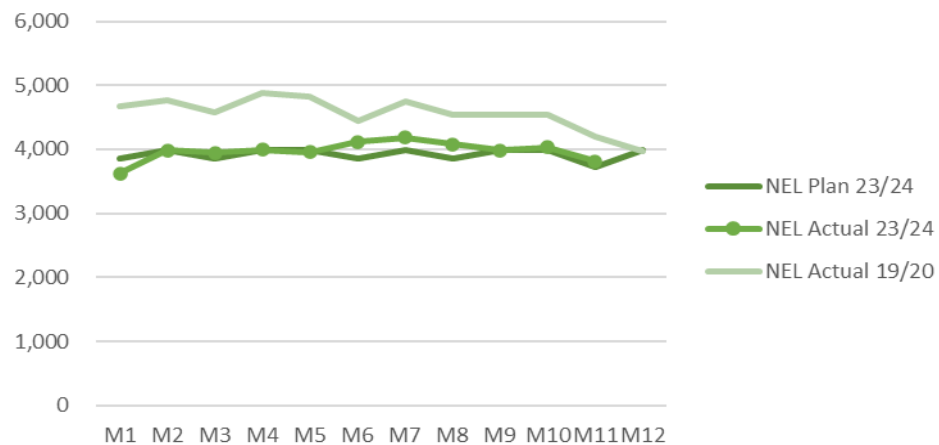
A&E



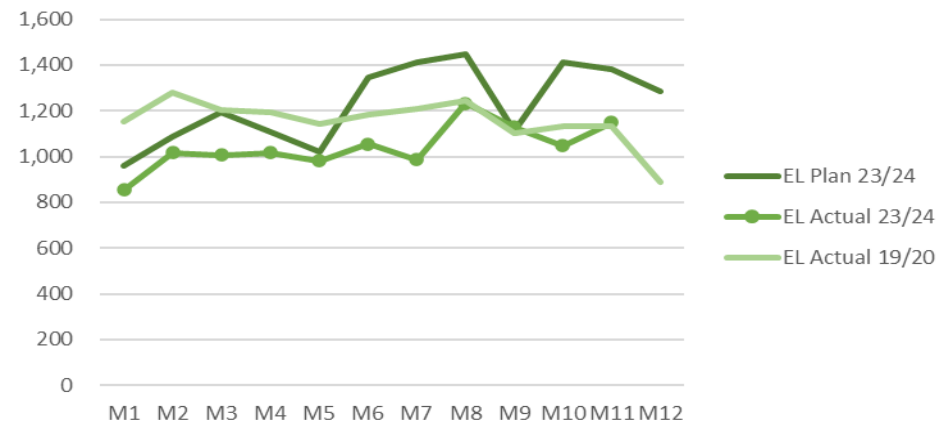
Day Case



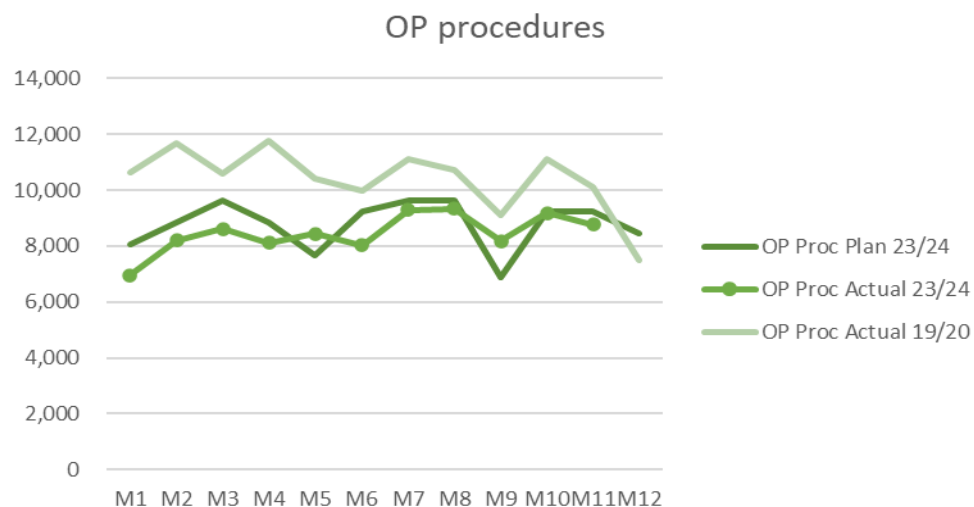
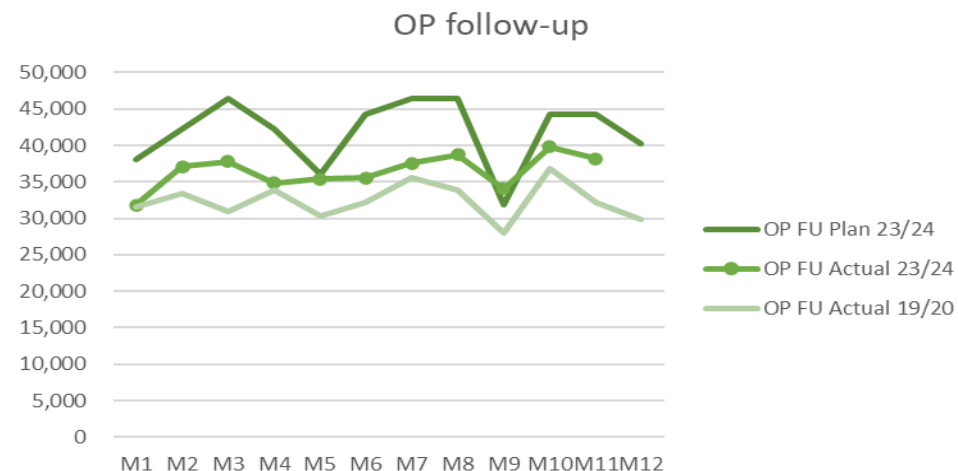
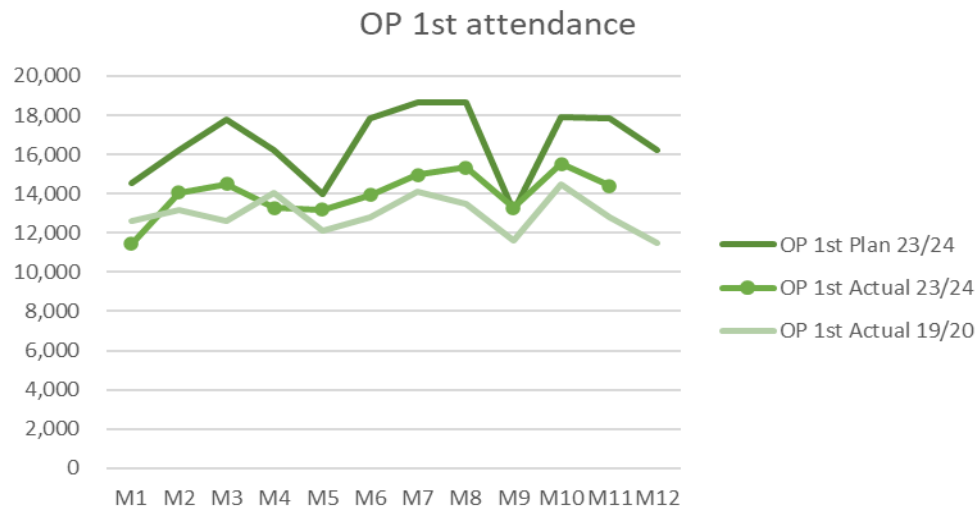
Non-Elective Inpatient



Elective Inpatient



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



Key messages:

- A&E attendances continue to perform higher than both plan and 19-20 levels at month 11. Year to date, A&E is 10.2% above plan and in month 28% above plan.
- Non elective spells were close to plan at month 11. Year to date, NEL is 1.5% above plan and in month 2.2% above plan.
- Elective spells have a plan that is phased with a larger proportion towards the end of the year, however, in month are un-performing by 16.9% against plan. Year to date, EL is 14.9% below plan.
- Day cases performed lower than plan at month 11. Year to date, PSD is 4.6% below plan and in month 8.1% below plan.
- Outpatient 1st attendances were below plan by 19.3% at month 11. Year to date, OP 1st are 15.8% below plan.
- Outpatient follow-up attendances were also below plan by 13.8% at month 11. Year to date, OP FUP is 13.4% below plan.
- Outpatient procedures performed below plan by 5.0% at month 11. Year to date, OP proc are 3.8% below plan.

Clinical Income – Elective Payment Mechanism (EPM) 1

EPM:
 Elective activity recovery in 23/24 is via a 'variable' element of the contract, where Trusts are paid on PbR for a selection of activity including Elective Inpatients, Day-cases, Outpatient First attendances, Outpatients procedures and Chemotherapy.
 In August the National Team released a detailed methodology for costing ERF and this has been used in our reporting going forward. In March actual performance data for months 1 to 8 were released using the latest tariff prices.
 The below table shows the outcome of the national methodology, with months 9 – 11 forecasted internally.

EPM is £0.6m above original target YTD which falls £17.5m below planned levels.

Please note:

An internal estimate for month 11 for the impact of the new movement hub that opened in month 8 has been included in the table below.
 As EPM performance is in an open period throughout the year, the forecast EPM value is subject to change.
 The Trust has received £8.9m (full year effect) support from NHSE/I for Industrial Action staff cost pressures.

Commissioner	Month 11 23/24						YTD 23/24					
	Target £m	Actual £m	Variance £m	Plan £m	Actual £m	Variance £m	Target £m	Actual £m	Variance £m	Plan £m	Actual £m	Variance £m
NHSE	7.7	7.9	0.2	8.4	7.9	(0.5)	81.5	77.8	(3.7)	88.1	77.8	(10.3)
C&P ICB	7.4	7.2	(0.2)	8.2	7.2	(1.0)	78.5	82.6	4.1	85.8	82.6	(3.2)
Associate ICBs	4.2	4.2	(0.0)	4.6	4.2	(0.4)	44.5	40.9	(3.5)	48.6	40.9	(7.7)
M11 estimate Hub extra capacity impact	0.0	0.9	0.9	0.0	0.9	0.9	0.0	3.7	3.7	0.0	3.7	3.7
Total	19.3	20.2	0.9	21.2	20.2	(1.0)	204.4	205.1	0.6	222.5	205.1	(17.5)

EPM – National Approach IA:

Guidance was first published in mid August on how the NHS plans to deal with IA in monitoring of these elective recovery plans. Initially, a 2% target reduction was actioned. A further target reduction of 2% was subsequently announced to support the impact of industrial action since June. This has been applied to month 11 reporting.

Using the latest national targets and monthly actuals, the equivalent table to the previous page with an updated reduced target can be seen below.

EPM is £10.9m above the adjusted target YTD and £7.2m below the adjusted plan after accounting for the increase in block payment.

Please note:

An internal estimate for month 11 for the impact of the new movement hub that opened in month 8 has been included in the table below.

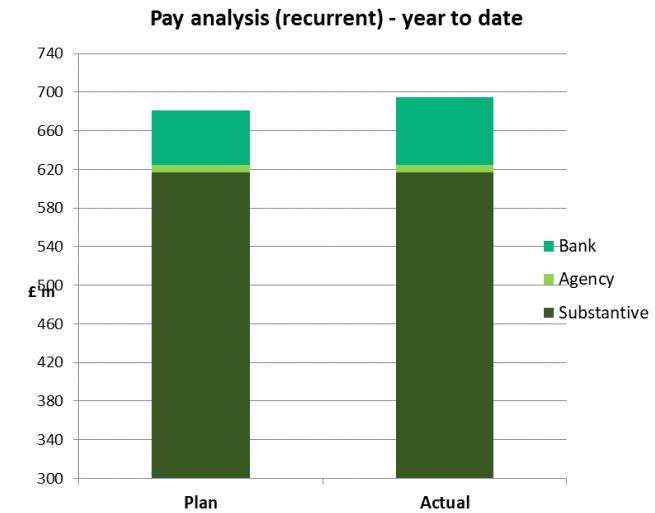
As EPM performance is in an open period throughout the year, the forecast EPM value is subject to change.

The Trust has received £8.9m (full year effect) support from NHSE/I for Industrial Action staff cost pressures.

Commissioner	Month 11 23/24						YTD 23/24					
	Target £m	Actual £m	Variance £m	Plan £m	Actual £m	Variance £m	Target £m	Actual £m	Variance £m	Plan £m	Actual £m	Variance £m
NHSE	7.1	7.9	0.8	8.4	7.9	(0.5)	75.7	77.8	2.0	88.1	77.8	(10.3)
C&P ICB	7.1	7.2	0.1	8.2	7.2	(1.0)	75.6	82.6	7.1	85.8	82.6	(3.2)
Associate ICBs	4.0	4.2	0.2	4.6	4.2	(0.4)	42.8	40.9	(1.9)	48.6	40.9	(7.7)
M11 estimate Hub extra capacity impact	0.0	0.9	0.9	0.0	0.9	0.9	0.0	3.7	3.7	0.0	3.7	3.7
Total Variable	18.3	20.2	1.9	21.2	20.2	(1.0)	194.2	205.1	10.9	222.5	205.1	(17.5)
Target adj. block increase	0.0	0.0	0.0	(1.0)	0.0	1.0	0.0	0.0	0.0	(10.3)	0.0	10.3
Total Overall	18.3	20.2	1.9	20.2	20.2	0.0	194.2	205.1	10.9	212.3	205.1	(7.2)

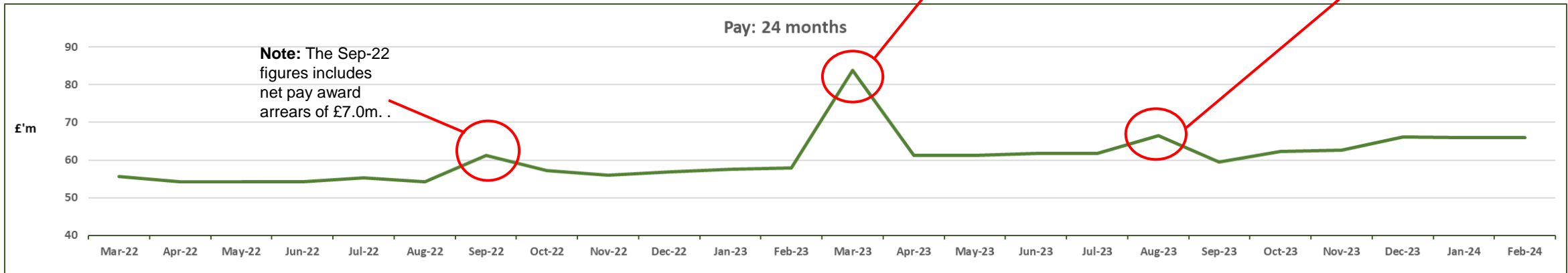
Key messages:

- The Trust has an adverse pay position of £13.7m in the year to date. The adverse impact of Industrial Action has been assessed at £10.3m year to date. The current operating environment including high-levels of vacancies and sickness means that pressure remains for both volume and cost of temporary staffing measures.
- Bank spend as a proportion of the year to date pay bill is 10.1% while agency spend for the same time period is 1.1%. This compared to 8.5% for bank and 1.2% for agency in 22/23. The main driver for the bank spend is the adverse impact of the Industrial Action and the additional shifts required to cover sickness and other vacancies although management action is has reduced the levels of bank enhancements offered and the volume of bank and agency shifts requested.
- The position includes vacancy factors and pay efficiency targets of £30.0m year to date.
- The reported position recognises the Agenda for Change (AfC) pay settlement of 5% which was paid in the June payroll and Medical and VFM settlements that were paid in September payroll. The Trust has recognised additional income to cover pay award costs in excess of the 2.1% that was originally funded.



Note: The Mar-23 figure includes non-consolidated pay award (£21.1m).

Note: The Aug-23 figure includes the Medical and VFM pay award (£5.3m).



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. Additionally, central NHS pension contributions are excluded from March '22 and March '23 totals.

Pay - Staff group

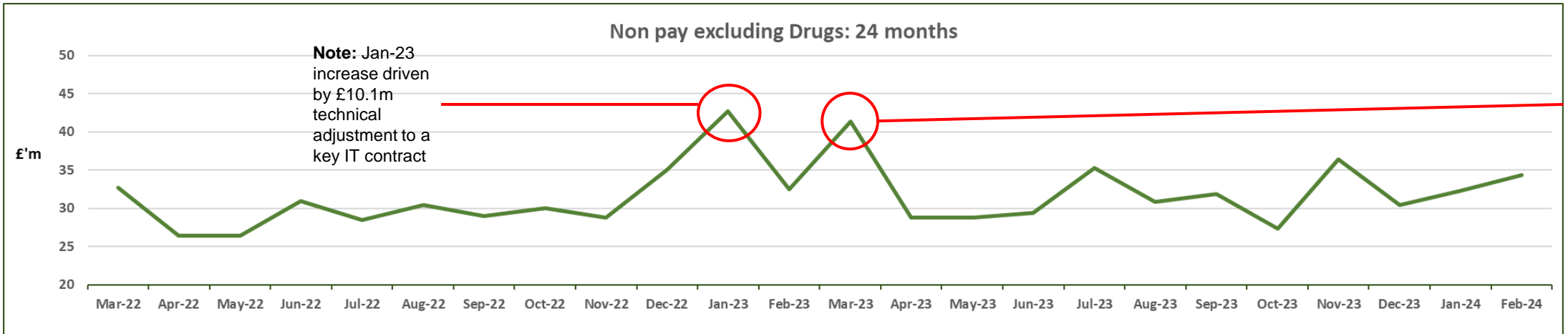
<i>£ Millions</i>	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Administrative & Clerical & Ancillary	10.6	11.4	(0.8)	114.4	121.3	(6.9)
Allied Healthcare Professionals	3.9	3.8	0.1	40.0	41.5	(1.5)
Clinical Scientists & Technicians	6.0	5.9	0.2	64.0	62.6	1.4
Medical and Dental	20.5	21.1	(0.7)	221.4	229.5	(8.1)
Nursing	22.3	23.6	(1.3)	241.1	239.8	1.3
Total Pay Cost	63.3	65.9	(2.6)	681.0	694.7	(13.7)

Pay - Employee type

<i>£ Millions</i>	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Agency	0.7	1.0	(0.4)	7.6	7.8	(0.2)
Bank	5.2	7.4	(2.2)	56.8	70.2	(13.5)
Contracted	0.4	0.5	(0.1)	3.9	5.3	(1.4)
Substantive	57.1	57.0	0.2	612.8	611.4	1.4
Total Pay Cost	63.3	65.9	(2.6)	681.0	694.7	(13.7)

Key messages:

- Pay expenditure has an adverse variance of £13.7m. Direct cost pressures resulting from industrial action in the year to date total £10.3m. This was mainly incurred within the Medical and Dental category.
- The adverse variance of £2.6m in month has been driven by the IA costs of £1.4m and increased bank and agency expenditure over and above the net plan that includes year to date vacancy factors (pay slippage) of £26.8m and unallocated pay efficiency targets of £3.2m.
- The industrial action has adversely affected the Trust's ability to fully deliver the pay efficiency savings that were planned for the year to date so these schemes are £5.8m adverse to plan at Month 11.
- Agency spend year to date represents 1.1% of Trust wide pay expenditure. This is in line with performance in 22/23 and is significantly below the NHS E threshold target of 3.7% of total pay bill.
- NHSE has provided additional funding to the ICS to offset £5.9m the Industrial Action pay costs incurred to Month 8. The Trust has received additional funding of £3.0m to offset IA costs for Month 9 and Month 10. This means the Month 11 IA adverse pay impact has not been funded by NHSE at the time of this report.



Note: The following non-recurrent / pass-through items have led to the March 2023 increase; R&D consortium grossing up and pass-through expenditure (£29.8m), National PPE (£2.2m) and Notional apprenticeship fund (£2.4m)

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 11, the Trust's non pay position is £2.5m favourable to plan year to date with expenditure £2.8m adverse to plan in month.
- Favourable year to date variances total £22.8m across supplies and services and premises driven by lower than planned clinical activity and lower inflationary pressures. There are non-recurrent benefits of £0.5m due to a reduction in movement in credit loss on receivables. In addition £2.3m of improvement to NHS aged debt is recoded to devolved income at M11. There is a further £1.8m Clinical negligence rebates relating to the 22/23 Maternity incentive scheme allocations.
- Overall drugs expenditure is £15.8m adverse to plan with pass-through drugs offsetting the majority of this variance. The Trust continues to receive additional funding to cover this additional pass-through expenditure subject to normal contractual reviews.
- Drug costs historically fluctuate from month to month so this area of expenditure will be kept under review to establish whether the current cost pressure is sustained in future months.

<i>£millions</i>	In Month			Year to Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Supplies and services	19.6	17.4	2.2	212.4	193.7	18.7
Drugs	15.9	17.7	(1.7)	175.2	191.0	(15.8)
Premises	8.0	8.3	(0.3)	88.1	84.1	4.1
Movement in credit loss on receivables	(0.4)	2.4	(2.8)	(4.6)	(0.5)	(4.1)
Clinical negligence	2.3	2.3	0.0	25.1	23.4	1.8
Efficiency savings	(0.2)	0.0	(0.2)	(2.3)	0.0	(2.3)
All other non pay	4.1	4.1	(0.0)	45.5	45.5	0.1
Total Non Pay	49.2	52.1	(2.8)	539.6	537.1	2.5

Key messages:

- The non pay position shows a £2.5m favourable year to date variance at month 11. The key drivers for this position are described on the previous page.
- The negative budget for movement in credit loss on receivables (bad debt provisions) relates to a planned improvement in the level of aged debt (£5.0m) offset by the increase in Injury Cost Recovery provision. Of this plan £2.3m of improvement in the NHS aged debt has been reported against devolved income. It is expected that the Trust will deliver the planned £5.0m improvement in aged debt position at year-end.

£m	YTD Plan			YTD Actual Delivery			YTD Variance		
	Recurrent	Non-recurrent	Total	Recurrent	Non-recurrent	Total	Recurrent	Non-recurrent	Total
Pay	32.2	0.0	32.2	21.7	4.8	26.5	(10.5)	4.8	(5.8)
Non-pay	13.5	0.9	14.4	17.1	0.0	17.1	3.6	(0.9)	2.6
Income	0.1	0.1	0.2	3.3	0.1	3.4	3.1	0.0	3.2
	45.9	1.0	46.9	42.0	4.9	46.9	(3.9)	3.9	0.0

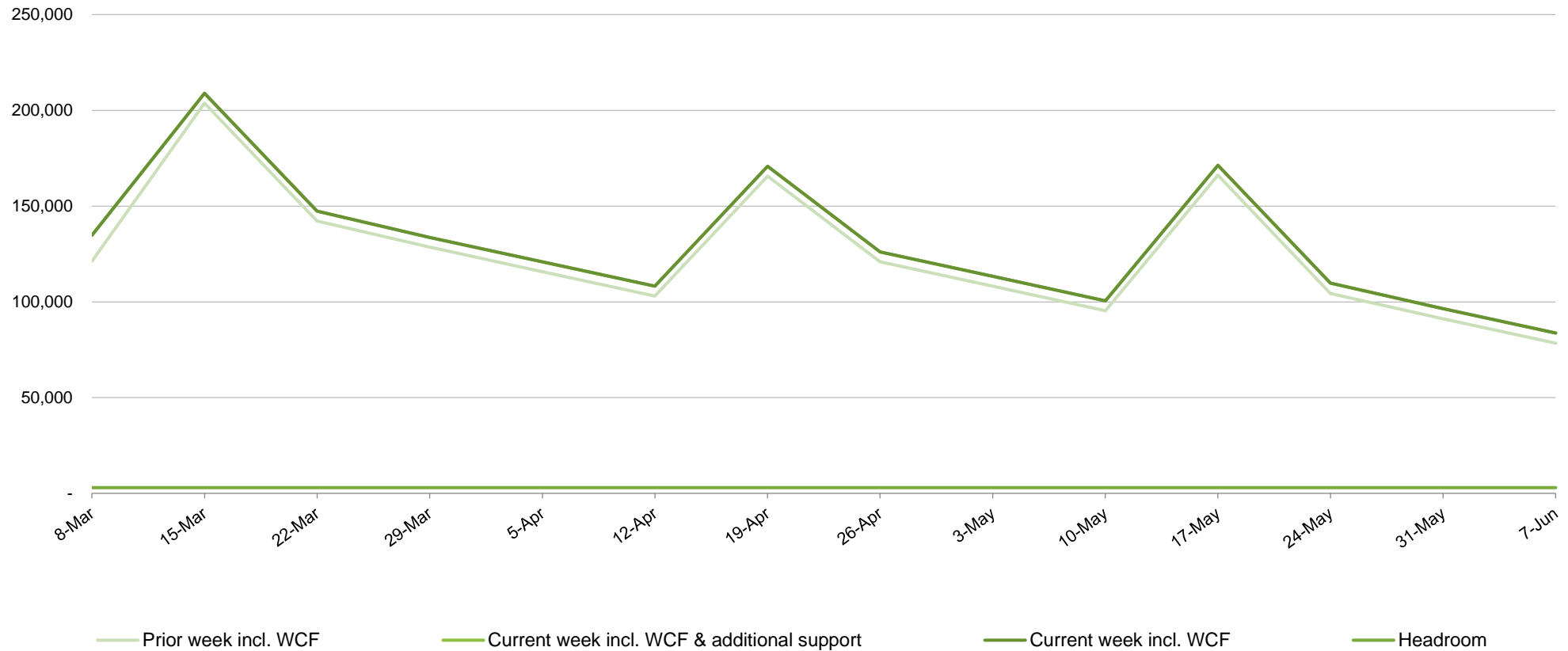
£m	Full Year Plan			Forecast Full Year Delivery			Variance		
	Recurrent	Non-recurrent	Total	Recurrent	Non-recurrent	Total	Recurrent	Non-recurrent	Total
Pay	34.5	0.0	34.5	23.6	5.2	28.8	(10.8)	5.2	(5.6)
Non-pay	17.4	1.0	18.4	20.7	0.0	20.7	3.3	(1.0)	2.3
Income	0.2	0.1	0.2	3.6	0.1	3.7	3.4	0.0	3.5
	52.0	1.1	53.1	47.9	5.3	53.2	(4.1)	4.2	0.1

Key messages:

- Please see the appendix for the detailed efficiency plan.
- The Trust has identified £64.2m efficiencies against a target of £53.1m and is forecasting £53.2m of in year delivery. Of this, £47.9m is recurrent, representing 90% of the total plan.
- The overall position at M11 shows performance in line with the plan.
- The position shows pay efficiencies are currently behind plan by £5.8m with non-pay efficiencies favourable to the plan by £2.6m and Income efficiencies £3.2m ahead of plan.
- The impact of Industrial Action meant that planned productivity improvements driven by increased activity have not been achieved. Additionally the Trust has needed to pay premium rates to cover staffing gaps.
- Significant focus now placed on identifying the schemes that will underpin the 24/25 PEP plan.

£'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	5.9	3.6	3.1	2.0	2.9	1.8	2.7	3.2	2.9	2.6	2.9	3.9	2.9	2.7	2.7	3.1	2.9	2.4	3.3	1.1	2.2	0.0	32.2	26.5	34.5	28.8
Total Non-pay Efficiencies	2.5	3.0	1.3	1.2	1.3	1.6	1.3	1.6	1.4	0.9	1.3	1.4	1.3	1.7	1.3	1.3	1.3	1.4	1.3	3.1	3.9	0.0	14.4	17.1	18.4	20.7
Total Income Efficiencies	0.0	0.6	0.0	0.6	0.0	0.3	0.0	0.4	0.0	0.5	0.0	(0.1)	0.0	0.3	0.0	(0.1)	0.0	0.4	0.0	0.6	0.0	0.0	0.2	3.4	0.2	3.7
Total Efficiencies - 2023/24	8.4	7.1	4.4	3.9	4.2	3.7	4.0	5.1	4.3	4.0	4.2	5.3	4.3	4.6	4.0	4.3	4.2	4.2	4.7	4.7	6.2	0.0	46.9	46.9	53.1	53.2

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 11 capital expenditure position

Year to Date (Month 11)			
	Budget	Actuals	Variance
	£m	£m	£m
Programme			
Cambridge Movement Surgical Hub (CMSH)	7.0	7.4	(0.4)
Existing Estate/HV/Thrombectomy	6.2	11.1	(4.9)
Cancer Research Hospital (CCRH)	5.4	4.9	0.5
Medical Equipment Replacement	6.8	8.3	(1.4)
Children's Hospital (CCH)	2.7	2.9	(0.3)
Nuclear Medicine	0.2	0.3	(0.2)
Community Diagnostic Hub/Centre (CDC)	0.8	0.3	0.5
eHospital/Legacy IT Systems	1.0	0.6	0.4
Other Developments/PFI	8.2	5.6	2.6
Programme Total	38.3	41.5	(3.2)

Forecast		
Budget	Expenditure	Variance
£m	£m	£m
7.0	7.4	(0.4)
9.9	14.0	(4.1)
6.4	6.5	(0.1)
14.7	14.9	(0.3)
4.1	4.1	-
0.2	0.3	(0.2)
0.8	0.8	-
1.2	2.0	(0.7)
14.0	8.2	5.8
58.3	58.3	-

Key Issues/Notes Year to Date

£41.5m has been invested YTD, compared to a budget of £38.3m; an overspend of £3.2m. This overspend is due to earlier than budgeted spend on Medical Equipment replacement and planning for CCH; both of which are just timing issues - their full year forecasts are in line with budget.

The larger areas of spend this year have been:

- Cambridge Movement Surgical Hub (CMSH) - £7.4m
- Replacement & Installation of Medical Equipment - £6.5m
- Cambridge Cancer Research Hospital (CCRH) - £4.9m
- Cambridge Children's Hospital (CCH) - £2.9m
- Replacement Surgical Skills Centre (categorised above under 'Existing Estate') - £2.2m
- ACT-funded surgical robot (categorised under 'Other Developments') - £1.9m
- Replacement of original surgical robot (categorised under 'Medical Equipment Replacement') - £1.7m
- High Voltage (HV) network improvements - 1.0m
- Nuclear Medicine refurbishment - £0.3m

Key Issues/Notes Forecast

This financial year has seen the opening of the 2 U block wards, CMSH (3 theatres attached to wards P2 & Q2), the new Thrombectomy suite, the refurbished Nuclear Medicine department, the commissioning of the ACT-funded second surgical robot, the replacement of our previous robot, and replacement Cath lab and an OP x-ray. In the remaining month of the year we expect to open a replaced x-ray in ED and continue progress on projects including the purchase of equipment for the CDC and a Secure Data Environment for R&D work and preparatory work for 2 linear accelerators. We will also continue other larger projects, notably CCRH and CCH, as well as preparing for the reopening of 3 neuro theatres in the A block (which will open at the end of April 2024).

Following receipt of an additional £200k MoU to purchase four Cepheid machines for hepatitis screening in prisons our forecast and budget for the year have both increased to £58.3m

Balance sheet

	M11 Actual £m
Non-current assets	
Intangible assets	19.9
Property, plant and equipment	564.7
Total non-current assets	584.6
Current assets	
Inventories	13.4
Trade and other receivables	50.3
Cash and cash equivalents	133.6
Total current assets	197.3
Current liabilities	
Trade and other payables	(191.1)
Borrowings	(15.5)
Provisions	(11.8)
Other liabilities	(75.2)
Total current liabilities	(293.6)
Total assets less current liabilities	488.3
Non-current liabilities	
Borrowings	(150.9)
Provisions	(9.5)
Total non-current liabilities	(160.3)
Total assets employed	328.0
Taxpayers' equity	
Public dividend capital	616.0
Revaluation reserve	47.0
Income and expenditure reserve	(335.0)
Total taxpayers' and others' equity	328.0

Balance sheet commentary at month 11

- The balance sheet shows total assets employed of £328.0m.
- Non-current liabilities at month 11 are £160.0m, of which £150.9m represents capital borrowing (including PFI and IFRS 16).
- Cash balances remain strong at month 11.
- The balance sheet includes £18.1m of resource to support the completion of the remedial fire safety works expected to be deployed over the coming years.