

**Meeting:** Finance and Business Performance Committee

**Date:** 27 February 2024

<b>Agenda item</b>	Month 10 2023/24 Finance Report
<b>Board Lead</b>	Jon Evans – Chief Finance Officer
<b>Author</b>	Philip Blandford – Head of Financial Management; Justine Stratfold – Financial Controller
<b>Appendices</b>	Month 10 2023/24 Finance Report
<b>Purpose</b>	Assurance
<b>Previously considered</b>	F&BPC 27.02.2024

**Executive summary**

As at Month 10 2023/24, the Trust is reporting a year-to-date (YTD) deficit of £(16.4)m, £(1.2)m behind the Month 10 YTD planned deficit of £(15.2)m. This performance was £(0.7)m worse than forecast.

Month 10 YTD, the Trust has delivered efficiencies of £17.1m, £(7.8)m behind the plan. At Month 10 the Trust is forecasting to deliver £28.4m of the £36.2m 2023/24 efficiency plan, including divisional and one-off programmes under 'financial controls'. This forecast £(7.8)m shortfall in efficiency plan delivery is required to be mitigated either through additional efficiencies; reductions in planned run rate of expenditure or delayed / reduced investments.

As at Month 10, the Trust has delivered £23.3m of the annual £58.7m 2023/24 Capital plan and is expecting to deliver in line with the Trust's Capital Resource Limit for 2023/24.

The closing Cash balance at the end of Month 10 2023/24 was £2.2m (£0.2m better than forecast), with the forecast Cash balance at the end of 2023/24 being £1.94m.

Applications for additional cash support have been submitted to the NHSE team.

A verbal update will be provided following consideration by the Finance & Business Performance Committee on 27 February 2024.

<b>Decision</b>	The Committee is requested to take assurance from the report		
<b>Relevant strategic priority</b>			
Outstanding Care <input checked="" type="checkbox"/>	Healthy Communities <input checked="" type="checkbox"/>	Great Place to Work <input checked="" type="checkbox"/>	Net Zero <input type="checkbox"/>
<b>Relevant objective</b>			
<input type="checkbox"/> Improve waiting times	<input type="checkbox"/> Improve access and effectiveness of Trust services for communities experiencing the poorest outcomes	<input type="checkbox"/> Improve the experience of our new starters	
<input type="checkbox"/> Improve safety		<input type="checkbox"/> Upskill operational and clinical managers	
<input checked="" type="checkbox"/> Improve productivity			
<b>Implications / Impact</b>			
<b>Patient Safety</b>	Maintaining patient safety whilst living within our financial means		
<b>Risk: link to Board Assurance Framework (BAF) and local or Corporate Risk Register</b>	Principal Risk 2: Failure to deliver our annual financial plan		
<b>Financial</b>	Achieving our financial targets for 2023/24		
<b>Compliance NHS Regulation</b>	Achieving the NHSE approved 2023/24 financial plan		

<b>Partnership: consultation / communication</b>	Achieving our part of the BOB ICB 2023/24 Financial Plan
<b>Equality</b>	Equality is considered in all aspects of financial planning, support and reporting
<b>Quality Impact Assessment [QIA] completion required?</b>	N/A

Finance Report Month 10 - 31st January, 2024

OUTSTANDING CARE  
HEALTHY COMMUNITIES  
AND A GREAT PLACE TO WORK

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## Executive Summary

**Table 1 - Income and Expenditure Summary**

£m	Annual Plan	Year to Date			In Month		
		Plan	Actuals	Variance	Plan	Actuals	Variance
<b>I&amp;E Surplus / (Deficit)</b>	<b>(12.1)</b>	(15.2)	(16.4)	<b>(1.2)</b>	(0.7)	(1.4)	<b>(0.7)</b>

The Trust planned a deficit of £(15.2)m by Month 10 and reported an actual deficit of £(16.4)m, a worse than plan position of £(1.2)m.

In month, performance was worse than plan, by £(0.7)m, due to impact of industrial action on pay and contract income not included in the plan.

**Key drivers of performance to date are:**

Description (£m)	Variance	Narrative
Outsourced diagnostics	(1.9)	Higher than planned use of radiology MRI and CT scanning and reporting to recover performance
Industrial action pay costs	(1.2)	Net medical pay costs. Does not include cost of lost activity, reduced due to higher pay deductions
Industrial action income	4.3	Allocation of national funding to cover IA disruption and costs to November
Utilities	1.9	Gas and electricity costs lower than additional planned spend
Investments	2.0	Lower than planned spend in agreed investments
GRNI reversal	1.5	Additional benefit against £1.5m non-recurrent CIP
Other CIP under-delivery	(6.2)	Under-delivery on efficiencies, inc VAT reclaim and PFI settlement (£2.0m), offset by GRNI reversal
Property Services PFI	(2.7)	Overspend on North and South Bucks PFI; scaffolding for Wycombe Tower and pre-work for projects
Industrial Action lost income	1.3	Income lost due to reduced activity during strike days
Other	(0.2)	Various small items
<b>I&amp;E Surplus / (Deficit)</b>	<b>(1.2)</b>	

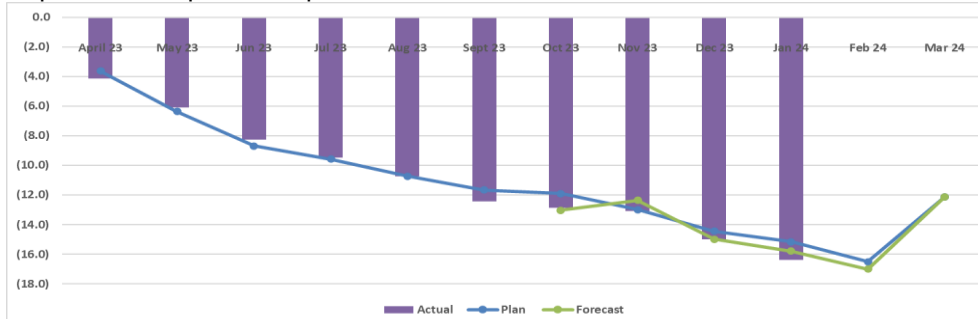
**Year end forecast:**

The Trust assessed and confirmed the delivery of its planned deficit of -£12.1m in-year, as part of the NHSE reforecast process in November. Key assumptions being no This was, subject to the assumption of no further Industrial Action, as directed by NHSE, lower pay costs and higher elective activity levels than the first half of the financial year.

Junior Doctor strikes took place in Dec / Jan, worsening the year end forecast to a deficit of -£14.7m.  
 - Payment for assumed increases in elective activity and high cost drugs, as per operational performance. Position agreed with BOB ICB, it remains outstanding with associate ICBs  
 - Delivery of assumed reductions in pay spend, linked to enhanced controls on temporary staffing and wider workforce increases compared to 2019/20  
 - No new investments, workforce or pay increases above those assumed in forecast

**An updated assessment is provided in Appendix A.**

**Graph 1 - Income & Expenditure YTD position & Forecast**

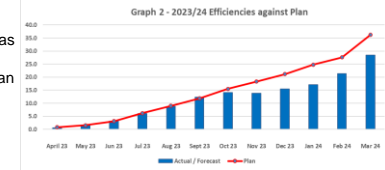


**Drivers of financial performance:**

- Performance includes the following one-off items:
  - £4.3m income from NHSE via the ICB for YTD Industrial Action costs
  - £3.0m GRNI reversal benefit, against £1.5m YTD plan
  - £2.0m PFI unitary payment benefit removed in M8, but forecast for the end of the year
  - £1.1m VAT benefit, against £3.2m YTD plan
  - £0.7m prior year Specialist Services income

**Efficiencies:**

- Reported efficiencies are £17.1m, £7.8m adverse against the year to date plan. 47% of the annual plan has been phased into budgets to date.
- Forecast efficiencies are £28.4m against a full year plan of £36.2m. £16.5m (58%) of the forecast is recurrent delivery.



**Workforce (including Agency):**

- Pay spend is £318.8m YTD at Month 10, £(7.7)m adverse to plan.
- WTEs in Month 10 total 6,906 (excluding pay savings target); 72 higher than last month and 306 higher than 12 months ago.
- Largest changes from Month 9 are Bank (51 WTE) and Agency (35 WTE).
- Agency spend is £8.7m YTD, 2.7% of total pay spend of £318.8m and lower than the 3.7% NHSE cap.

**Key assumptions in reported performance:**

- The ongoing risk of commissioning performance is being assessed. It has been updated to reflect the move to NHSE ERF performance data, from API, with a £(1.0)m adjustment to reflect the risk to payment across commissioners has been included in the Month 10 position, as well as a £6.9m of income to cover higher for high cost drugs costs.
- Associate commissioners contracts as per expected or agreed API contracts, but not finalised for the majority of contracts.

**Issues, risks and opportunities:**

- Ongoing impact of **industrial action** on planned care volumes and costs of maintaining safe staffing, with costs and impact of recovering activity still to be quantified.
- Delivery of **efficiencies** and **productivity** increases, in-year and recurrently into next year, see Page 9.
- Management of **Home First** (£0.4m above plan) and **outsourced diagnostics capacity** (£1.9m pressure), within plan levels.
- Elective activity subject to **variable payment** and high cost drugs overperformance for BOB and associate commissioners. ICS planning assumptions agreed that variable payment would not operate in year, but NHSE guidance mandates it does operate unless specific dispensation agreed and has since been adopted by the Trust in in-year reporting and forecast assumptions.
- Management of **investments** to ensure delivery of benefits, productivity and / or cost reductions.

**Clinical activity and income**

Activity variance is £15.2m; 4.7% ahead of plan at M9 YTD.

Activity YTD Var to plan	£m	%
Elective Inpatients	0.49	4.2%
Non Elective IP	4.00	4.4%
Outpatient Procedures	1.56	12.5%
Outpatient First attendances	0.67	2.9%
Elective Chemo	0.37	21.6%
ITU	(0.78)	-1.1%
Spinal activity	2.09	10.9%
PbR excluded drugs	6.96	25.1%
Other	(0.16)	
<b>Total</b>	<b>15.20</b>	

Main variances to plan shown to the right:

**Capital and cash:**

- £23.3m capital spent to date, £16.9m under plan and 39.8% of the annual capital programme.
- YTD variance due to the flat profile of the operating plan. Forecast has been prepared with project leads and assessed at CMG.
- Cash receipts in M9 totalled £55.4m, £6.5m lower than forecast and £3.0m lower than in M9. Cash payments were £6.8m lower than forecast.
- Cash applications of £12.9m for revenue support and £5.6m for capital support to be paid in Q4 have been approved and drawn down in Feb / Mar.

Capital Expenditure (£M)	Annual Plan (£m)	YTD Budget (£m)	YTD Actual (£m)
Medical Equipment	2.5	2.1	4.0
Property Services	38.8	23.5	15.6
Information Technology	12.5	11.5	2.9
General	2.8	1.4	0.3
Flow	2.0	1.7	0.5
<b>Total Capital Expenditure</b>	<b>58.6</b>	<b>40.2</b>	<b>23.3</b>

## Financial performance

**Table 1 - Income and expenditure summary**

(£m)	In Mth Plan	In Mth Actuals	In Mth Variance	YTD Mth Plan	YTD Actuals	YTD Variance	Annual Plan
Contract Income	45.9	46.2	0.3	461.4	465.8	4.4	553.1
Other income	3.8	7.5	3.6	36.1	51.4	15.3	43.9
<b>Total income</b>	<b>49.7</b>	<b>53.6</b>	<b>4.0</b>	<b>497.5</b>	<b>517.3</b>	<b>19.8</b>	<b>596.9</b>
Pay	(30.3)	(32.5)	(2.2)	(311.1)	(318.8)	(7.7)	(370.0)
Non-pay	(16.5)	(19.2)	(2.6)	(166.0)	(182.6)	(16.6)	(197.7)
<b>Total operating expenditure</b>	<b>(46.8)</b>	<b>(51.6)</b>	<b>(4.8)</b>	<b>(477.2)</b>	<b>(501.4)</b>	<b>(24.3)</b>	<b>(567.7)</b>
<b>EBITDA</b>	<b>2.8</b>	<b>2.0</b>	<b>(0.8)</b>	<b>20.3</b>	<b>15.8</b>	<b>(4.5)</b>	<b>29.2</b>
Non Operating Expenditure	(3.5)	(3.5)	0.0	(35.5)	(33.6)	1.9	(41.4)
<b>Retained Surplus / (Deficit)</b>	<b>(0.7)</b>	<b>(1.5)</b>	<b>(0.8)</b>	<b>(15.2)</b>	<b>(17.7)</b>	<b>(2.6)</b>	<b>(12.1)</b>
<b>Adjusted financial performance excluding profit on disposal of assets and excluding impairment</b>	<b>(0.7)</b>	<b>(1.4)</b>	<b>(0.7)</b>	<b>(15.2)</b>	<b>(16.4)</b>	<b>(1.2)</b>	<b>(12.1)</b>

### Financial Performance Summary

- The Trust reports a year-to-date (YTD) £(1.2)m adverse variance to plan as at January 2023/24. The Trust is forecasting to achieve the £(14.7)m deficit reforecast for 2023/24, as submitted to NHSE.

- The Month 10 YTD capital spend is £23.3m against the £40.2m Month 10 YTD plan. Total CRL funding of £58.6m is made up from the capital envelope agreed with the ICB of £21.3m, together with external funding and adjustments. The ICB capital envelope is financed through depreciation plus £5.6m of Capital Support PDC, the application for which has been approved and will be drawn down in February and March. PFI Lifecycle costs are £1.7m, and the Trust is anticipating PDC allocations against agreed schemes of £35m and £0.6m of donations. The PDC for agreed schemes includes £5.7m for EPR, £0.7m for Digital Diagnostic Capability programme, £10.6m for additional beds, £9.7m for the Business Centre, £3.8m for CT/MRI at Amersham and £1.6m for a CT Scanner at Wycombe.

- Contract Income includes Trust agreements for 2023/24 funding with BOB ICB as part of the 2023/24 annual plans submitted to NHSE and the NHSE Specialised Commissioning 2023/24 offer. 2023/24 income from Associate Commissioners is reflected at expected levels where agreement is yet to be reached. The YTD Contract Income position also includes received funding from Commissioners for the 2023/24 Agenda for Change and Medical Pay Awards.

At M10 the income position is based on the estimated based on an Elective Recovery Funding (ERF) basis and the ongoing risk of commissioning income performance is being assessed. A £(1.0)m adjustment to reflect the risk to payment across commissioners has been made in the Month 10 position, as well as a £6.9m benefit for high cost drugs overperformance. High cost drugs income has been transferred to divisions in month to offset YTD overspends for drugs in non-pay.

- Other income totals £51.4m YTD at Month 10 2023/24, £15.3m favourable to plan, mainly related to high cost drugs income transfer from Contract Income to Care Groups. Community and Rehabilitation Care Group are £3.6m fav to plan YTD, offsetting pay and non pay costs due to activity above planned levels. Specialist Services care group income is fav by £4.8m due to £2.0m drugs income, £1.1m TVCA income, and income from HEE for trainees, pathology contracts, and haematology activity.

- Pay costs for Month 10 YTD 2023/24 total £(318.8)m, £(7.7)m adverse variance to plan. The expenditure includes 2023/24 YTD Agenda for Change and Medical pay award costs and £(1.04)m for Local CEA awards. Care Groups continue to incur unplanned temporary staff spend, particularly for Medical staff. The trust total agency, bank & locum spend is £41.8m at Month 10 YTD. These overspends are partially offset by vacancies.

- Non-pay operating expenditure totals £(182.6)m at M10 YTD 2023/24, a £(16.6)m adverse variance against the M10 YTD plan. Clinical supplies are overspent by £(3.6)m, mainly related to outsourced MRI and CT scanning and reporting costs and under-delivery of the VAT benefit CIP. This is offset by benefits from GRNI reversals delivering a non-recurrent CIP of £3.0m, against a plan of £1.5m and other divisional underspends. High cost pass through drugs are £(5.2)m overspent YTD at Month 10 and PFI costs are £(4.6)m overspent YTD. In Premises and Plant costs, there is a £1.9m underspend on energy YTD at M10 as well as underspends on IT. Miscellaneous costs are overspent by £(1.0)m YTD at M10 in the Community & Rehabilitation Care Group related to Rennie Grove and Home First costs, offset against income.

- Non operating expenditure reports a £1.9m favourable variance to plan YTD at Month 10 2023/24 related to owned depreciation and income receivable with £1.5m and £0.4m respective favourable variances to plan.

## Key Highlights: Income

### NHS Income and Activity

- The Contract Income position totals £465.8m YTD at Month 10 2023/24 which is £4.4m favourable to the Month 10 YTD plan, with the 2023/24 plan based on contract offers where available and risk-adjusted expected contract values assumed where contracts are not yet agreed. The additional £4.27m accrued in the M8 position was received in M9 and is a payment from NHSE via BOB ICB to recognise some of the additional costs and lost activity of Industrial Action in the YTD position.
- As at M10 the income position has been estimated based on a Elective Recovery Funding (ERF) basis. Organisational level ERF performance for this year is published nationally by the NHSE national pricing team and to date only performance relating to Months 1-7 has been published. The YTD Month 7 2023/24 actual ERF performance against the NHSE target indicates a potential claw back to the Trust's commissioners of £(2.4)m (including revised targets for Industrial Action), as shown in Table 4 below. However, due to activity levels at BHT increasing from M8 onwards, in line with the recovery plan and forecast, YTD income to M10 related to ERF has been estimated at £0.4m inc additional finding from BOB ICB.
- The ongoing risk of commissioning performance is being assessed, a £1.0m provision for income risk has been made YTD.
- The Statistical Process Control Chart (Graph 3) for Contract Income shows income is close to the mean with a few exceptions. The increase in December 2022 relates to the additional Specialist Commissioner income for Elective and Non Elective ERF totalling £2.8m for 2022/23. In June 2023, additional income was recognised for the backdated Agenda for Change pay award and similarly in September 2023 for the Medical pay award. November 2023 shows the receipt of £4.27m Industrial Action funding, normalising in the following months.

**Table 2 - Breakdown of Contract Income**

Commissioner (£m)	Annual Budget Total 2022-23	YTD Budget	YTD Actuals	YTD Variance
BOB ICS (Block)	413.2	344.3	352.0	7.7
BOB ICS (Additional Inc)	0.0	0.0	0.0	0.0
<b>BOB Block Sub Total</b>	<b>413.2</b>	<b>344.3</b>	<b>352.0</b>	<b>7.7</b>
Associates	38.2	31.8	30.3	(1.5)
Specialist Commissioners	77.7	64.8	63.8	(1.0)
Regional Specialist	4.6	3.8	4.0	0.2
Other NHS	3.5	2.9	1.8	(1.1)
Bucks Council	14.9	12.9	13.2	0.3
Other Income	1.0	0.8	0.7	(0.2)
<b>Total</b>	<b>553.1</b>	<b>461.4</b>	<b>465.8</b>	<b>4.4</b>

### Other Income

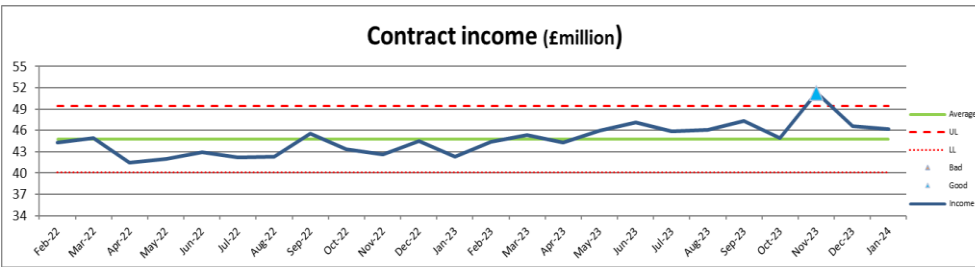
**Table 3 - Breakdown of other income**

Category (£m)	Annual Budget	YTD Budget	YTD Actuals	YTD Variance
Research	1.6	1.4	1.8	0.4
Education And Training	13.5	11.2	14.0	2.7
Non-NHS PPS & Overseas Visitors	3.5	3.0	3.8	0.8
Injury cost recovery scheme	1.2	0.3	1.1	0.8
Donated Asset Income	1.7	1.0	0.1	(0.9)
Other Income	22.3	19.2	30.7	11.5
<b>Total</b>	<b>43.9</b>	<b>36.1</b>	<b>51.4</b>	<b>15.3</b>

**Table 4 - M1-7 2023/24 ERF Performance, by Commissioner**

ERF Performance to M7 (NHSE on NHS Futures) (£k)				
Commissioner	M7 YTD Target	M7 YTD Actual	M7 YTD variance	M7 potential claw back
BOB ICB	55,388	54,245	(1,142)	(1,142)
Associate ICBs	6,721	5,673	(1,049)	(1,049)
<b>Sub total ICBs</b>	<b>62,109</b>	<b>59,918</b>	<b>(2,191)</b>	<b>(2,191)</b>
NHSE	8,032	7,834	(198)	(198)
<b>Total</b>	<b>70,141</b>	<b>67,752</b>	<b>(2,389)</b>	<b>(2,389)</b>

**Graph 3 - Contract Income Statistical Process Control (SPC) Charts**



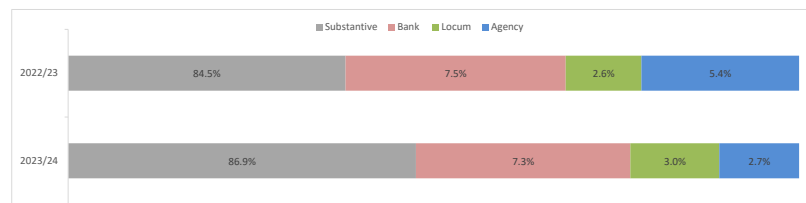
Other Income is £15.3m favourable to plan at Month 10 YTD, driven by:

- £5.8m high cost drugs income transferred from Contract Income to divisions to offset YTD PbR excluded drugs overspends YTD.
- Community & Rehabilitation are £3.7m favourable to plan at M10 YTD, offsetting pay and non pay costs due to activity significantly above planned levels. Rennie Grove income within the division, offset by non pay costs.
- Specialist Services care group income is favourable by £4.8m due to £2.0m drugs income, £1.1m TVCA income, and income from HEE for trainees, pathology contracts, and Haematology activity.
- Overseas Visitor and Private Patient income is £0.8m above plan and Education and Training income £2.7m above plan at M10 YTD.

## Key Highlights: Expenditure (Pay & Workforce)

**Table 4 - YTD pay position**

Pay category (£m)	YTD Budget	YTD Spend	YTD Variance	% of Total Pay Bill	Last Year YTD Spend	Last Year % of Total Pay Bill
Substantive	309.7	277.0	32.6	86.9%	244.0	84.5%
Bank	0.7	23.4	(22.6)	7.3%	21.8	7.5%
Locum	0.4	9.7	(9.3)	3.0%	7.5	2.6%
Agency	0.3	8.7	(8.4)	2.7%	15.6	5.4%
<b>Total</b>	<b>311.1</b>	<b>318.8</b>	<b>(7.7)</b>	<b>100.0%</b>	<b>288.9</b>	<b>100.0%</b>



• Pay expenditure totals £(318.8)m at Month 10 YTD 2023/24 which is £(7.7)m adverse to the M10 YTD plan. The expenditure includes 2023/24 M10 YTD Agenda for Change and Medical Pay Award costs and £(1.04)m for Local CEA awards. Key pressure areas in pay include:

- A significant overspend in Medical staffing costs of £(2.1)m YTD at Month 10. This relates to a temporary medical staff overspend of £(9.9)m, partially offset by a substantive medical staff underspend of £7.8m at M10 YTD. This overspend is across all clinical divisions, with the majority of the overspend, £(1.9)m within Surgery and Critical Care. This is partially due to the impact of the industrial action as well as maternity leave, long term sickness cover and WLI spend to support activity recovery.

-The medical pay overspend is offset by a large underspend in nursing costs of £0.7m at M10 YTD, across all clinical divisions with the exception of Integrated Medicine which shows a nursing overspend of £(1.1)m due to high temporary staffing usage in Emergency Department, Acute Medicine and Diabetes & Endocrinology. Additionally, there is a £0.8m underspend in divisional investment nursing budgets in Corporate Services.

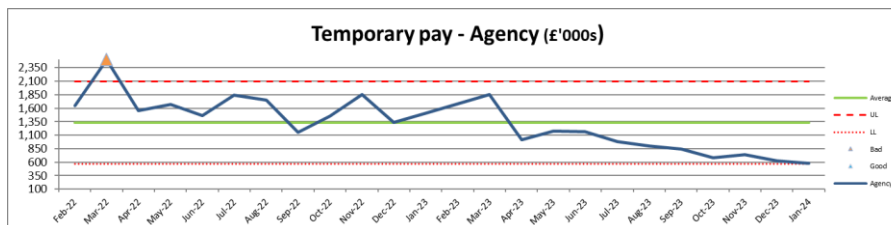
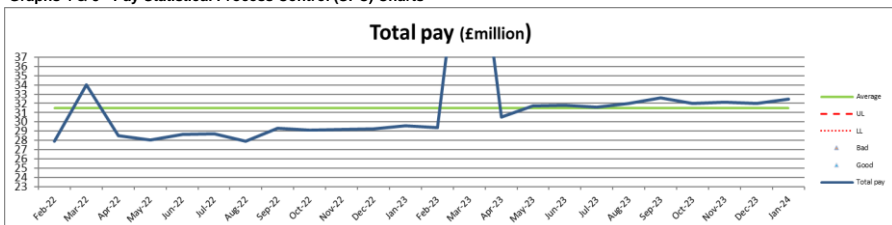
• Temporary staffing expenditure (bank, agency & locum) totals £(41.8)m at Month 10 YTD. These costs are partially offset by vacancy related underspends within substantive budgets. Agency expenditure totals £(8.7)m at Month 10 YTD, equating to 2.7% of total pay costs YTD, below the 3.7% cap for 2023/24. Agency costs have been declining this financial year with M10 the lowest this year. Bank costs increased between M9 and M10 by £0.28m, £0.16 relating to nursing. M10 Locum costs increased compared to M9 by £0.23m, on top of the £0.12m increase from M8 to M9.

• £(8.6)m of the M10 YTD pay overspend relates to the unallocated pay savings target.

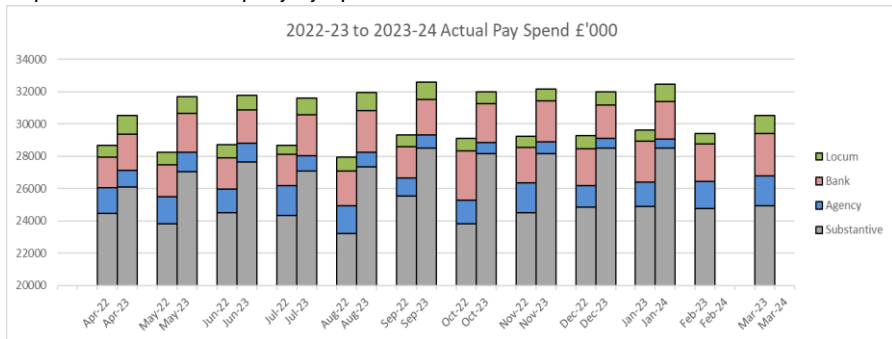
• There has been a year-on-year increase in actual WTEs from 2019/20 to 2023/24 (excluding pay savings targets), as shown in Graph 7. In Month 10 2023/24, there is a 19% increase in WTE compared to 2019/20.

• The Pay Statistical Process Control Charts are detailed below (Graph 4 & 5). Key highlights include the increase in total pay costs in March 2022 and 2023 includes year end pay related adjustments which included a £(13.52)m employers pension top up in March 2023. This is reflected in the subsequent drop in April 2022 and April 2023. The increase in total pay costs in September 2022 relates to payment of the 2022/23 pay awards to staff including backdated pay awards for April 2022 through to August 2022. In this financial year, the Agenda for Change pay award payments were made to substantive workforce in June 2023 which included backdated pay awards for April 2023 and May 2023, as well as a non-consolidated pay award related to 2022/23. The Medical pay award, backdated to April 2023 was paid in September 2023. The Agency spend in 23/24 is consistently reducing.

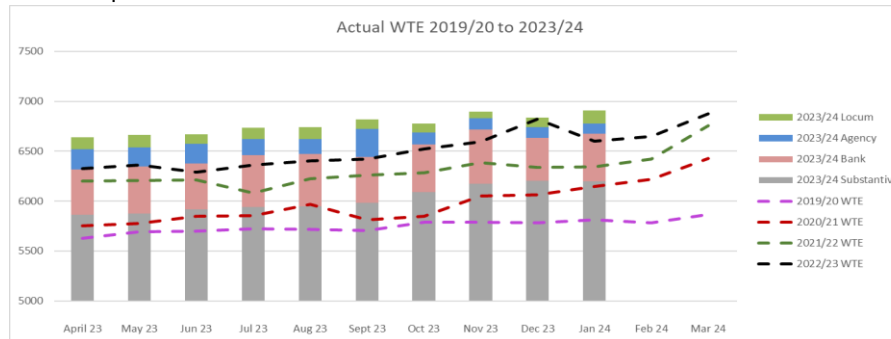
**Graphs 4 & 5 - Pay Statistical Process Control (SPC) Charts**



**Graph 6 - 2022/23 to 2023/24 Temporary Pay Expenditure**



**Graph 7 - 2019/20 to 2023/24 Actual WTE**





## Key Highlights: Expenditure (Non Pay)

**Table 5 - YTD non-pay position**

Non-Pay category (£m)	Annual Budget	YTD Budget	YTD Actuals	YTD Variance
Drugs	50.3	41.9	47.1	(5.2)
Clinical supplies	34.4	29.8	33.7	(3.8)
Other non-pay	112.9	94.3	101.9	(7.6)
<b>Total Expenditure</b>	<b>197.7</b>	<b>166.0</b>	<b>182.6</b>	<b>(16.6)</b>

Non pay expenditure totals £(182.6)m for Month 10 2023/24 YTD, an overspend of £(16.6)m against the Month 10 YTD non pay plan. Key drivers of the non pay position include:

- Clinical supplies £(3.8)m overspend YTD at M10:
  - Specialist Services M10 YTD overspend of £(4.3)m on clinical supplies, mainly related to outsourced MRI and CT scanning and reporting to address the backlog. Radiology outsourcing is now being prioritised to cancer pathway and long wait patients.
- Drugs £(5.2)m overspend YTD at M10:
  - £(5.9)m of the total drugs overspend is PBR excluded high cost drugs, which is offset with additional income from Commissioners
- Other non-pay £(7.6)m overspend YTD at M10:
  - Misc £(4.7)m adverse to plan YTD. This is mainly due to overspends on outsourcing aimed at supporting recovery.
  - PFI £(4.6)m adverse to plan YTD. The benefit of the £2.0m PFI Unitary payment CIP which was phased in M5 in the plan and recognised in M6, has been reversed. PFI costs are overspent in Property Services by £(2.23)m mainly related to: additional North and South Bucks PFI costs; scaffolding overspend for Wycombe Tower and pre-work for projects and sales.
  - Establishment Expsnes £(0.8)m adverse to plan YTD. This is split across IT £(0.2)m-telephones; HR £(0.2)m-Placement Fees; Property Servcies £(0.2)m-Postage; and Clinical Care Groups £(0.2)m-Placement Fees and Stationery.
  - Premises £2.5m fav to plan YTD. There is a £1.9m underspend on energy YTD at M10; a £0.7m underspend on IT hardware.

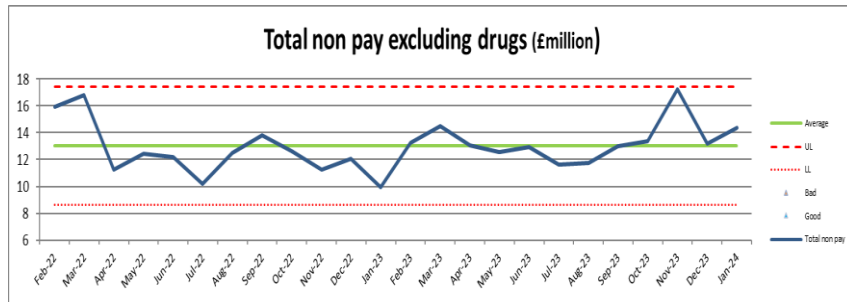
**Table 6 - YTD drugs position**

Drug Categories (£m)	Annual Budget	YTD Budget	YTD Actuals	YTD Variance
PBR Drugs	12.4	10.3	9.6	0.7
PBR excluded Drugs	36.1	30.1	36.0	(5.9)
Other Drug Items	1.8	1.5	1.4	0.0
<b>Total expenditure</b>	<b>50.3</b>	<b>41.9</b>	<b>47.1</b>	<b>(5.2)</b>

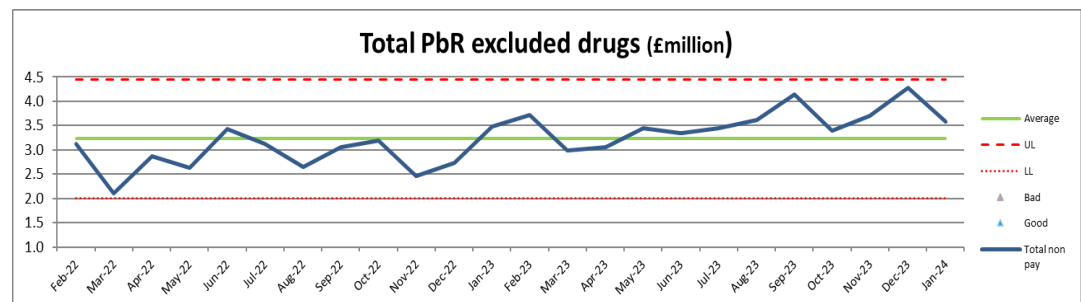
Statistical Process Control charts (SPC) for non pay and PbR excluded drugs spend are detailed below (Graphs 8 & 9):

- The increase in non pay expenditure in February & March 2022 related to expenditure incurred for IT cyber and Windows 10 licences and site works including roof repairs and demolition works, along with there assessment of capital / revenue expenditure hitting the non pay expenditure position. The decrease in July 2022 relates to ROE PFI credits received. The increase in Sept 22 relates to a number of areas with relatively small increases including independent sector use, training & consultancy.
- March 2022 and March 2023 costs included the impact of non-recurrent year end balance sheet adjustments.
- The increase in PbR excluded drugs costs in Sept 23 relates to the in month processing catch up Ophthalmology drugs invoices, with an increasing run rate into Dec 23.
- The non pay excluding drugs in Nov 23 was a £2m PFI adjustment and a high month of consumables.

**Graph 8 - Non Pay Statistical Process Control (SPC) Chart**



**Graph 9 - PbR Excluded Drugs Statistical Process Control (SPC) Chart**



**Key Highlights: YTD Forecast (as reported at M6) vs M10 Actual**

**Table 1 - Income and expenditure summary (YTD)**

(£m)	Forecast	Actual	Variance	Forecast FoT
<b>Total Income</b>	<b>517.0</b>	<b>518.6</b>	<b>1.7</b>	<b>622.9</b>
Pay	(316.8)	(318.8)	(2.0)	(378.4)
Non-pay	(217.2)	(217.6)	(0.4)	(259.2)
<b>Total expenditure</b>	<b>(534.0)</b>	<b>(536.4)</b>	<b>(2.4)</b>	<b>(637.6)</b>
<b>Retained Surplus / (Deficit)</b>	<b>(17.0)</b>	<b>(17.7)</b>	<b>(0.7)</b>	<b>(14.7)</b>
Adjusted financial performance excluding profit on disposal of assets and excluding impairment	(15.7)	(16.4)	(0.7)	(14.7)

**Table 2 - Staffing Expenditure Summary (YTD)**

(£m)	Forecast	Actual	Variance
Agency Staff	(9.3)	(8.7)	0.6
Bank Staff	(21.9)	(23.4)	(1.5)
Locum Staff	(10.0)	(9.7)	0.3
Substantive Staff	(275.6)	(277.0)	(1.4)
<b>Total Staffing Spend</b>	<b>(316.8)</b>	<b>(318.8)</b>	<b>(2.0)</b>

During Q3, the trust agreed a forecast with the ICB for 23/24 of £12.1m deficit, as per the 23/24 plan, and was subsequently adjusted to £14.7m to account for costs and lost income related to Industrial Action in December 2023 and January 2024. This page analyses the M10 YTD position against this revised forecast.

Key drivers of the -£0.7m variance to date are:

- -£0.6m lower than forecast reduction in temporary staff
- -£0.1m other, including income, assumes M6 extrapolated and has not been uplifted for any activity growth

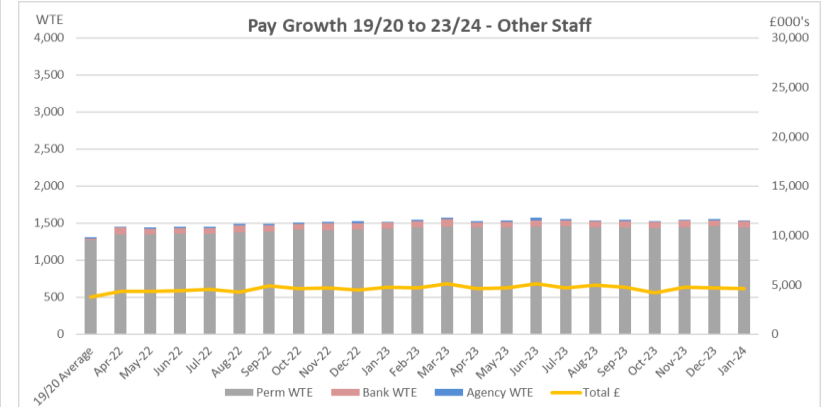
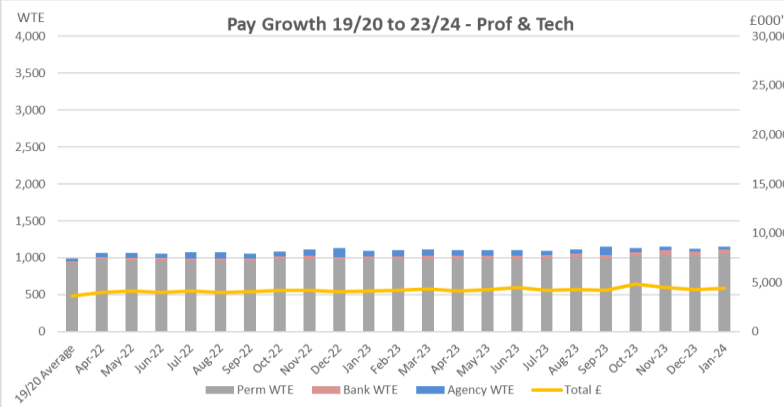
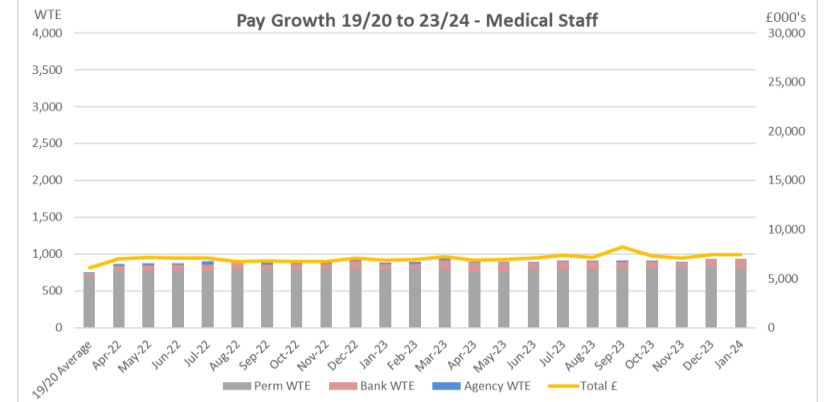
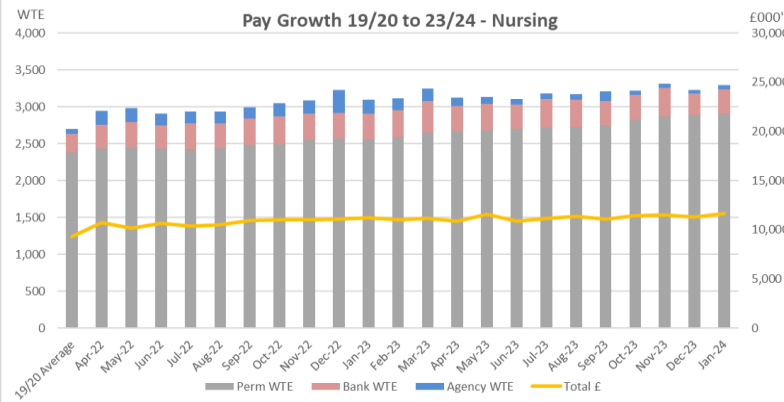
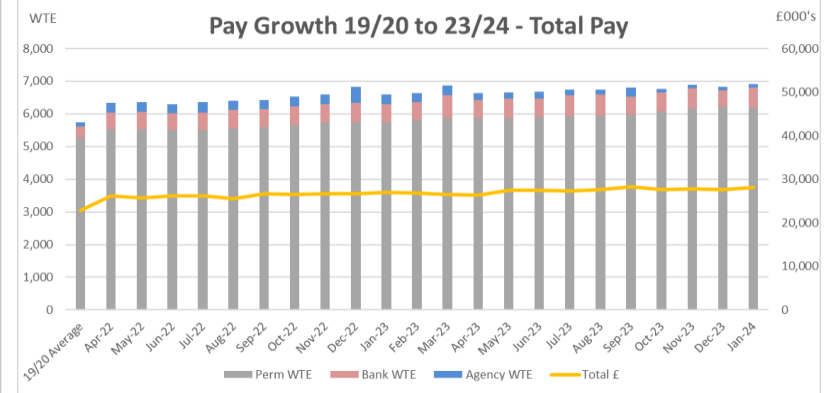
**Table 3 - Surplus / (Deficit) by Group (YTD)**

(£m)	Forecast	Actual	Variance
Community And Rehabilitation	(74.5)	(74.8)	(0.3)
Integrated Medicine	(89.0)	(89.6)	(0.6)
Specialist Clinical Services	(97.3)	(98.2)	(0.9)
Surgery And Critical Care	(103.0)	(103.8)	(0.8)
<b>Clinical Group Total</b>	<b>(363.9)</b>	<b>(366.4)</b>	<b>(2.5)</b>
Chief Executive	(3.2)	(3.1)	0.0
Chief Operating Off-Management	(5.8)	(5.7)	0.1
Property Services	(58.1)	(58.2)	(0.2)
Corporate Services	5.5	5.4	(0.1)
Division Of Information Technology	(16.7)	(14.7)	2.0
Finance Directorate	(5.1)	(5.0)	0.2
Human Resources	(0.8)	0.4	1.2
Medical Director	(0.5)	(0.5)	0.0
Nursing Director	(16.5)	(16.5)	0.0
Pdc And Depreciation	(23.1)	(24.1)	(1.1)
Provisions	(1.0)	(1.0)	0.0
Contract Income	472.0	471.6	(0.4)
<b>Retained Surplus / (Deficit)</b>	<b>(17.0)</b>	<b>(17.7)</b>	<b>(0.7)</b>
Adjusted financial performance excluding profit on disposal of assets and excluding impairment	(15.7)	(16.4)	(0.7)

## Key Highlights: Pay Growth 19/20 to 23/24

It was agreed by the board for the November 2023 trust reforecast that to achieve the 2023/24 financial plan additional controls would be needed on pay. This included ceasing the upward trend on pay and reducing spend on clinical temporary workforce by £2.75m between December 2023 and March 2024. The graphs on this slide show the actual WTE and actual pay spend from a 2019/20 average to January 2024 have continued to increase, with a further increase from November 2023 to January 2024.

BHT have been successful in recruiting and retaining substantive staff, especially in nursing, and now have a low vacancy rate across clinical teams. However, this increase in substantive staffing has not been matched by a decrease in temporary workforce. Nursing pay, including temporary workforce, has increased to its highest ever rate and is expected to be higher than the November 2023 forecast by £3m-£4m.



2023/24 Efficiencies

2B. Plan Identified by Care Group - In year saving

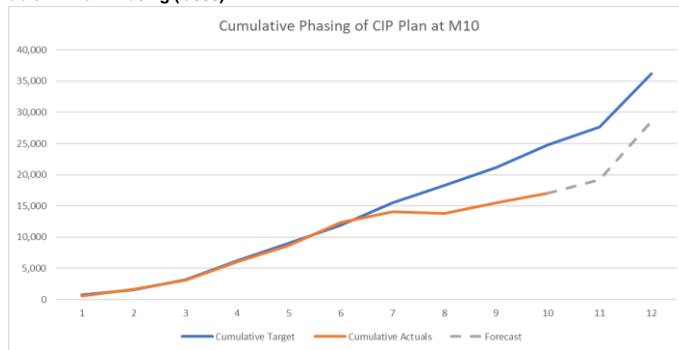
Care Group	Lead	Target***	M10 YTD Delivery Value (£'000)	Forecast Delivery Value (£'000)	Forecast Variance	Forecast RAG
Integrated Medicine	HB	3,761	1,648	2,062	(1,700)	R
Community & Rehabilitation	VP	2,724	1,534	1,701	(1,022)	R
Specialist Services	ID	5,606	3,421	4,406	(1,200)	A
Surgery & Critical Care	JB	4,626	2,471	2,929	(1,697)	R
Clinical Care Groups		-	-	-	-	
<b>Total Clinical</b>		<b>16,717</b>	<b>9,073</b>	<b>11,098</b>	<b>(5,619)</b>	A
Chief Executive	NM	156	125	150	(6)	G
Chief Operating Off-Marketing	RB	199	152	185	(14)	A
Information Technology	DD	1,009	889	1,054	45	G
Finance Dept	JE	395	324	395	0	G
Property	AW	2,450	703	976	(1,474)	R
People Directorate	BoK	421	347	421	(0)	G
Medical Director	AM	14	13	14	(0)	G
Nursing Director	KB	779	241	779	(0)	G
Corporate	JE	1183	-	700	(483)	R
<b>Corporate Total</b>		<b>6,607</b>	<b>2,794</b>	<b>4,673</b>	<b>(1,933)</b>	A
Commercial*	AW	738	615	738	-	G
Trustwide		-	-	-	-	
Unallocated		1,461	-	-	(1,461)	R
<b>Total (excl. NR)</b>		<b>25,523</b>	<b>12,482</b>	<b>16,509</b>	<b>(9,014)</b>	R
Finance Controls (Non-RJE)		10,700	4,576	11,935	1,235	G
<b>Grand Total</b>		<b>36,223</b>	<b>17,058</b>	<b>28,444</b>	<b>(7,779)</b>	R

R <65%  
A 65% - 95%  
G 95% >

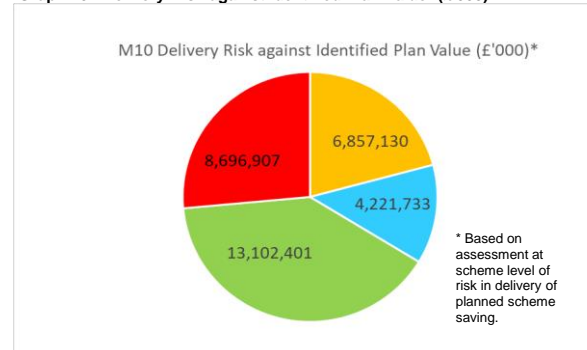
Notes:

- Recurrent value: Of the £28.4m forecast delivery, £9.0m is recurrent against a recurrent full year target of £25.5m. Recurrent YTD Delivery is £6.8m
- M10 forecast is £28.4m compared to M09 forecast of £28.7m, a negative variance of £0.3m. This is the net change between schemes where forecasts have increased, and schemes where forecasts have decreased.
- Total Corporate forecast at M10 is less than M09 – primarily due 2 car parking schemes in property services no longer viable and being forecasted as such totalling £245k
- The M10 forecast is a negative variance of £1.3m compared to the M06 forecast of £29.7m.

Table 7 - Plan Phasing (£'000)



Graph 10 - Delivery Risk against Identified Plan Value\* (£'000)



Divisional Positions

Breakdown of financial position by division

Table 8 - Divisional income and expenditure

Division / (£m)	YTD Budget	YTD Actuals	YTD Variance against Plan	Current Month Run Rate											
				M01	M02	M03	M04	M05	M06	M07	M08	M09	M10		
Integrated Medicine	(83.9)	(87.8)	(3.9)	(8.3)	(8.6)	(9.2)	(8.8)	(8.9)	(9.5)	(7.5)	(8.8)	(9.6)	(8.5)		
Community & Rehabilitation	(74.1)	(74.8)	(0.7)	(7.3)	(7.2)	(8.0)	(7.3)	(7.4)	(7.9)	(7.5)	(7.6)	(7.5)	(7.3)		
Surgery And Critical Care	(100.1)	(101.7)	(1.7)	(9.5)	(10.0)	(10.6)	(10.3)	(10.5)	(12.1)	(9.2)	(10.2)	(10.1)	(9.3)		
Specialist Clinical Services	(93.2)	(96.3)	(3.1)	(9.5)	(9.3)	(10.2)	(9.8)	(9.6)	(10.0)	(8.8)	(9.9)	(9.4)	(9.8)		
<b>Total Clinical Divisions</b>	<b>(351.3)</b>	<b>(360.6)</b>	<b>(9.3)</b>	<b>(34.6)</b>	<b>(35.0)</b>	<b>(38.0)</b>	<b>(36.1)</b>	<b>(36.4)</b>	<b>(39.6)</b>	<b>(33.1)</b>	<b>(36.5)</b>	<b>(36.5)</b>	<b>(34.9)</b>		
Chief Executive	(3.3)	(3.1)	0.1	(0.3)	(0.2)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.3)		
Chief Operating Officer	(5.5)	(5.7)	(0.2)	(0.6)	(0.5)	(0.6)	(0.6)	(0.7)	(0.6)	(0.6)	(0.5)	(0.5)	(0.5)		
Finance Dept.	(5.1)	(5.0)	0.2	(0.4)	(0.5)	(0.6)	(0.5)	(0.5)	(0.5)	(0.6)	(0.4)	(0.4)	(0.5)		
Information Technology	(17.2)	(14.7)	2.5	(1.6)	(1.3)	(1.8)	(1.8)	(1.6)	(1.5)	(1.4)	(1.7)	(0.5)	(1.5)		
Property Services	(55.2)	(58.2)	(3.0)	(5.0)	(6.4)	(5.6)	(5.4)	(6.0)	(6.0)	(5.6)	(6.2)	(6.3)	(5.8)		
Human Resources	(2.2)	0.4	2.6	(0.2)	(0.1)	(0.3)	(0.3)	0.1	0.3	0.4	0.3	0.1	0.1		
Medical Director	(0.6)	(0.5)	0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	0.0	(0.1)	(0.0)	(0.1)	(0.0)		
Nursing Director	(16.6)	(16.5)	0.1	(1.6)	(1.7)	(1.6)	(1.6)	(1.6)	(1.7)	(1.6)	(1.7)	(1.7)	(1.7)		
PDC And Depreciation	(24.6)	(24.1)	0.5	(2.6)	(2.3)	(2.4)	(2.3)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.6)		
<b>Total Corporate</b>	<b>(130.1)</b>	<b>(127.3)</b>	<b>2.788</b>	<b>(12.2)</b>	<b>(13.2)</b>	<b>(13.3)</b>	<b>(12.9)</b>	<b>(13.1)</b>	<b>(12.7)</b>	<b>(12.2)</b>	<b>(13.1)</b>	<b>(12.0)</b>	<b>(12.7)</b>		
Contract Income	461.4	465.8	4.4	44.3	46.0	47.2	45.9	46.1	47.4	45.0	51.3	46.6	46.2		
Corporate Services / Provisions	4.9	4.368	(0.5)	(1.8)	0.2	1.8	1.8	1.9	3.0	(0.3)	(2.1)	(0.1)	(0.1)		
<b>Retained Surplus / (Deficit)</b>	<b>(15.2)</b>	<b>(17.7)</b>	<b>(2.6)</b>	<b>(4.3)</b>	<b>(2.1)</b>	<b>(2.3)</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>(1.9)</b>	<b>(0.5)</b>	<b>(0.3)</b>	<b>(2.1)</b>	<b>(1.5)</b>		
<b>Adjusted Financial Performance excl. Profit on disposal of Assets</b>	<b>(15.2)</b>	<b>(16.4)</b>	<b>(1.2)</b>	<b>(4.2)</b>	<b>(1.9)</b>	<b>(2.2)</b>	<b>(1.2)</b>	<b>(1.3)</b>	<b>(1.7)</b>	<b>(0.4)</b>	<b>(0.2)</b>	<b>(1.9)</b>	<b>(1.4)</b>		

For 2023/24, the Trust is forecasting a deficit of £(14.66)m in line with the 2023/24 reforecast plan. This forecast includes mitigating actions on run rate and an expectation that efficiencies are delivered in line with £28.0m 2023/24 CIP forecast, these actions are being worked up by care groups. Key reasons for the Month 10 YTD 2023/24 divisional variances are:

Integrated Medicine £(3.9)m overspend M10 YTD

Integrated Medicine pay costs are overspent by £(3.8)m M10 YTD mainly due to: medical pay overspend of £(0.74)m driven by vacancy, sickness and Industrial Action temporary cover in Emergency Department (ED), Neurology, Acute Medicine, Cardiology and Gastroenterology; Nursing £(1.1)m due to high temporary pay spend pressures in ED, Acute Medicine and Diabetes & Endocrinology. Integrated Medicine non pay is £(2.6)m adverse to plan YTD at M10, driven by drugs pressures in Gastroenterology, ED, Neurology and Dermatology and the care group is reviewing current protocols. Care Group income is overachieving by £2.5m, mainly related to the YTD £1.9m income allocation offsetting the PbR excluded drugs overspend.

Community & Rehabilitation £(0.7)m overspend M10 YTD

The division is overspent across pay by £(1.4)m and non pay by £(2.9)m; offset by income overachievement of £3.7m. The workforce overspend is mainly related to the unallocated pay savings target £(1.6)m. Non pay is overspent at Month 10 YTD, this is driven by £378k HomeFirst costs and £640k Rennie Grove costs, offset by income overachievement. Care group income overachievement is mainly related to Home First and Rennie Grove income, offsetting non pay overspends.

Surgery & Critical Care £(1.7)m overspend M10 YTD

Pay is £(4.0)m adverse to budget YTD at M10, this mainly relates to temporary medical workforce £(1.5)m costs due to the impact of the industrial action as well as for maternity leave, long term sickness cover and cover for vacant posts. There is also £(0.4)m overspend on WLI as the care group relies on this to progress recovery. Non pay is £(1.4)m overspent YTD at M10 due to £(1.7)m YTD drugs overspend related to Ophthalmology. Income is £3.7m favourable to plan YTD at M9, mainly due to £2.1m income allocation offsetting the PbR excluded drugs overspend. Private patient income is also overachieving by £0.4m in Anaesthetics and Trauma & Orthopaedics, and training income is £1.7m favourable YTD due to training receipts.

Specialist Clinical Services £(3.1)m overspend M10 YTD

Non Pay in Specialist Services is overspent by £(5.8)m at Month 10 YTD. This is primarily driven by Clinical Supplies (£4.3m) adverse YTD mainly driven by continued use of outsourced MRI/CT scanning and reporting to address backlog (£1.9m). Pathology, YTD overspend £1.8m on analyser MCS, POCT consumables, lab reagents and pathology specific software licenses. These overspends are partially offset by income overachievement of £4.8m YTD at M10, with income from activities £3.7m favourable YTD including £2.0m drugs income, and £1.1m TVCA income. Other Operating Income is also £1.0m YTD favourable - mainly driven by trainee income allocated from HEE, Pathology contracts, and Haematology activity income.

Property Services £(3.0)m overspend M10 YTD

Driving factors in the Property Services M10 YTD non pay overspend of £(2.7)m, relating to scaffolding costs at the Wycombe site, Prework for Projects and Sales and additional costs on the North & South Bucks PFI. Divisional income is under-recovered by £(0.93)m due to reduced level of accommodation income and non-achievement of the car park income saving scheme. This is partly offset by a pay underspend of £0.6m M10 YTD, related to vacant posts.

Chief Operating Officer £(0.2)m overspend M10 YTD

This overspend mainly relates to COO Management £(0.17)m and Bed Management £(0.14)m YTD at M10, driven by consultancy costs and pay overspends.

## Balance Sheet

### Statement of financial position

**Table 9 - Balance Sheet summary**

Statement of financial position / (£m)	Planned Position	YTD Position	Variance to Plan	Change from Prior Month
Non-current assets	369.2	365.6	(3.7)	0.4
Cash and cash equivalents	2.3	2.2	(0.2)	(3.3)
Trade and other current assets	46.3	40.4	(5.9)	2.3
<b>Total Assets</b>	<b>417.9</b>	<b>408.2</b>	<b>(9.7)</b>	<b>(0.6)</b>
Current Borrowing	(1.3)	(0.7)	0.6	0.5
Other Current liabilities	(77.4)	(75.1)	2.2	3.9
Non Current Borrowing	(41.9)	(38.5)	3.4	0.0
Other Non-current liabilities	(1.4)	(1.4)	(0.0)	0.0
<b>Total Liabilities</b>	<b>(121.9)</b>	<b>(115.7)</b>	<b>6.2</b>	<b>4.4</b>
<b>TOTAL NET ASSETS</b>	<b>295.9</b>	<b>292.5</b>	<b>(3.4)</b>	<b>3.7</b>
PDC and Revaluation reserve	434.1	433.8	(0.4)	5.2
Income and Expenditure Reserve	(138.2)	(141.3)	(3.1)	(1.5)
<b>TOTAL EQUITY</b>	<b>295.9</b>	<b>292.5</b>	<b>(3.4)</b>	<b>3.7</b>

- Non Current assets have increased by £0.4m from the prior month due, in part, to capital additions exceeding depreciation charged in month. However, non current assets remain behind plan mostly due to capital spend lagging behind plan. This excludes the impact of the PDC-funded schemes approved in year.
- Trade and other current assets are higher by £2.3m compared to prior month, and £5.9m lower than plan. Variances are in line with usual invoicing cycle.
- There has been a decrease in current liabilities of £3.9m, which is mainly caused by the timing of credit payments and the month end close.
- The Trust is actively managing its working capital balances to support the need to meet current liabilities. A cash application has been submitted and approved, which meets the expected cash shortfall and provides additional cashflow support.
- The PDC and Revaluation Reserve variance is due to some of the Capital PDC drawdown taking place later in the year in line with the reprofiled capital spend. To note is that £4.1m of the Capital PDC has been drawn down in M8, together with £2.9m Revenue Support PDC in M10.
- The change in Income and Expenditure reserve of £1.5m from the prior month is consistent with the planned position for M9.

### Accounts Receivable

**Table 10 - Accounts Receivable**

#### Month 9

(£m)	Current	31-60 days	61-180 days	6 mths - 1 year	1 year - 2 years	More than 2 years	Total
NHS	1.4	2.0	2.0	0.2	0.1	0.0	5.8
Non-NHS	2.3	0.3	0.6	0.2	0.3	0.5	4.3
<b>Total</b>	<b>3.7</b>	<b>2.3</b>	<b>2.6</b>	<b>0.5</b>	<b>0.4</b>	<b>0.5</b>	<b>10.1</b>
% of total	37%	23%	26%	5%	4%	5%	100%

#### Month 8

(£m)	Current	31-60 days	61-180 days	6 mths - 1 year	1 year - 2 years	More than 2 years	Total
NHS	2.3	0.8	1.5	0.1	0.1	0.1	4.8
Non-NHS	2.4	0.3	0.5	0.2	0.3	0.5	4.3
<b>Total</b>	<b>4.7</b>	<b>1.1</b>	<b>1.9</b>	<b>0.3</b>	<b>0.4</b>	<b>0.6</b>	<b>9.0</b>
% of total	52%	12%	22%	4%	5%	6%	100%

- Debtors have increased between M9 and M10 by £1.1m, mainly due to outstanding activity in the NHS category.
- The value of outstanding debt outside payment terms is £6.4m which is £2.1m higher than previous month total of £4.3m
- Top 5 overdue debts at month 10 are:
  - 1 - NHS Bucks, Oxfordshire And Berks West ICB £1.9m
  - 2 - Oxford University Hospitals Nhs Ft £1.5m
  - 3 - Imperial College Healthcare Nhs Trust £0.6m
  - 4 - Scannappel £0.2m
  - 5 - Buckinghamshire Council £0.2m

Part of the debt with the ICB is under discussion and is appropriately allowed for in I&E. The level of debt with OUH is approximately the same as we owe them and settlement between organisations is matched. The Trust is undertaking an exercise to reduce the level of outstanding invoices on Accounts Payable in order to reduce overall balances.

\*values have been taken from detailed reports to enable a clear audit trail to underlying subsidiary reports and therefore some arithmetic rounding errors will occur when the information is presented in millions.

Balance Sheet (continued)

Accounts Payable

Table 11 - Accounts Payable

Creditors							
(£m)	Current	31-60 days	61-90 days	91-120 days	>120 days	Total	
NHS	1.7	1.0	0.2	0.0	0.3	3.1	
Non-NHS	9.2	4.0	0.1	0.3	0.7	14.4	
<b>Total</b>	<b>10.9</b>	<b>5.0</b>	<b>0.2</b>	<b>0.3</b>	<b>1.1</b>	<b>17.5</b>	

The creditors table to the left reflects invoices which have been approved for payment and would be included in the next appropriate payment run.  
Of the £17.5m on the ledger, £10.9m is for current invoices which may not have fallen due and would be expected to be paid in M11. These would be paid from cash receipts in the next period.  
The table below shows the invoices on the invoice register. These invoices are outstanding and are currently being processed before approval for payment.

Invoice Register

	Total Value (£m)		Total Count		0-30 days		31-60 days		61-180 days		6 months to 1 year		1 year to 2 years		More than 2 years	
	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty
NHS																
Month 9	2.7	488	0.4	62	0.5	51	0.8	128	0.6	96	0.2	93	0.1	58	0.1	241
Month 10	2.9	482	1.1	84	0.0	73	0.6	131	0.9	108	0.2	49	0.1	37	0.1	36
Month 11	2.3	425	0.2	82	0.9	51	0.6	123	0.3	77	0.2	56	0.1	36	0.1	36
Month 12	2.8	432	1.6	107	0.1	38	0.7	118	0.2	60	0.2	73	0.1	36	0.1	36
Month 1	2.2	471	0.4	96	0.8	81	0.4	110	0.3	84	0.2	64	0.1	36	0.1	38
Month 2	3.3	480	1.8	78	0.2	72	0.9	133	0.3	95	0.1	64	0.1	41	0.1	44
Month 3	1.9	482	0.3	86	0.2	45	0.8	152	0.3	92	0.1	66	0.1	41	0.1	38
Month 4	4.1	442	2.6	100	0.2	35	0.8	119	0.2	77	0.2	67	0.1	44	0.1	42
Month 5	3.3	370	1.5	66	0.6	44	0.7	97	0.2	56	0.2	65	0.1	42	0.1	21
Month 6	4.2	277	1.9	83	1.0	29	0.8	75	0.3	36	0.2	33	0.1	22	0.1	22
Month 7	3.8	288	1.1	79	0.4	40	1.7	72	0.3	44	0.2	31	0.1	22	0.1	22
Month 8	3.6	315	0.5	114	0.6	37	1.8	62	0.4	49	0.1	31	0.1	22	0.1	22
Month 9	4.1	324	0.8	94	0.3	44	2.4	71	0.5	60	0.2	33	0.1	22	0.1	22
Month 10	3.3	307	0.8	69	0.4	42	0.8	78	1.0	66	0.3	35	0.1	17	0.1	17

	Total Value (£m)		Total Count		0-30 days		31-60 days		61-180 days		6 months to 1 year		1 year to 2 years		More than 2 years	
	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty	£	Qty
Non NHS																
Month 9	7.5	3,035	2.3	671	1.6	455	2.2	844	0.8	470	0.4	354	0.2	241	0.1	178
Month 10	8.3	3,341	3.3	868	1.5	428	2.0	973	0.8	539	0.5	354	0.1	178	0.1	178
Month 11	10.9	2,789	6.4	697	1.3	343	1.8	711	0.7	526	0.5	334	0.2	206	0.1	178
Month 12	11.2	3,006	5.7	937	2.0	381	1.6	621	0.7	524	0.5	338	0.2	216	0.2	219
Month 1	11.3	2,910	4.3	799	3.7	422	1.9	630	0.7	510	0.5	333	0.2	216	0.2	219
Month 2	13.1	2,953	5.1	790	4.1	482	2.4	629	0.8	463	0.6	370	0.2	216	0.2	219
Month 3	14.6	2,659	4.5	586	3.6	421	5.0	678	0.7	407	0.5	345	0.2	222	0.2	222
Month 4	13.6	2,606	4.0	787	3.0	274	5.0	679	0.9	340	0.5	331	0.2	195	0.2	194
Month 5	11.3	2,712	3.4	718	2.2	400	4.4	689	0.6	370	0.6	341	0.2	194	0.2	207
Month 6	8.2	2,338	3.1	689	0.8	249	2.7	545	0.8	344	0.6	304	0.1	207	0.1	201
Month 7	7.2	2,245	2.8	642	1.2	254	1.3	491	1.1	371	0.6	286	0.2	176	0.2	176
Month 8	10.6	2,410	6.3	801	1.2	299	1.3	523	0.9	344	0.7	267	0.2	152	0.2	152
Month 9	10.4	2,482	3.9	759	3.0	414	1.7	539	0.9	345	0.7	273	0.2	152	0.2	152
Month 10	8.1	2,139	1.6	458	1.5	266	3.3	610	0.6	376	0.5	267	0.3	162	0.3	162

	Total Value (£m)	Total Count	0-30 days	31-60 days	61-180 days	6 months to 1 year	1 year to 2 years	More than 2 years
<b>Total M10</b>	<b>11.5</b>	<b>2,446</b>	<b>2.4</b>	<b>527</b>	<b>1.9</b>	<b>308</b>	<b>4.2</b>	<b>688</b>
<b>Movement from prior month</b>								
NHS	-0.8	-17	0.0	-25	0.1	-2	-1.5	7
Non-NHS	-2.3	-343	-2.2	-301	-1.5	-148	1.7	71
<b>Net Variance</b>	<b>-3.1</b>	<b>-360</b>	<b>-2.2</b>	<b>-326</b>	<b>-1.4</b>	<b>-150</b>	<b>0.1</b>	<b>78</b>

Overview (NHS/Non-NHS)

The M10 register shows a decrease in the number and value of both NHS and non-NHS invoices on the register compared to the previous month. This positive move is replicated when compared to the same month in the previous year with 1,377 fewer invoices on the register compared to the previous total of 3,823. Although a focus continues on reducing the number on the register, the main issue remains the lack of goods receipts being entered onto the system by end users which are used to match against the invoice and Purchase Orders. Without these receipts being entered, the invoice cannot be approved and paid. Work continues to train and inform end users on the processes that need to be adopted.  
29 suppliers, accounting for 494 invoices and a value of £10.4m, make up 72% of the outstanding register total of £11.5m. These all have register total creditor balances of >=£100k, with 3 NHS suppliers accounting for £3.3m (32.3%) and the remaining 26 making up non-NHS (£7.05m, 67.8%) suppliers. In comparison to M8 top >=£100k suppliers, some non-NHS suppliers (Abbot Lab, FedBucks, Bucks Council) showed net reduction in the count and value of register invoices, however we continue to see a net increase for NHS.  
AP and the senior team are working to clear some of the very top suppliers, some of whom do not have PO's in place to cover the charge. Work is still ongoing to clear all prior year invoices below £1,000.

Invoices for Oxford Univ Hosp are lacking POs and work is underway to rectify this. We now have POs for South Cent Ambulance Serv (SCAS) as of M10 and work is in progress to receipt them. The AP team are continuing to engage the wider organisation to rectify the situation and make payments in line with our processes.

NHS Suppliers with Invoice(s) Value>=100k (£3.34m)

- Oxford University Hospitals Nhs Ft - £1.79m (no POs)
- South Central Ambulance Service - £1.41m (POs and contract now approved)
- NHS Blood Transplant - £0.14m (no GRN)

Top Six non-NHS Suppliers with Invoice(s) Value>=100k (£3.95m) Invoices

- Ge Healthcare - £1.28m (Has POs, lacking Capital Board approval)
- Globus Medical Uk Ltd - £0.96m (Has POs, Capital Board approval)
- Buckinghamshire Council - £0.54m (no POs)
- Abbott Laboratories Ltd - £0.48m (Has POs, not receipted)
- Getinge Ltd - £0.37m (no POs)
- Gulcare.Org Ltd - £0.32m

Better Payment Practice Code

Table 12 - Better Payment Practice Code

	Count Total	Count Pass	% Pass	Total (£m)	Pass (£m)	% Pass
NHS	2,125	1,430	67%	46.2	39.4	85%
Non-NHS	51,545	45,371	88%	273.6	242.6	89%
<b>Total</b>	<b>53,670</b>	<b>46,801</b>	<b>87%</b>	<b>319.8</b>	<b>282.0</b>	<b>88%</b>

Adherence to the BPPC requires 95% of suppliers to be paid within 30 days of receipt of a valid invoice. Movement in the invoice register of old invoices (>30days) successfully matched to a PO has a direct impact on the BPPC targets.  
NHS - Performance on 'value' has fallen slightly to 85% from 91% in M9. The value for 'count' has also fallen slightly from 89% in M9 to 67% in M10.

Non-NHS - There have been very little movement (<1%) for both 'count' and 'value' targets for non-NHS in M10. While the values look relatively high at count (88%) and value (89%), this could still be improved if the current receipting issue is addressed.

For both NHS and non-NHS, work continues to improve the performance to the target level from the current level of around 90%. However, in the short term this work includes an exercise to clear very old payables from the register which may have an adverse impact on BPPC performance in the short term.

CHART OF YTD M10 BPPC TARGET BY COUNT

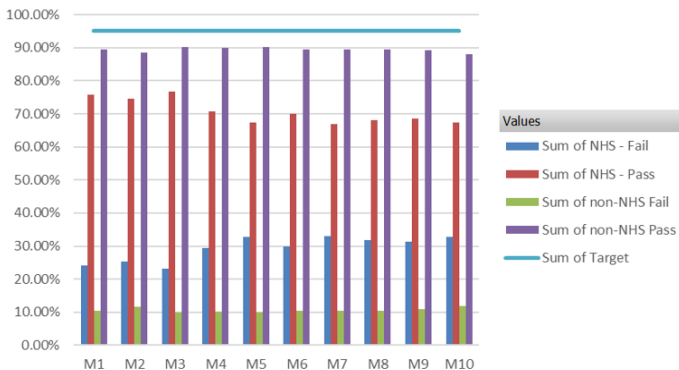
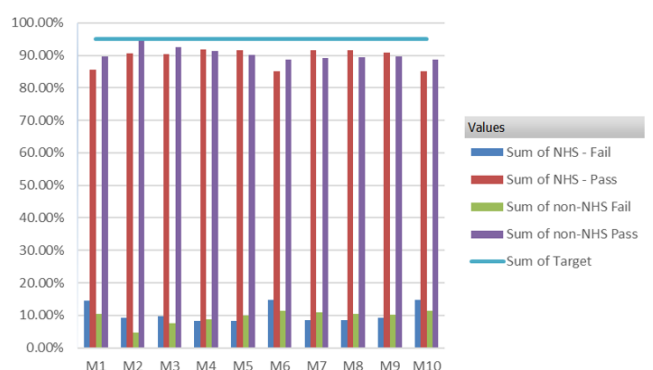


CHART OF YTD M10 BPPC TARGET BY VALUE



## Cash Position

### Cash

**Table 13 - Cash summary position**

£'000	Actual Mar-23	Actual Apr-23	Actual May-23	Actual Jun-23	Actual Jul-23	Actual Aug-23	Actual Sep-23	Actual Oct-23	Actual Nov-23	Actual Dec-23	Actual Jan-24	forecast Jan-24	forecast Feb-24	forecast Mar-24
<b>INCOME</b>														
Clinical Income	44,424	43,508	44,038	52,192	45,942	47,014	48,068	45,581	44,916	46,016	46,270	45,000	45,000	45,000
Clinical Income top up / Covid / Growth	0	0	0	0	0	1,800	0	0	0	7,790	0	0	3,000	0
Education and Training	0	3,719	0	0	3,072	0	0	5,367	0	0	0	0	0	2,933
Other Income	3,330	2,387	1,830	738	1,641	2,261	1,876	1,904	1,233	1,403	1,241	1,103	1,357	1,200
HMRC vat reclaim	0	4,006	546	0	3,522	3,460	2,019	1,430	1,398	1,673	1,195	1,500	1,500	1,500
Payroll Support	552	0	0	11,324	537	0	0	1,182	752	752	752	752	752	752
PDC capital	4,200	0	0	0	0	0	0	0	4,139	0	2,408	10,125	6,800	18,761
Revenue PDC	5,302	0	0	0	0	0	0	0	0	2,817	2,817	2,817	3,583	6,350
External Cash Support ICB	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Receipts	2,099	607	521	578	858	680	738	777	741	739	740	639	788	700
<b>TOTAL RECEIPTS</b>	<b>59,907</b>	<b>54,227</b>	<b>46,935</b>	<b>64,832</b>	<b>55,572</b>	<b>55,214</b>	<b>52,701</b>	<b>56,241</b>	<b>53,179</b>	<b>58,373</b>	<b>55,423</b>	<b>61,936</b>	<b>62,781</b>	<b>77,196</b>
<b>PAYMENTS</b>														
Pay Costs - Substantive	(26,217)	(25,682)	(26,297)	(27,264)	(27,671)	(27,704)	(28,884)	(29,737)	(28,461)	(28,645)	(29,058)	(28,591)	(28,729)	(28,729)
Back dated Payroll	0	0	0	(7,715)	(5,399)	-	0	-	-	-	-	-	-	-
Pay Costs - Temporary Staffing	(7,012)	(4,202)	(3,884)	(3,906)	(3,427)	(2,836)	(3,419)	(3,442)	(3,455)	(3,449)	(2,616)	(3,483)	(4,592)	(3,817)
Creditors	(17,762)	(12,969)	(12,840)	(16,054)	(14,748)	(13,702)	(16,407)	(13,881)	(13,312)	(13,227)	(16,303)	(15,989)	(16,279)	(15,846)
Creditors - Capital Spend	(3,632)	(4,043)	(496)	(1,082)	(1,785)	(1,443)	(1,397)	(3,267)	(1,645)	(4,664)	(3,866)	(10,542)	(8,072)	(20,247)
NHSLA	280	(1,562)	(1,562)	(1,432)	(1,562)	(1,562)	(1,562)	(1,562)	(1,562)	(1,562)	(1,562)	(1,562)	-	-
PDC Dividends	(3,728)	0	0	0	-	-	(4,654)	0	0	0	0	0	0	(3,227)
PFI CHARGE	(1,858)	(3,099)	(6,511)	(4,661)	(6,170)	(6,228)	(5,291)	(7,189)	(3,357)	(5,196)	(5,314)	(5,306)	(5,330)	(5,330)
<b>TOTAL PAYMENTS</b>	<b>(59,930)</b>	<b>(51,557)</b>	<b>(51,589)</b>	<b>(62,113)</b>	<b>(60,762)</b>	<b>(53,475)</b>	<b>(61,614)</b>	<b>(59,078)</b>	<b>(51,791)</b>	<b>(56,743)</b>	<b>(58,720)</b>	<b>(65,474)</b>	<b>(63,002)</b>	<b>(77,196)</b>
<b>NET CASH FLOW IN PERIOD</b>	<b>(23)</b>	<b>2,670</b>	<b>(4,654)</b>	<b>2,719</b>	<b>(5,190)</b>	<b>1,739</b>	<b>(8,913)</b>	<b>(2,838)</b>	<b>1,388</b>	<b>1,630</b>	<b>(3,296)</b>	<b>(3,538)</b>	<b>(221)</b>	<b>(0)</b>
<b>OPENING CASH BALANCE</b>	<b>16,930</b>	<b>16,907</b>	<b>19,577</b>	<b>14,923</b>	<b>17,642</b>	<b>12,452</b>	<b>14,191</b>	<b>5,278</b>	<b>2,440</b>	<b>3,828</b>	<b>5,458</b>	<b>5,458</b>	<b>2,162</b>	<b>1,940</b>
<b>CLOSING CASH BALANCE</b>	<b>16,907</b>	<b>19,577</b>	<b>14,923</b>	<b>17,642</b>	<b>12,452</b>	<b>14,191</b>	<b>5,278</b>	<b>2,440</b>	<b>3,828</b>	<b>5,458</b>	<b>2,162</b>	<b>1,920</b>	<b>1,940</b>	<b>1,940</b>

The cashflow above has moved from that which accompanied the financial plan, and now takes into account actual levels of payments extrapolated forward. As a result it does not necessarily reflect assumptions around income and expenditure, such as forecast performance on cost improvement plans. As such it is the worse case scenario and important to ensure maintenance of minimum cash balances. The Trust is not able to maintain a cash balance of less than £1.9m at any point during the month.

The Trust will require additional cash support to maintain payments to suppliers in a timely way and to support its Capital programme. Applications were submitted to the NHS Central Team in December and approval of the Revenue Support PDC of £12.8m and Capital Support PDC of £5.6m have been received. These funds will be drawn down, alongside the Capital PDC approved for Capital schemes, in February and March 2024.

Specific points to be taken into account in the cashflow forecast are:

- **Clinical Income** - the level of receipts forecast above take into account assumptions in the operating plan, updated to changes to contract values from factors such as the pay award increases. The forecast is updated in line with variations to our NHS Contracts.
- **Total receipts** - Total receipts (£55.4m) in M10 were £6.5m below forecast (£61.9m), as a result of the Trust receiving £2.4m of the anticipated PDC Capital of £10.1m. This was due to expenditure forecast not being incurred.
- **Pay Cost** - Substantive pay cost (£29m) for M10 showed only a marginal increase (£0.5m) to forecast (£28.5m) and M9 (£28.6m). This was mitigated by a decrease of £0.8m in Temporary pay costs in M10 compared to M9.
- **Creditors** - Payments (£16.3m) to Creditors were £0.3m more than forecast and £3.0m more than M9 creditor payments. (£13.2m). The indicators show improved cash position in M9 with flexibility to meet liabilities as they fall due. Close monitoring of cash position will continue as we get to the final quarter of the financial year.
- **Capital Creditors** - assumes that £20.6m PDC for the schemes for additional beds and visual outpatient clinic/digital hub at Stoke Mandeville, the £5.7m for MRI/CT at Amersham and the £1.56m for the CT Scanner at Wycombe, and the £5.7m of EPR funding will be drawn down over the remainder of the year. It is important that there is clear communication of cash requirements for these large schemes takes place in order to allow for management of creditor payments. More work is required to improve prompt approval of capital invoices to ensure alignment with forecast spend.



## Capital Position

**Table 16: Capital Overview - M10 2023-24**

Capital Expenditure (£M)	Annual Plan (£m)	YTD Budget (£m)	YTD Actual (£m)	YTD Variance (£m)	Forecast (£m)	Forecast Variance (£m)	YTD Actual (£m)	Prior Month YTD Actual (£m)	Movement In Spend
Medical Equipment	2.5	2.1	4.0	(1.9)	6.4	(3.9)	4.0	3.9	0.0
Property Services	38.8	23.5	15.6	7.9	35.8	3.0	15.6	12.6	3.1
Information Technology	12.5	11.5	2.9	8.6	12.5	0.0 *	2.9	3.1	(0.2)
General	2.8	1.4	0.3	1.2	2.5	0.3 *	0.3	0.2	0.1
Flow	2.0	1.7	0.5	1.1	1.4	0.6	0.5	0.5	0.1
<b>Total Capital Expenditure</b>	<b>58.6</b>	<b>40.2</b>	<b>23.3</b>	<b>16.9</b>	<b>58.6</b>	<b>0.0</b>	<b>23.3</b>	<b>20.3</b>	<b>3.0</b>

**Table 17: Capital Overview - M10 2023-24 Full Year**

Capital (£m)	Full Year
<b>Funding Streams</b>	
Funded By Trust	21.3
Funded By PDC	35.0
PFI	1.7
Funded by Donations / Grants	0.6
<b>Total Capital Funding</b>	<b>58.6</b>
<b>Expenditure</b>	
Medical Equipment	6.4
Property Services	35.8
Information Technology	12.5
General	2.5
Flow	1.4
<b>Total Capital Expenditure</b>	<b>58.6</b>
	<b>0.0</b>

The month 10 capital spend is £23.3m, which is a £3.0m increase from M9, and 39.8% of the total capital forecast for the year. This means that the Trust needs to deliver approximately 60% of the full year forecast in the final two months of the year. As a consequence, a significant amount of attention is being paid to planned spend, with weekly reviews in place with Capital sub-group leads.

The Trust is forecasting to deliver its Capital Resource Limit (CRL), but this has necessitated reprofiling schemes across years, expediting some into 2023/24 and deferring some spend into 2024/25 to align with expected delivery schedules. It was anticipated that the Trust's Charity would fund additional medical equipment of £2.8m, but this spend will now come from the Capital programme, and applications for other schemes being submitted to the Charity in 2024/25.

Total CRL Funding of £58.8m is made up from the capital envelope agreed with the ICB of £21.3m, together with external funding and adjustments. The ICB capital envelope is financed through depreciation plus £5.6m of Capital Support PDC, the application for which has been approved and will be drawn down in February. PFI Lifecycle costs are £1.7m, and the Trust will be receiving PDC allocations against agreed schemes of £33.8m. The PDC for agreed schemes includes £5.7m for EPR, £0.7m for Digital Diagnostic Capability programme, £10.6m for additional beds, £9.9m for the Business Centre, £5.8m for CT/MRI at Amersham, and £1.6m for a CT scanner at Wycombe.

## Glossary and Definitions

A&E	Accident and Emergency
API	Aligned Payment and Incentive (variable element of contract)
BHT	Buckinghamshire Healthcare NHS Trust
BOB	Buckinghamshire, Oxfordshire, Berkshire West
BPPC	Better Payment Practice Code
CEA	Clinical Excellence Awards
CRL	Capital Resource Limit
CIP	Cost Improvement Plan
DH	Department of Health
ERF	Elective Recovery Fund
HEE	Health Education England
HMRC	Her Majesty's Revenue and Customs
HSLI	Health System Led Investment
ICB	Integrated Care Board
ICS	Integrated Care System
NHS	National Health Service
NHSE	NHS England
NHSE	NHS England & Improvement
NHSI	NHS Improvement
NHSLA	NHS Litigation Authority
OUH	Oxford University Hospital
PBR	Payment by results
PBR excluded	Items not covered under the PBR tariff
PDC	Public Dividend Capital
PFI	Private Finance Initiative
PP	Private Patients
ROE	Retention of Earnings (relating to staff under Trust PFI agreements)
WLI	Waiting List Initiative
WTE	Whole Time Equivalent
VWA	Value Weighted Activity
YTD	Year to Date

## Appendix 1: API Month 9 YTD Variable Payments by Division and POD against Plan

Table 17: BHT Variable Payment by Division, Month 9 YTD

Division	POD	POD2	23/24 Activity Plan	23/24 Actual Activity	23/24 Value Plan	23/24 Actual Value	Activity variance	Value variance
Integrated Elderly and Community	Elective	Daycase	1,089	835	£517,782	£400,326	-254	-£117,456
	Elective	Inpatient	16	41	£17,073	£39,844	25	£22,771
	Elective	Excess beddays	0	46	£0	£15,027	46	£15,027
	Outpatient	Outpatient Procedure	0	81	£0	£26,033	81	£26,033
	Outpatient	Outpatient First - Face To Face	3,751	6,515	£198,640	£343,679	2,764	£145,039
	Outpatient	Outpatient First - Non Face to Face	2,468	1,298	£271,153	£242,456	-1,170	-£28,697
Integrated Medicine	Elective	Daycase	9,709	11,745	£6,772,921	£8,295,067	2,036	£1,522,146
	Elective	Inpatient	165	209	£414,737	£407,952	44	-£6,785
	Elective	Excess beddays	384	53	£123,907	£17,194	-331	-£106,713
	Outpatient	Outpatient Procedure	15,041	17,067	£2,518,148	£2,880,725	2,026	£362,577
	Outpatient	Outpatient First - Face To Face	21,547	24,818	£5,015,358	£5,614,661	3,271	£599,303
	Outpatient	Outpatient First - Non Face to Face	15,507	12,254	£2,807,591	£2,258,140	-3,253	-£549,451
Specialist Services	Elective	Chemo	3,922	4,766	£1,284,940	£1,537,814	844	£252,874
	Elective	Daycase	2,883	3,202	£1,768,070	£2,242,427	319	£474,357
	Elective	Inpatient	82	121	£318,811	£376,626	39	£57,815
	Elective	Excess beddays	116	92	£43,838	£35,198	-24	-£8,640
	Outpatient	Chemo	2,605	3,299	£431,124	£547,979	694	£116,855
	Outpatient	Outpatient Procedure	3,417	3,550	£832,762	£861,892	133	£29,130
	Outpatient	Outpatient First - Face To Face	1,964	2,113	£585,896	£656,907	149	£71,011
	Outpatient	Outpatient First - Non Face to Face	2,942	3,095	£472,780	£519,345	153	£46,565
Surgery And Critical Care	Elective	Daycase	11,877	10,899	£17,496,001	£16,737,277	-978	-£758,724
	Elective	Inpatient	1,897	1,988	£9,475,045	£9,779,717	91	£304,672
	Elective	Excess beddays	375	278	£129,529	£94,484	-97	-£35,045
	Outpatient	Outpatient Procedure	40,508	53,439	£7,373,373	£8,767,765	12,931	£1,394,392
	Outpatient	Outpatient First - Face To Face	50,595	50,153	£8,759,938	£8,783,765	-442	£23,827
	Outpatient	Outpatient First - Non Face to Face	10,559	10,502	£1,569,255	£1,509,234	-57	-£60,021
Women Children and Sexual Health	Elective	Chemo	1	3	£539	£1,366	2	£827
	Elective	Daycase	1,151	1,082	£1,152,808	£1,063,840	-69	-£88,968
	Elective	Inpatient	308	308	£1,054,862	£1,127,549	-0	£72,687
	Elective	Excess beddays	53	8	£27,236	£4,250	-45	-£22,986
	Outpatient	Outpatient Procedure	4,341	3,678	£1,657,478	£1,386,824	-663	-£270,654
	Outpatient	Outpatient First - Face To Face	12,405	14,387	£2,589,136	£3,003,635	1,982	£414,499
	Outpatient	Outpatient First - Non Face to Face	2,399	2,359	£410,918	£405,821	-40	-£5,097
<b>Grand Total</b>			<b>224,075</b>	<b>244,284</b>	<b>£76,091,648</b>	<b>£79,984,819</b>	<b>20,209</b>	<b>£3,893,171</b>