

Board of Directors
Item number: 21
Date: 24 September 2025

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| Private/ public paper: | Public |
| Report Title: | Financial Performance Report as at 31 July (month 4) |
| Author(s) Accountable Director: | Chris Cotton, deputy director of finance Phillip Easthope, executive director of finance and digital |
| Presented by: | Phillip Easthope, executive director of finance and digital |
| Vision and values: | The financial performance report shows our progress against how we are working together to keep improving our financial position towards breakeven so that we can improve the mental, physical and social wellbeing of the people in our communities in a financial sustainable way ensuring we have effective use of our resources. |
| Purpose and key actions: | The Board of Directors is asked to note the financial position as at 31st July 2025 and the actions being taken in the Trust to ensure the planned deficit is achieved this financial year. |
| Executive summary: | <p>At month 4, the year-to-date deficit has been reported on plan with zero variance. The underlying variance was £1.6m behind plan at month 4. This is mainly due to the pay award pressure £0.6m, Value Improvement Plan (VIP) underachievement £0.6m and reduction in underspending areas against plan £0.5m. Due to an increase in Acute & PICU out of area numbers in June & July there is an overspend of £0.2m against trajectory.</p> <p>There is confidence that the £8m VIP requirement can still be met and that further mitigations can be found to offset other pressures therefore income has been rephased in order to report on plan year to date, work is ongoing to ensure plans are signed off and the full target is achieved in year. The forecast is in line with plan on the basis that the £8m VIP requirement, unrealised mitigations to offset other pressures and Out of Area trajectory will be met.</p> <p>There are various risks that could impact this in future months including the out of area not reducing in line with trajectory, further pay award funding shortfall, VIP delivery and the impact of current and future strikes.</p> <p>Cash is £3.9 m below plan, this reflects the delay in the sale of Fulwood, which is offset by reduction in aged debt.</p> <p>There is a year-to-date underspend on capital due to phasing of the Capital spend being later in the year compared to the financial plan phasing. Our bid for safety schemes has been approved, and we are going to receive £1.2m of funding rather than the £0.8m included in the plan, this is the reason for the additional spend on the forecast.</p> <p>Out of area is overspending in the first 4 months due to Acute & PICU usage being above trajectory in June and July. Usage in July was at 33 for Acute & PICU spot at the start of the month and reduced to 23 by the end of the month, on top of this, five discharge to assess (D2A) beds were being used. The trajectory for July was 24 so the actual numbers exceeded for the whole</p> |

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| | <p>month, resulting in an overspend in month of £0.14m.</p> <p>The year-to-date position for Acute & PICU is now an overspend of £0.2m, the forecast for future months assumed the planned trajectory will be achieved which goes from an average of 23 in August to 5 in March 2026.</p> <p>Outstanding debt reduced to £2.2m at the end of July, this is mainly due to South Yorkshire Housing Association paying the remaining of prior year invoices. The Finance Team continues with increased debt recovery action to ensure older disputed debts are paid or escalated to ensure quicker resolution can be found. Further information is in Section 5.</p> <p><u>Appendix attached:</u></p> <ul style="list-style-type: none"> Financial Performance Report Month 4 |
|--|---|

| Which strategic objective does the item primarily contribute to: | | | | | |
|--|-----|---|----|--|--|
| Effective Use of Resources | Yes | X | No | | |
| Deliver Outstanding Care | Yes | | No | | |
| Great Place to Work | Yes | | No | | |
| Reduce inequalities | Yes | | No | | |

| What is the contribution to the delivery of standards, legal obligations and/or wider system and partnership working. | |
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| <p>Paper contributes to Care Quality Commission Fundamental Standards Regulation 13: Financial Position and Regulation 17: Good Governance</p> <p>The Trusts financial position is submitted each month to South Yorkshire ICB to be included within the South Yorkshire system position. Discussions are ongoing about the system position including with NHS England on where the expected year end position and additional actions being taken across the system to reduce the deficit as much as possible.</p> | |
| BAF and corporate risk/s: | <p>BAF RISK 0022 There is a risk we fail to deliver the break-even position in the medium term caused by factors including failure to develop and deliver robust financial plans based on delivery of operational, transformation and efficiency plans resulting in a reduction in our financial sustainability and delivery of our statutory duties.</p> <p>Corporate Risk 5051 - There is a risk of failure to deliver the required level of savings for 2025/26. This includes reducing overspending areas through recovery plans.</p> |
| Any background papers/ items previously considered: | Financial position presented to senior leadership team and executive management team. The financial performance report is received at every Board of Directors. |
| Recommendation: | <p>Board of Directors are asked to:</p> <ul style="list-style-type: none"> Note the financial position as at 31st July 2025 and the actions being taken in the Trust to ensure the planned deficit is achieved this financial year. |



FINANCIAL PERFORMANCE REPORT

JULY 2025



Executive Summary – Month 4

| Key Performance Indicator | YTD Plan £'000 | YTD Actual £'000 | Variance £'000 | Annual Plan £'000 | 25/26 Forecast £'000 | Variance £'000 |
|---------------------------------|-------------------|---------------------|-------------------|----------------------|----------------------------|-------------------|
| Surplus/(Deficit) | (1,857) | (1,857) | 0 | (4,871) | (4,871) | 0 |
| Adjusted Plan Surplus/(Deficit) | (234) | (234) | 0 | 0 | 0 | 0 |
| Cash | 45,945 | 42,048 | (3,897) | 44,193 | 44,193 | 0 |
| Efficiency Savings | 2,668 | 2,107 | (561) | 8,000 | 8,000 | 0 |
| Capital | (4,470) | (1,583) | 2,887 | (16,304) | (16,739) | (435) |
| | | | | Target | Number | Value |
| Invoices paid within 30 days | NHS | | | 95% | 100% | 100% |
| (Better Payments Practice Code) | Non-NHS | | | 95% | 100% | 100% |

At month 4, the year-to-date deficit has been reported on plan with zero variance. The underlying variance was £1.6m behind plan at month 4. This is mainly due to the pay award pressure £0.6m, Value Improvement Plan (VIP) underachievement £0.6m and reduction in underspending areas against plan £0.5m. Due to an increase in Acute & PICU out of area numbers in June & July there is an overspend of £0.2m against trajectory.

There is confidence that the £8m VIP requirement can still be met and that further mitigations can be found to offset other pressures therefore income has been rephased in order to report on plan year to date, work is ongoing to ensure plans are signed off and the full target is achieved in year. The forecast is in line with plan on the basis that the £8m VIP requirement, unrealised mitigations to offset other pressures and Out of Area trajectory will be met.

There are various risks that could impact this in future months including the out of area not reducing in line with trajectory, further pay award funding shortfall, VIP delivery and the impact of current and future strikes.

Cash is £3.9 m below plan, this reflects the delay in the sale of Fulwood, which is offset by reduction in aged debt.

There is a year to date underspend on capital due to phasing of the Capital spend being later in the year compared to the financial plan phasing. Our bid for safety schemes has been approved and we are going to receive £1.2m of funding rather than the £0.8m included in the plan, this is the reason for the additional spend on the forecast. The Capital forecast will be adjusted at Month 5 in line with the agreed plan based on the Fulwood sale not occurring this year.

Executive Summary – Month 4

| Area of Focus | YTD Plan £'000 | YTD Actual £'000 | Variance £'000 | Annual Plan £'000 | 25/26 Forecast £'000 | Variance £'000 |
|--|--------------------|---------------------|-------------------|----------------------|----------------------------|-------------------|
| Out of Area spend * | (5,773) | (5,882) | (109) | (15,219) | (15,625) | (406) |
| Medics pay ** | (6,805) | (6,997) | (191) | (20,506) | (20,373) | 133 |
| Agency spend | (609) | (1,095) | (486) | (1,653) | (2,658) | (1,005) |
| Bank spend | (1,811) | (2,498) | (687) | (5,433) | (7,467) | (2,034) |
| | Apr - Nov 24 Av | Apr-25 | Variance | | | |
| Aged Debt (Amount above 30 Days) | (2,098) | (2,175) | (77) | | | |
| * Includes Purchase of Healthcare only, excludes travel costs. | | | | | | |
| ** Figures adjusted for offsetting income | | | | | | |

Out of area is overspending in the first 4 months due to Acute & PICU usage being above trajectory in June and July. Usage in July was at 33 for Acute & PICU spot at the start of the month and reduced to 23 by the end of the month, on top of this 5 discharge to assess (D2A) beds were being used. The trajectory for July was 24 so the actual numbers exceeded for the whole month, resulting in an overspend in month of £0.14m.

The year to date position for Acute & PICU is now an overspend of £0.2m, the forecast for future months assumed the planned trajectory will be achieved which goes from an average of 23 in August to 5 in March 2026.

In 2023/24 Medics pay was highlighted as the largest cost driver at an organisation wide level, due to the approval of additional Medical budget in the 2025/26 planning and reduction in some costs there is an overspend of £0.2m at Month 4. This is being driven by several pressures, particularly on Medical Management Team, OA CMHT and the Recovery teams. The forecast is an improved position of £0.1m underspend which is reflective of the ongoing work to remove Medical overspends as part of recovery plans.

The overspends reported against agency and bank are due to a higher level of VIP on agency and bank plan compared to the current forecast. Within Appendix 1 there is a table that shows pay breakdown compared to previous years, this shows a forecast reduction of £0.4m on bank and £0.3m on agency compared to 2024/25, this equates to £1m reduction in real terms when accounting for pay inflation.

Outstanding debt reduced to £2.2m at the end of July, this is mainly due to South Yorkshire Housing Association paying the remaining of prior year invoices. The Finance Team continues with increased debt recovery action to ensure older disputed debts are paid or escalated to ensure quicker resolution can be found. Further information is in Section 5.

Section 1: Year to Date & Forecast

Month 4 Position

As of Month 4, the year to date (YTD) position shows a deficit of £1.45m, which is in line with the plan. The Forecast is also in line with plan based on the assumption that VIP requirement and Out of Area trajectory will be met, there are variances across different categories of income and expenditure. The table below provides a summary of income and expenditure, along with variances against the plan, including system deficit funding.

| | 2025/26 | | | | | | | |
|---|-----------------|-----------------|------------------|----------------|------------------|------------------|------------------|---------------|
| | Plan £000 | YTD £000 | Variance £000 | % | Plan £000 | Forecast £000 | Variance £000 | % |
| Clinical Income | 47,966 | 49,766 | 1,800 | 3.8% | 143,328 | 145,619 | 2,291 | 1.6% |
| Other Income | 7,934 | 8,119 | 185 | 2% | 23,791 | 25,013 | 1,222 | 5.1% |
| Total Income | 55,900 | 57,885 | 1,985 | 4% | 167,119 | 170,631 | 3,512 | 2% |
| Pay (substantive, agency, bank & other) | (42,485) | (45,509) | (3,024) | 7.1% | (128,798) | (133,090) | (4,292) | 3.3% |
| Non Pay | (14,490) | (13,535) | 955 | (6.6%) | (41,413) | (40,728) | 685 | (1.7%) |
| Total Expenditure | (56,975) | (59,044) | (2,069) | 3.6% | (170,211) | (173,817) | (3,606) | 2.1% |
| Interest receipts | 539 | 617 | 78 | 14.5% | 1,616 | 1,695 | 79 | 4.9% |
| Finance expense | (23) | (19) | 3 | (13.9%) | (68) | (57) | 11 | (16.2%) |
| PDC dividends payable | (926) | (909) | 18 | (1.9%) | (2,778) | (2,759) | 19 | (0.7%) |
| Net Finance Costs | (410) | (311) | 99 | (24.2%) | (1,230) | (1,121) | 109 | (8.8%) |
| Net Surplus / (Deficit) | (1,485) | (1,469) | 15 | 1 | (4,322) | (4,307) | 15 | 1 |
| Technical Adjustments | 34 | 19 | (15) | (44.6%) | 101 | 86 | (15) | (14.9%) |
| Net Surplus / (Deficit) inc. Technical Adj | (1,451) | (1,451) | 0 | 0% | (4,221) | (4,221) | 0 | (0.0%) |
| System Deficit Funding | 1,217 | 1,217 | 0 | 0.0% | 4,221 | 4,221 | 0 | 0.0% |
| Adjusted Net Surplus / (Deficit) | (234) | (234) | 0 | (0.1%) | (0) | 0 | 0 | 0.0% |
| KPI's | - | - | - | - | - | - | - | - |
| Acute OOA purchase of healthcare | (3,706) | (4,213) | (508) | 13.7% | (9,018) | (9,526) | (508) | 5.6% |
| PICU OOA purchase of healthcare | (1,727) | (1,334) | 393 | (22.8%) | (5,177) | (4,784) | 393 | (7.6%) |
| Rehab OOA purchase of healthcare | (341) | (335) | 6 | (1.8%) | (1,023) | (1,315) | (292) | 28.5% |
| Medics pay | (6,805) | (6,997) | (191) | 2.8% | (20,506) | (20,373) | 133 | (0.6%) |
| Bank pay | (1,811) | (2,498) | (687) | 37.9% | (5,433) | (7,467) | (2,034) | 37.4% |
| Agency pay | (609) | (1,095) | (486) | 79.9% | (1,653) | (2,658) | (572) | 34.6% |

Section 1: Year to Date & Forecast

Key variances are described below:

Clinical income - £1.8m favourable YTD / £2.3m favourable forecast:

- £0.6m adverse YTD / £0 forecast – income has been deferred on the Neighbourhood pilot to align with year-to-date expenditure
- £0.3m favourable YTD / £0.8m favourable forecast - additional funding received from the ICB for OOA inflation costs
- £0.1m favourable YTD / £0.5m favourable forecast - Better care fund discharge funding that was not accounted for in the plan – offset by expenditure
- £1.6m favourable YTD / £0 forecast – block income was rephased to reflect actual spend and savings that will be made later in the year

Other income - £0.2m favourable YTD / £1.2m favourable forecast:

- £0.2m favourable YTD / £1.2m favourable forecast - Education Funding Agreement (EFA) income above plan in forecast – offset by expenditure

Pay - £3m adverse YTD / £4.3m adverse forecast:

- £0.6m adverse YTD / £1.8m adverse forecast – additional pay pressures
- £0.56m adverse YTD / £0m forecast - VIP under-delivery
- £0.2m adverse YTD / £1.2m adverse forecast – Trainees Education Funding Agreement (EFA) expenditure above plan in forecast – offset by income
- £0.1m adverse YTD / £0.5m adverse forecast - Better care fund discharge funding that was not accounted for in the plan – offset by income

Non-pay - £955k favourable YTD / £685k favourable forecast:

- £0.5m favourable YTD / £0m forecast - Neighbourhood pilot due to delay in phasing of spend and breakdown of pay and non-pay, this is offset by variances in income and non-pay

Section 1: Year to Date & Forecast

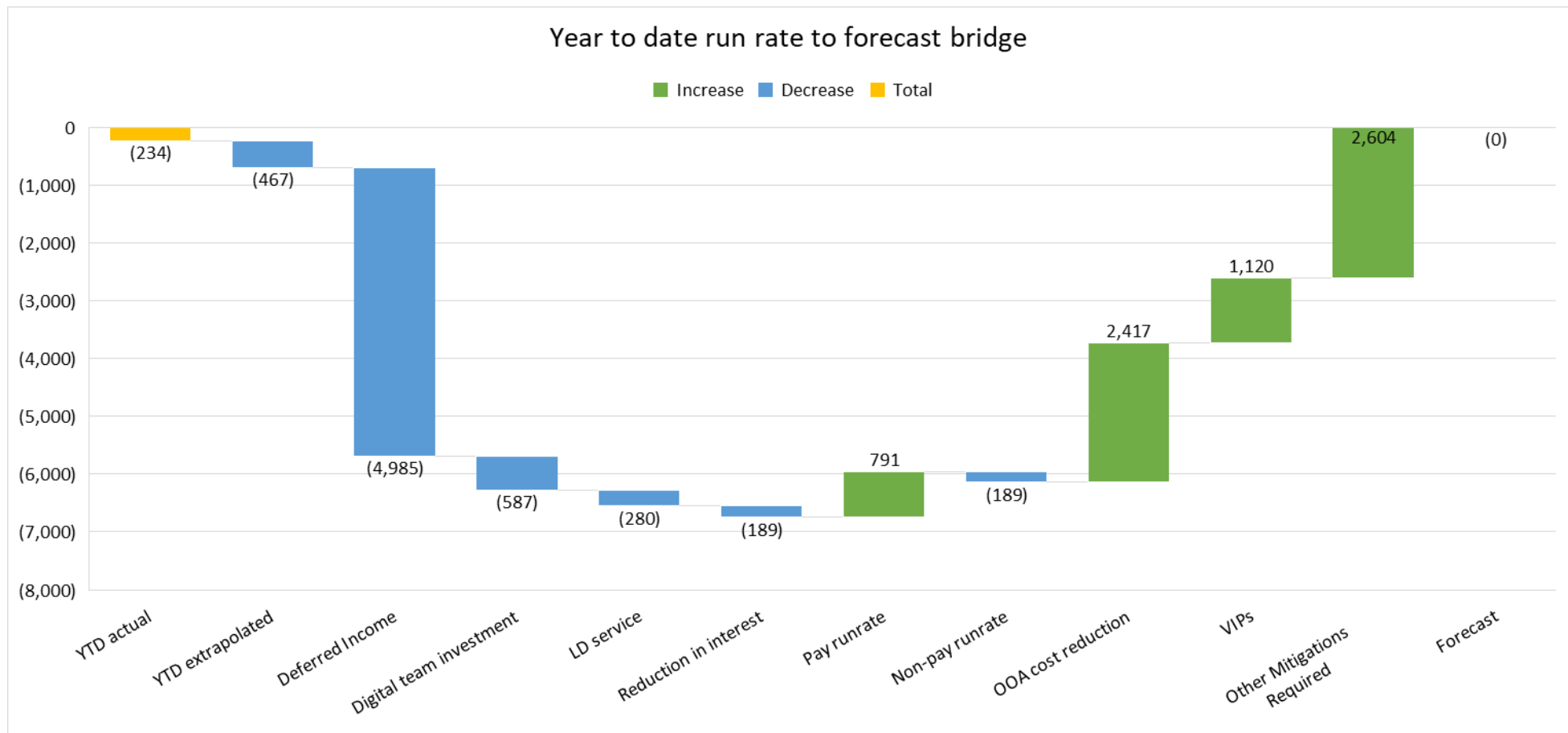
The forecast to meet the planned deficit is in the table below, the non-recurrent deficit funding is included within the Income from Patient Care Activities as it is income from the ICB.

| | Prior Year | Actual | | | | | Forecast | | | | | | | |
|---|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | £'000 | Apr-25 £'000 | May-25 £'000 | Jun-25 £'000 | Jul-25 £'000 | YTD £'000 | Aug-25 £'000 | Sep-25 £'000 | Oct-25 £'000 | Nov-25 £'000 | Dec-25 £'000 | Jan-26 £'000 | Feb-26 £'000 | Mar-26 £'000 |
| Income | | | | | | | | | | | | | | |
| Income from Patient Care Activities | 154,509 | 12,224 | 12,525 | 12,776 | 13,458 | 50,983 | 12,551 | 12,580 | 12,285 | 12,290 | 12,288 | 12,244 | 12,331 | 12,288 |
| Other Operating Income | 24,609 | 2,097 | 2,117 | 2,091 | 1,814 | 8,119 | 2,120 | 2,256 | 2,088 | 2,081 | 2,076 | 2,138 | 2,072 | 2,062 |
| Total Income | 179,118 | 14,321 | 14,642 | 14,867 | 15,272 | 59,102 | 14,670 | 14,835 | 14,374 | 14,371 | 14,363 | 14,383 | 14,404 | 14,350 |
| Expenditure | | | | | | | | | | | | | | |
| Substantive | (119,363) | (9,954) | (10,495) | (10,113) | (11,138) | (41,700) | (10,405) | (10,720) | (9,828) | (9,863) | (9,937) | (9,907) | (9,978) | (9,979) |
| Bank | (7,434) | (608) | (615) | (597) | (679) | (2,498) | (635) | (632) | (621) | (616) | (616) | (616) | (616) | (616) |
| Agency | (2,677) | (313) | (187) | (307) | (288) | (1,095) | (340) | (244) | (216) | (172) | (172) | (152) | (133) | (133) |
| NHSE pension costs | (8,437) | | | | | | | | | | | | | |
| Other (Apprenticeship Levy) | (503) | (43) | (43) | (43) | (45) | (174) | (43) | (43) | (43) | (43) | (43) | (43) | (43) | (43) |
| Pay | (138,413) | (10,918) | (11,339) | (11,059) | (12,150) | (45,466) | (11,424) | (11,640) | (10,709) | (10,694) | (10,768) | (10,719) | (10,770) | (10,771) |
| Out of Area healthcare | (15,260) | (1,429) | (1,311) | (1,635) | (1,507) | (5,882) | (1,378) | (1,301) | (1,297) | (1,231) | (1,247) | (1,181) | (1,020) | (1,088) |
| Drugs | (989) | (55) | (105) | (130) | (84) | (373) | (94) | (99) | (95) | (95) | (95) | (95) | (95) | (95) |
| Impairments | (357) | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non pay | (19,640) | (1,495) | (1,857) | (1,101) | (1,166) | (5,619) | (1,777) | (1,811) | (1,612) | (1,619) | (1,645) | (1,676) | (1,575) | (1,579) |
| Non Pay | (35,889) | (2,978) | (3,274) | (2,866) | (2,748) | (11,866) | (3,259) | (3,211) | (3,004) | (2,946) | (2,987) | (2,952) | (2,689) | (2,761) |
| Total Expenditure | (174,659) | (13,896) | (14,613) | (13,925) | (14,898) | (57,332) | (14,683) | (14,851) | (13,713) | (13,640) | (13,755) | (13,670) | (13,460) | (13,533) |
| Earnings Before Interest, Tax, Depre'n & Amort'n | 4,459 | 424 | 30 | 941 | 375 | 1,770 | (13) | (16) | 661 | 731 | 609 | 712 | 944 | 817 |
| Depreciation & Amortisation | (3,970) | (426) | (426) | (426) | (426) | (1,703) | (406) | (406) | (439) | (439) | (439) | (450) | (450) | (450) |
| Net Operating Surplus / (Deficit) | 489 | (1) | (396) | 516 | (51) | 67 | (419) | (421) | 222 | 292 | 169 | 263 | 494 | 368 |
| Interest receipts | 2,019 | 153 | 159 | 152 | 154 | 617 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 |
| Finance expense | (63) | (4) | (5) | (6) | (5) | (19) | (5) | (5) | (5) | (5) | (5) | (5) | (5) | (5) |
| PDC dividends payable | (2,686) | (206) | (234) | (234) | (234) | (909) | (231) | (231) | (231) | (231) | (231) | (231) | (231) | (231) |
| Net Finance Costs | (730) | (57) | (80) | (88) | (85) | (311) | (101) | (101) | (101) | (101) | (101) | (101) | (101) | (101) |
| Net Surplus/ (Deficit) for the year | (240) | (59) | (476) | 427 | (136) | (243) | (520) | (523) | 121 | 191 | 68 | 161 | 393 | 266 |
| Technical Adjustments | 144 | 5 | 5 | 5 | 5 | 19 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Adjusted Net Surplus / (Deficit) | (98) | (54) | (471) | 432 | (132) | (225) | (512) | (514) | 129 | 199 | 77 | 170 | 401 | 275 |
| Plan | (603) | (54) | (84) | 45 | (141) | (234) | (87) | (4) | (45) | 14 | (28) | 29 | 213 | 142 |
| Variance to plan | 505 | (0) | (387) | 387 | 9 | 9 | (425) | (510) | 174 | 185 | 105 | 141 | 188 | 132 |

A more detailed breakdown of the run rates and monthly forecast by type of income and expenditure is given in appendix 1.

Section 1: Year to Date & Forecast

The chart below shows the run rate movements from year to date to the forecast of being on plan:



- Deferred income due to £1.6m deferral in year to date to report on plan
- Digital & LD service investments will increase costs later in the year – this will be reviewed for Month 5 reporting.
- Reduction in Interest rates – in line with national expectation that interest rates will fall this year (this was included within the plan).

Section 1: Year to Date & Forecast

- Pay runrate –forecasts have been adjusted to reflect future turnover expected across the organisation, this is based on current historic levels of turnover and expected reduction in spend.
- Non-pay runrate – this is due to underspends on some non-pay budgets that are not expected to continue for the whole year such as training budgets.
- OOA cost reduction – in line with the trajectory for usage to reduce in year.
- VIPs – additional VIP required to offset £561k under-delivery at Month 4.
- Other Mitigations required to offset Month 4 forecast – further work ongoing in finance to challenge current forecasts and propose additional financial controls to implement.

Section 2: Directorate Position

| Directorate | YTD budget £'000 | YTD actual £'000 | YTD variance £'000 | Annual budget £'000 | Forecast £'000 | Variance £'000 |
|------------------------------------|---------------------|------------------|-----------------------|------------------------|----------------|----------------|
| Acute & community | (1,407) | (1,584) | (177) | (4,221) | (3,729) | 492 |
| Rehab & specialist | 112 | 318 | 205 | 53 | 719 | 666 |
| Directorate management/ central | - | 175 | 175 | - | 315 | 315 |
| Medical | - | 87 | 87 | - | 251 | 251 |
| Chair/Chief Exec Office | - | 25 | 25 | - | 75 | 75 |
| Corporate Governance | - | (1) | (1) | - | 2 | 2 |
| Director of Finance | - | 212 | 212 | - | 291 | 291 |
| Exec Dir of Operations & Trans | - | 1 | 1 | - | (3) | (3) |
| Nursing & Professions | 7 | 71 | 64 | 22 | 216 | 194 |
| People Directorate | (0) | 114 | 114 | - | 310 | 310 |
| Strategy, Estates & Facilities | - | 203 | 203 | - | 18 | 18 |
| Central budgets and Reserves | 1,020 | 127 | (892) | 4,045 | 1,448 | (2,596) |
| Net surplus/ (deficit) | (268) | (252) | 15 | (101) | (86) | 15 |
| Technical adjustments | 34 | 19 | (15) | 101 | 86 | (15) |
| ADJUSTED SURPLUS/ (DEFICIT) | (234) | (234) | 0 | (0) | 0 | 0 |

Budgets have been updated in 2025/26 to apportion all income and overheads to cost centres; this means that most budgets are now net zero as income is offsetting expenditure. Acute & Community has a deficit budget due to an element of Out of area expenditure not being funded within the ICB contract. Reserves and Central budgets have a surplus budget to reflect the non-recurrent deficit funding being received in 2025/26 to enable an adjusted breakeven position to be achieved.

The Directorate analysis shows over and underspends against the budgets for July. Within Reserves & Central budgets there is an offset budget for underspending cost centres in directorates. The financial plan is based on spend continuing at the same level as in 2024/25 (normalised position), due to funding the overspend in Out of Area there is an offset to underspending areas in a central code, acknowledging the breakdown of the underspend will vary across directorates in year. As can be seen the directorates have a net underspend which is offset by the central code.

Section 3: Spotlight on Overspends

The services showing overspends at Month 4 of more than £34,999 for clinical and medical services or £19,999 for corporate services are detailed in the table below:

| Service Line | YTD budget | YTD actual | YTD (over)/ under £ | WTE budget | WTE actual | (Over)/ under established WTE | Substantive (over)/ under £ | Agency (over)/ under £ | Bank (over)/ under £ | Income & non pay (over)/ under £ | Main drivers / comments |
|---|------------|------------|---------------------|------------|------------|-------------------------------|-----------------------------|------------------------|----------------------|----------------------------------|--|
| Acute & community | | | | | | | | | | | |
| Crisis Central | (73,071) | 54,142 | (127,213) | 4.00 | 3.00 | 1.00 | (103,473) | - | - | (23,740) | VIP targets For Crisis |
| Community Central | (58,183) | 68,972 | (127,155) | 4.00 | 3.60 | 0.40 | (169,627) | - | - | 42,471 | VIP targets For Community |
| Acute Central | (117,241) | 92,881 | (210,122) | 3.70 | 4.50 | (0.80) | (272,015) | - | - | 61,893 | VIP targets For Acute |
| Acute & Comm Central | 61,933 | 107,009 | (45,076) | 0.97 | 1.00 | (0.03) | (5,129) | - | (17) | (39,931) | Secure patient transport costs. |
| Endcliffe Ward | 1,077,576 | 1,127,408 | (49,832) | 59.44 | 71.14 | (11.70) | 199,742 | (14,145) | (277,874) | 42,444 | Staffing above establishment levels |
| Out of Town Acute | 3,759,778 | 4,297,350 | (537,572) | - | - | 0.00 | (97,417) | - | - | (440,155) | Spot purchased bed nights higher than planned. |
| Rehab & Specialist | | | | | | | | | | | |
| Older Adults Central | (99,942) | 118,623 | (218,565) | 3.70 | 5.04 | (1.34) | (287,160) | - | - | 68,594 | VIP targets for OA |
| Birch Avenue | - | 147,631 | (147,631) | 74.69 | 79.19 | (4.50) | 117,989 | (447) | (305,994) | 40,822 | Staffing above establishment levels |
| Dovedale 1 | 918,496 | 998,420 | (79,924) | 52.91 | 61.54 | (8.63) | 147,833 | (14,807) | (244,058) | 31,109 | Staffing above establishment levels |
| Forensic & Rehab Central | (193,344) | (31,403) | (161,941) | 1.00 | 1.00 | 0.00 | (41,926) | - | - | (120,015) | VIP targets for Forensics |
| Forest Lodge | 1,025,364 | 1,213,796 | (188,432) | 69.49 | 77.58 | (8.09) | (58,410) | (51,414) | (155,352) | 76,744 | Staffing above establishment levels |
| Highly Specialist Central | (82,449) | 44,187 | (126,636) | 3.12 | 2.50 | 0.62 | (70,012) | - | - | (56,624) | VIP targets for HSS |
| Specialist Community Forensic | 149,428 | 195,899 | (46,471) | 11.40 | 10.10 | 1.30 | (26,590) | - | - | (19,881) | Staffing above establishment levels |
| Strategy, Estates & Facilities | | | | | | | | | | | |
| Fulwood Site Disposal | 38,792 | 95,844 | (57,052) | - | - | 0.00 | - | - | - | (57,052) | The sale of the site has been delayed |
| Fulwood Site | 19,717 | 55,847 | (36,130) | - | - | 0.00 | - | - | - | (36,130) | |

Section 3: Spotlight on Overspends

| People Directorate | | | | | | | | | | | |
|-------------------------|------------------|------------------|--------------------|------------|------------|-------------|------------------|-----------------|------------------|------------------|---|
| HR Management | 74,064 | 110,522 | (36,458) | 5.81 | 5.07 | 0.74 | (61,668) | - | 1,688 | 23,521 | VIPs for People directorate. |
| Medical | | | | | | | | | | | |
| Medical Management Team | 101,132 | 121,987 | (20,855) | 4.88 | 6.33 | (1.45) | (155,713) | - | - | 134,858 | VIP targets for medical directorate. |
| Nursing & Professions | | | | | | | | | | | |
| Nursing Leadership | 150,892 | 231,146 | (80,254) | 8.50 | 11.10 | (2.60) | - | - | - | (80,254) | VIP targets for Nursing and staffing over establishment |
| TOTAL | 6,752,942 | 9,050,260 | (2,297,318) | 308 | 343 | (35) | (883,574) | (80,813) | (981,607) | (351,324) | |

Of the net £2.3m year to date overspend on these areas, £1.2m is due to VIP targets in budgets that have not been transacted against savings.

The VIP targets will be moved the relevant budget lines once plans are signed off – this will remove the overspend on the ‘central’ cost centres above in year. £0.4m relates to Out of Area although this is partly offset by PICU cost centre underspending.

Recovery plans have been or are being developed for each of the above services and these are being monitored closely as described in section 4 including steps being taken to increase VIP plans.

Section 4: Value Improvement Programme

The financial plan required savings are £8m, the target is allocated across directorates based on a 4% VIP on recurrent budgets as well as recovery plans for any overspending areas in 2024/25. At month 4 including where there were non-recurrent underspends to offset gaps in plans the under-delivery was £561k as shown in the table below.

| | 30th July 2025 | | | |
|--------------------------------|----------------|--------------|--------------------------|--------------------------|
| | Year to Date | | | |
| Directorate | Target | Actual | Non recurrent Underspend | Total Variance to Target |
| Clinical Management | 60 | 129 | 0 | (69) |
| Acute & Community | 924 | 572 | 0 | 352 |
| Rehab & Specialist | 1,167 | 862 | 0 | 305 |
| Medical | 142 | 142 | 0 | 0 |
| Nursing, Quality & Professions | 70 | 57 | 13 | 0 |
| People | 64 | 33 | 31 | 0 |
| Strategy & Estates | 114 | 84 | 31 | 0 |
| Finance & Digital | 127 | 112 | 41 | (26) |
| Total | 2,668 | 1,991 | 116 | 561 |

Within these values in the table above and VIP plan values are recovery plans for overspending areas. The table below shows the latest position on cost centres that were overspent by more than £50k in 2024/25. This shows that the overspend in these areas is expected to reduce by £1.8m this year based on the current forecast. Further work is ongoing to ensure that the reduction in overspends continues to increase, any additional actions will be added as additional plans within VIP reporting.

Section 4: Value Improvement Programme

| Cost Centre | Service Area | 24/25 Overspend | YTD Variance | FOT Variance | Difference | Key Pressures |
|-------------|--------------------------|------------------|----------------|------------------|--------------------|---|
| 011954 | Forest Lodge | 210,450 | 261,171 | 781,169 | 570,719 | £732k planning gap (funding shortfall) Additional risk - reduction in income in 25/26 if occupancy drops below 93% |
| 011111 | Birch Avenue | 720,938 | 196,612 | 633,343 | (87,595) | £502k planning gap (funding shortfall) Additional staffing above minimum - Support Workers |
| 011153 | Dovedale 1 | 379,131 | 123,548 | 360,222 | (18,909) | Additional staffing above CER - Support Workers |
| 011380 | Endcliffe Ward | 599,493 | 94,830 | 317,467 | (282,026) | Additional staffing above CER - Support Workers & Nursing |
| 011118 | Clinical Management Team | 144,966 | (21,385) | (26,459) | (171,425) | |
| 011129 | G1 Ward | 351,830 | 35,719 | 179,065 | (172,765) | Additional staffing above CER - Support Workers & Nursing |
| 013662 | Acute & Comm Central | 353,122 | 45,000 | 110,909 | (242,213) | Secure patient transport (inside Sheffield) |
| 011043 | Older Adults Central | 209,195 | 37,878 | 87,958 | (121,237) | Unfunded A&C and SLT posts |
| 011321 | Burbage Ward | 377,185 | (41,052) | 83,887 | (293,298) | Additional staffing above CER - Nursing & Support Workers |
| 011142 | OA CMHT | 347,856 | 23,104 | 41,450 | (306,406) | Medic cost pressure |
| 011005 | Medical Management Team | 203,744 | 7,106 | 7,594 | (196,150) | |
| 016201 | Longley Site Services | 80,616 | 5,879 | (52,016) | (132,632) | Security costs expected to end from month 4 |
| 011320 | Stanage Ward | 350,129 | (10,587) | (24,756) | (374,885) | Unfunded Nursing & AC/RC posts |
| | Totals | 4,328,656 | 757,824 | 2,499,833 | (1,828,823) | |

Section 4: Value Improvement Programme

The table below shows the latest breakdown of plans:

| Monday board 30th July 2025 | | | | | | |
|--------------------------------|--------------|----------------|-----------------------|-------------------|----------------|----------------|
| Directorate | Target | Plans in Place | Gap in plans in place | Further Proposals | N/R underspend | Gap in Plans |
| Clinical Management | 179 | 387 | (208) | 400 | 0 | (608) |
| Acute & Community | 2,772 | 1,715 | 1,056 | 1,074 | 0 | (18) |
| Rehab & Specialist | 3,497 | 3,275 | 222 | 560 | 0 | (338) |
| Medical | 427 | 427 | 0 | 0 | 0 | 0 |
| Nursing, Quality & Professions | 211 | 172 | 39 | 0 | 39 | 0 |
| People | 192 | 98 | 94 | 94 | 0 | 0 |
| Strategy & Estates | 343 | 251 | 92 | 0 | 92 | 0 |
| Finance & Digital | 380 | 336 | 44 | 0 | 122 | (79) |
| Total | 8,000 | 6,662 | 1,338 | 2,128 | 253 | (1,043) |

Work continues to move schemes from further proposals to signed off plans and this has resulted in £0.7m of schemes moving to plans in place compared to last month. It is acknowledged that schemes are not as well developed as expected for this time in the year, there has been some progress however immediate actions are required to ensure there are plans in place are over the £8m in the near future. The following actions have been put in place to ensure further plans are signed off and move to delivery phase to enable the £8m savings requirement to be met:

- Weekly Executive VIPs meeting to expediate actions to reduce gaps in plans
- Monthly Clinical Escalation review of overspends to monitor recovery plan actions and ensure further plans and actions are delivered to mitigate overspends
- Clinical Escalation meeting with all clinical areas that do not currently have 4% VIP plans
- Executive meeting to discuss Over-established posts that still exist – clear plans agreed and feeding into Weekly Executive VIP meetings

Section 5: Statement of Financial Position

The table below shows the Statement of Financial Position (SoFP) as at 31st July 2025 and compares actuals to plan:

| | 2024/25 Prior Year | YTD Plan | YTD Actual | YTD Variance |
|--|-----------------------|-----------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| <u>Non-Current Assets</u> | | | | |
| Intangible Assets | 11,006 | 11,216 | 11,468 | 252 |
| Property, Plant & Equipment (PPE) | 65,516 | 68,368 | 65,133 | (3,235) |
| Right of Use Assets (IFRS 16 Leases) | 6,208 | 5,992 | 6,010 | 18 |
| Other Non-Current Assets | 172 | 163 | 252 | 88 |
| Non-Current Assets Total | 82,902 | 85,739 | 82,863 | (2,876) |
| <u>Current Assets</u> | | | | |
| Receivables | 9,346 | 9,833 | 7,866 | (1,967) |
| Cash and Cash Equivalents | 41,828 | 48,311 | 42,048 | (6,263) |
| Assets held for sale (Fulwood HQ) | 12,596 | 5,931 | 12,595 | 6,664 |
| Other Current Assets | 75 | 2,070 | 1,405 | (664) |
| Total Current Assets | 63,845 | 66,145 | 63,914 | (2,230) |
| <u>Current Liabilities</u> | | | | |
| Provisions | (132) | (153) | (80) | 73 |
| Payables | (17,726) | (15,500) | (15,845) | (345) |
| Borrowings (leases) | (581) | (587) | (582) | 5 |
| Other Current Liabilities | (138) | (2,672) | (2,544) | 127 |
| Total Current Liabilities | (18,577) | (18,911) | (19,051) | (140) |
| Net Current Assets/ (Liabilities) | 45,268 | 47,233 | 44,863 | (2,370) |
| Provisions | (816) | (826) | (840) | (14) |
| Borrowings (leases) | (4,116) | (3,950) | (3,902) | 48 |
| Other Non-Current Liabilities | 0 | (209) | 0 | 209 |
| Total Non-Current Liabilities | (4,932) | (4,985) | (4,742) | 243 |
| Total Net Assets / Taxpayers Equity | 123,238 | 127,987 | 122,984 | (5,003) |

Section 5: Statement of Financial Position

Despite the challenging financial position, there are no working capital concerns for at least the next 3 years. Liabilities remain under control and receivable balances are considered in the following Aged Debt Analysis section of this report.

The Better Payment Practice Code (BPPC) target has been met for the year to date.

The current ratio (current assets to current liabilities) for the year-to-date position is 3.4:1, with cash contributing 66% of current assets.

The key YTD variances are:

Non-current assets are £2.9m lower than expected:

- This is mainly due to later phasing of the Capital programme

Current assets are £2.2m lower than planned.

- £2.0m receivables are lower than expected due to income accruals and aged debt
- £6.3m cash is lower than planned is due to the delay in the sale of Fulwood.
- £6.7m asset held for sale is higher than planned due to the delay in the sale of Fulwood.

Current liabilities are £0.1m lower than planned.

- Slight movements in provisions, payables and other current liabilities.

Aged Debt Analysis

As at 31st July 2025 there were unpaid receivable invoices totalling £2.990m. £0.815m of the unpaid invoices relate to invoices raised during July 2025 and were not overdue at the reporting date. £2.175m was overdue at the reporting date.

The following table shows the breakdown by type of debt and number of days overdue:

| Customer Type | Total Balance £'000 | Sum of In Date £'000 | Sum of 1-30 Days £'000 | Sum of 31-60 days £'000 | Sum of 61-90 Days £'000 | Sum of 91-120 days £'000 | Sum of Over 120 days £'000 | Total Balance £'000 at 15th Aug 2025 |
|--------------------------|------------------------|-------------------------|---------------------------|----------------------------|----------------------------|-----------------------------|-------------------------------|--|
| NHS Trusts, Ft's and ICB | 1581 | 530 | 390 | 87 | 49 | 311 | 216 | 1291 |
| NHSE and DOH | 0 | 0 | 0 | 1 | 0 | 0 | -1 | -1 |
| Staff Overpayments | 131 | 20 | 1 | 22 | 3 | 8 | 77 | 94 |
| Other | 1062 | 265 | 55 | 0 | 0 | 387 | 355 | 792 |
| Local Authority | 216 | 0 | 0 | 0 | 216 | 0 | 0 | 216 |
| Grand Total | 2990 | 815 | 446 | 109 | 267 | 706 | 646 | 2391 |

The total outstanding receivable balance has reduced further in the first half of August to £1.9m.

SHSC are continuing to work with and chase other organisations to resolve queries around the unpaid invoices as quickly as possible. Further detail on specific debts is included in Appendix 3 (confidential)

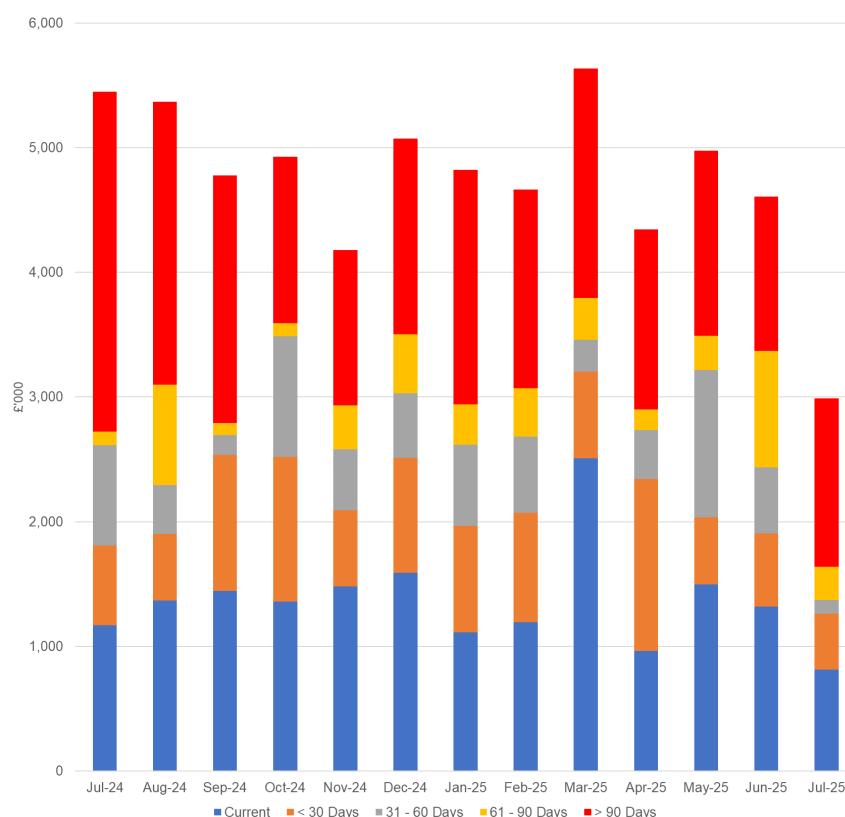
There is also continuing effort to improve collections for debts for overpayments to employees leaving SHSC and debt recovery services are used where appropriate.

15 outstanding debts totalling £0.034m have been referred to the Trust's debt collection agency. These are predominantly the older salary overpayments where the Trust has been unable to make progress with the

Section 5: Statement of Financial Position

former employees to recoup over payments. A further 19 salary overpayment debts totalling £0.019m are being paid back via instalments on agreed repayment plans.

The level and age of debt owed to SHSC has decreased in the last month as shown in the chart below:



The finance team have completed an improvement project that has improved a number of processes, this includes invoices being easier to raise and debt recovery processes being documented in a better way and weekly monitoring of progress made on debt recovery and escalation meetings with organisations where payment is being withheld. More information can be found in Appendix 3.

There are no concerns of material bad debt risk to highlight at present.

Section 6: Cash Flow Forecast

| Cash flow as at 31 July 2025 | Prior Year Mar-25 £k | Actual 25-26 | | | | Month by Month Forecasts | | | | | | | | Full Year Forecast £k |
|--|----------------------------|--------------|--------------|--------------|--------------|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------------|
| | | Apr-25 £k | May-25 £k | Jun-25 £k | Jul-25 £k | Aug-25 £k | Sep-25 £k | Oct-25 £k | Nov-25 £k | Dec-25 £k | Jan-26 £k | Feb-26 £k | Mar-26 £k | |
| Operating Surplus/(deficit) | 844 | 9 | (406) | 515 | (60) | 8 | 92 | 50 | 109 | 67 | 124 | 308 | 218 | 1,035 |
| Reconciling items (non cash & working capital movement) | 6,817 | 761 | 2,273 | 104 | 2,358 | 223 | 1,687 | (248) | 158 | (44) | (1,914) | 1,629 | (2,595) | 4,392 |
| Net cash inflow / (outflow) from operations | 7,661 | 770 | 1,867 | 619 | 2,298 | 231 | 1,779 | (198) | 267 | 23 | (1,790) | 1,937 | (2,377) | 5,427 |
| Net cash inflow/(outflow) from investing activities, Total | (4,796) | (1,801) | (1,800) | (99) | (492) | (1,062) | (1,242) | (1,268) | (941) | (1,835) | (1,408) | 4,200 | 2,650 | (5,099) |
| Net Cash inflow/(outflow) from financing activities, | 0 | (278) | (278) | (295) | (291) | (52) | (1,439) | (47) | (52) | (49) | (47) | (52) | 4,917 | 2,037 |
| Increase/(decrease) in cash and cash equivalents | 2,865 | (1,309) | (211) | 225 | 1,515 | (883) | (902) | (1,513) | (726) | (1,861) | (3,245) | 6,086 | 5,190 | 2,365 |
| Cash and cash equivalents at start of period | 38,963 | 41,828 | 40,519 | 40,308 | 40,533 | 42,048 | 41,165 | 40,262 | 38,749 | 38,023 | 36,162 | 32,917 | 39,003 | 41,828 |
| Increase/(decrease) in cash and cash equivalents | 2,865 | (1,309) | (211) | 225 | 1,515 | (883) | (902) | (1,513) | (726) | (1,861) | (3,245) | 6,086 | 5,190 | 2,365 |
| Cash and cash equivalents at end of period | 41,828 | 40,519 | 40,308 | 40,533 | 42,048 | 41,165 | 40,262 | 38,749 | 38,023 | 36,162 | 32,917 | 39,003 | 44,193 | 44,193 |
| Cashflow balance as per 2024/25 plan | | 38,056 | 44,544 | 47,797 | 48,311 | 47,428 | 46,526 | 45,013 | 44,287 | 42,426 | 39,180 | 45,266 | 44,193 | |
| Variance between actual and forecast cash balance to plan | | 2,462 | (4,237) | (7,265) | (6,264) | (6,263) | (6,263) | (6,264) | (6,264) | (6,263) | (6,263) | (6,263) | (0) | |

The cash balance at the end of July 2025 was £42.0m. This is £6.2m below plan for the reasons explained earlier - delayed property sale and delayed PDC funding offset by stronger debt recovery and delayed capital expenditure. At the point of July month end the forecast included receiving £12m for Fulwood at the end of the year however this is not expected to happen therefore the year end cash position is expected to be £32m.

Despite the challenging financial position there are no working capital concerns for at least the next 3 years. Liabilities remain under control and receivable balances are reviewed under the aged debt section. Performance against the Better Payment Practice Code (BPPC) target continues to exceed expectations and continues to be met this financial year.

The cash flow graph can be found in Appendix 2. The chart shows the forecast including next financial year showing an expected cash balance in March 2027 of £37m, this is on the basis that funding from the Fulwood sale will be received before then.

Section 7: Capital Programme

With Additional Capital bids for Maple and safety including in the planning the capital programme plan for 2025/26 has planned expenditure of £16.3m. This includes utilising funding from selling the first half of the Fulwood site and St George's. The table below shows the latest Capital position including additional Capital bids:

| Category | 2025/26 | | | | |
|-------------------|--------------|--------------|----------------|---------------|--------------------------|
| | YTD Plan | YTD Actual | YTD Variance | 2025/26 Plan | 2025/26 Forecast Outturn |
| | £000 | £000 | £000 | £000 | £000 |
| EPR | 624 | 918 | 294 | 624 | 1,108 |
| Buildings | 3,324 | 665 | (2,659) | 12,396 | 12,347 |
| Transport | - | - | - | - | - |
| Green Plan | - | - | - | 2,300 | 2,300 |
| Lease Revaluation | - | - | - | 150 | 150 |
| Digital | 522 | - | (522) | 834 | 834 |
| Total | 4,470 | 1,583 | (2,887) | 16,304 | 16,739 |

As highlighted in the report summary SHSC have been successful in bidding for additional estates safety Capital therefore the forecast is showing an increase in spending compared to the original plan. The forecast will be updated at Month 5 with the assumption that funding from the sale of Fulwood will not be received in 2025/26.

Section 8: Risks and Mitigations

The 2025/26 financial plan incorporated all known cost pressures and mitigations at the time it was developed. Circumstances change quickly however, and risks will continue to emerge during the year that will make delivering the planned revenue deficit of £4.9m increasingly challenging. These risks and possible mitigations will be reported when identified, quantified wherever possible with upside and downside ranges.

The following risks have been identified:

| Issue | Risk/Mitigation description | Expected £m | Upside £m | Downside £m |
|----------------------------------|--|----------------|--------------|----------------|
| Out of area expenditure | As described in the report the OOA forecast is based on achieving our trajectory to 5 average beds used in March 26, if there is no reduction from the average of 30 all year this would result in an additional £2.4m cost. | £0.0m | £0.0m | (£2.4m) |
| Pay award funding shortfall | Upside if income is received to offset cost pressure on pay award – this is felt to be unlikely. | £0.0m | £1.6m | £0.0m |
| VIP Under-delivery | Based on current under-delivery there is a risk of £1.7m for the full year. There is an upside included on the basis that with further proposals there is more plans than the £8m requirement. | £0.0m | £0.5 m | (£1.7m) |
| SCC Income Clawback | Potentially got to pay back c. £0.2m income to SCC for prior year 1:1 error. | £0.0m | £0.0m | (£0.2m) |
| Resident Doctor strikes | Impact of existing and any future Resident Doctor strikes, the financial impact is being worked up. | tbc | tbc | Tbc |
| Financial Controls & Mitigations | If downside risks materialise then further financial controls and mitigations would need to be put into place to ensure the plan can still be delivered. £4.2m is based on the amount delivered in the second half of 2024/25. | | | £4.2m |
| TOTAL | | £0.0m | £2.1m | (£0.4m) |

Appendix 1: Detailed income and expenditure

This appendix sets out the income and expenditure of the Trust by type from April 2025 to March 2026. This is to show the run rates for the year. Below is the breakdown of income by type from April 2025 to March 2026

| | | Actual | | | | | Forecast | | | | | | | |
|---|----------------------|-----------------|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Apr-25 £'000 | May-25 £'000 | Jun-25 £'000 | Jul-25 £'000 | YTD £'000 | Aug-25 £'000 | Sep-25 £'000 | Oct-25 £'000 | Nov-25 £'000 | Dec-25 £'000 | Jan-26 £'000 | Feb-26 £'000 | Mar-26 £'000 |
| Income | | | | | | | | | | | | | | |
| <u>Income from patient care activities</u> | | | | | | | | | | | | | | |
| | NHSE | 209 | 209 | 209 | 199 | 826 | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 |
| | ICBs | 11,371 | 11,661 | 11,928 | 12,756 | 47,715 | 11,741 | 11,770 | 11,476 | 11,481 | 11,478 | 11,435 | 11,522 | 11,478 |
| | NHS FTs | 399 | 384 | 392 | 392 | 1,566 | 392 | 392 | 392 | 392 | 392 | 392 | 392 | 392 |
| | LAs | 169 | 195 | 171 | 31 | 565 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 |
| | Other | 76 | 76 | 77 | 81 | 310 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| | Sub-total | 12,224 | 12,525 | 12,776 | 13,458 | 50,983 | 12,551 | 12,580 | 12,285 | 12,290 | 12,288 | 12,244 | 12,331 | 12,288 |
| <u>Other operating income</u> | | | | | | | | | | | | | | |
| | R&D | 309 | 324 | 324 | 169 | 1,126 | 261 | 261 | 232 | 231 | 231 | 293 | 210 | 210 |
| | Education & training | 905 | 898 | 882 | 908 | 3,592 | 971 | 1,110 | 977 | 975 | 974 | 975 | 976 | 977 |
| | Other WGA | 121 | 136 | 122 | 50 | 429 | 124 | 131 | 131 | 131 | 129 | 129 | 134 | 134 |
| | Non WGA | 282 | 276 | 287 | 222 | 1,067 | 278 | 278 | 278 | 278 | 278 | 278 | 283 | 278 |
| | Pay recharges | 467 | 467 | 461 | 445 | 1,840 | 467 | 461 | 452 | 452 | 449 | 449 | 449 | 449 |
| | Other | 13 | 17 | 14 | 20 | 65 | 15 | 15 | 15 | 15 | 15 | 15 | 21 | 15 |
| | Sub-total | 2,097 | 2,117 | 2,091 | 1,814 | 8,119 | 2,116 | 2,256 | 2,084 | 2,081 | 2,076 | 2,138 | 2,072 | 2,062 |
| Total income | | 14,321 | 14,642 | 14,867 | 15,272 | 59,102 | 14,667 | 14,835 | 14,370 | 14,371 | 14,363 | 14,383 | 14,404 | 14,350 |

Appendix 1: Detailed income and expenditure

Below is the breakdown by type of pay expenditure and high-level professional groupings:

| | | Actual | | | | | Forecast | | | | | | | |
|---|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Apr-24 | May-25 | Jun-25 | Jul-25 | YTD | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 | Jan-26 | Feb-26 | Mar-26 |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Pay Expenditure | | | | | | | | | | | | | | |
| <u>Medical</u> | | | | | | | | | | | | | | |
| | Substantive | (1,553) | (1,531) | (1,489) | (1,642) | (6,215) | (1,514) | (1,546) | (1,521) | (1,516) | (1,510) | (1,525) | (1,571) | (1,571) |
| | Bank | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Agency | (228) | (112) | (233) | (208) | (782) | (212) | (149) | (149) | (136) | (136) | (120) | (101) | (101) |
| | Sub-total | (1,781) | (1,643) | (1,722) | (1,851) | (6,996) | (1,725) | (1,695) | (1,670) | (1,651) | (1,646) | (1,646) | (1,672) | (1,672) |
| <u>Nursing</u> | | | | | | 0 | | | | | | | | |
| | Substantive | (2,368) | (2,435) | (2,379) | (2,617) | (9,799) | (2,437) | (2,454) | (2,310) | (2,329) | (2,335) | (2,315) | (2,315) | (2,312) |
| | Bank | (151) | (168) | (166) | (180) | (666) | (166) | (166) | (166) | (166) | (166) | (166) | (166) | (166) |
| | Agency | (79) | (68) | (54) | (67) | (269) | (85) | (85) | (60) | (31) | (31) | (27) | (27) | (27) |
| | Sub-total | (2,598) | (2,671) | (2,600) | (2,864) | (10,733) | (2,687) | (2,706) | (2,536) | (2,527) | (2,532) | (2,509) | (2,509) | (2,506) |
| <u>Scientific, therapeutic and technical staff</u> | | | | | | 0 | | | | | | | | |
| | Substantive | (2,552) | (2,586) | (2,546) | (2,825) | (10,510) | (2,655) | (2,850) | (2,683) | (2,693) | (2,699) | (2,700) | (2,708) | (2,710) |
| | Bank | (13) | (11) | (16) | (11) | (51) | (25) | (24) | (15) | (15) | (15) | (15) | (15) | (15) |
| | Agency | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub-total | (2,565) | (2,597) | (2,563) | (2,836) | (10,561) | (2,680) | (2,874) | (2,698) | (2,708) | (2,715) | (2,715) | (2,724) | (2,725) |
| <u>Support to clinical staff</u> | | | | | | 0 | | | | | | | | |
| | Substantive | (1,104) | (1,497) | (1,298) | (1,444) | (5,343) | (1,381) | (1,393) | (903) | (905) | (905) | (866) | (866) | (866) |
| | Bank | (395) | (371) | (362) | (424) | (1,552) | (385) | (384) | (384) | (379) | (379) | (379) | (379) | (379) |
| | Agency | (9) | (6) | (7) | (8) | (30) | (8) | (8) | (6) | (3) | (3) | (3) | (3) | (3) |
| | Sub-total | (1,508) | (1,874) | (1,667) | (1,877) | (6,926) | (1,774) | (1,785) | (1,293) | (1,287) | (1,287) | (1,249) | (1,249) | (1,249) |
| <u>Non-medical, non-clinical staff</u> | | | | | | 0 | | | | | | | | |
| | Substantive | (2,377) | (2,445) | (2,400) | (2,610) | (9,833) | (2,419) | (2,477) | (2,412) | (2,421) | (2,488) | (2,501) | (2,518) | (2,520) |
| | Bank | (49) | (65) | (52) | (63) | (229) | (60) | (58) | (55) | (55) | (55) | (55) | (55) | (55) |
| | Agency | 3 | 0 | (13) | (4) | (14) | (36) | (2) | (1) | (1) | (1) | (1) | (1) | (1) |
| | Sub-total | (2,423) | (2,510) | (2,466) | (2,677) | (10,076) | (2,515) | (2,536) | (2,468) | (2,477) | (2,545) | (2,557) | (2,574) | (2,577) |
| Other (Apprenticeship Levy) | | (43) | (43) | (43) | (45) | (174) | (43) | (43) | (43) | (43) | (43) | (43) | (43) | (43) |
| Total Pay | | (10,918) | (11,339) | (11,059) | (12,150) | (45,466) | (11,424) | (11,640) | (10,709) | (10,694) | (10,768) | (10,719) | (10,770) | (10,771) |

Appendix 1: Detailed income and expenditure

The table below shows how pay breakdown has changed over the past 5 years. The higher values in 2023/24 and 2024/25 for Other relate to additional pension contributions that NHS England have made on our behalf but are included within our accounts.

| | | 21/22 | % of | 22/23 | % of total | 23/24 | % of total | 24/25 | % of total | 25/26 | % of |
|------------------|------------------------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | | £000 | total pay | £000 | pay | £000 | pay | £000 | pay | £000 | total pay |
| Trust wide costs | Substantive staff | (104,664) | 89.1% | (110,189) | 88.8% | (112,933) | 86.2% | (119,240) | 86.2% | (122,792) | 92.4% |
| | Bank staff | (6,474) | 5.5% | (4,409) | 3.6% | (5,427) | 4.1% | (7,434) | 5.4% | (7,057) | 5.3% |
| | Agency / contract | (5,873) | 5.0% | (8,963) | 7.2% | (6,893) | 5.3% | (2,677) | 1.9% | (2,382) | 1.8% |
| | Other | (411) | 0.4% | (470) | 0.4% | (5,782) | 4.4% | (8,940) | 6.5% | (634) | 0.5% |
| | Total pay expenditure | (117,422) | 100.0% | (124,031) | 100.0% | (131,035) | 100.0% | (138,290) | 100.0% | (132,865) | 100.0% |

The current forecast shows Bank has reduced by £0.4m and agency £0.3m, accounting for pay inflation this is a £1m reduction in real terms.

Appendix 2: Cash flow

Below is the breakdown by type of non-pay expenditure:

| | Actual | | | | | Forecast | | | | | | | |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Apr-25 £'000 | May-25 £'000 | Jun-25 £'000 | Jul-25 £'000 | YTD £'000 | Aug-25 £'000 | Sep-25 £'000 | Oct-25 £'000 | Nov-25 £'000 | Dec-25 £'000 | Jan-26 £'000 | Feb-26 £'000 | Mar-26 £'000 |
| Non-Pay Expenditure | | | | | | | | | | | | | |
| Out of Area healthcare - acute | (1,126) | (997) | (1,180) | (910) | (4,213) | (817) | (754) | (736) | (673) | (686) | (620) | (501) | (526) |
| Out of Area healthcare - PICU | (243) | (256) | (317) | (518) | (1,334) | (439) | (425) | (439) | (436) | (439) | (439) | (396) | (439) |
| Out of Area healthcare - rehab | (59) | (59) | (138) | (79) | (335) | (122) | (122) | (122) | (122) | (122) | (122) | (122) | (122) |
| External audit fees | (20) | (20) | (22) | (20) | (81) | (20) | (20) | (20) | (20) | (20) | (20) | (20) | (20) |
| Clinical negligence | (53) | (53) | (53) | (53) | (212) | (53) | (53) | (53) | (53) | (53) | (53) | (53) | (53) |
| Consultancy | (25) | 20 | (75) | (66) | (146) | (55) | (35) | (35) | (35) | (35) | (35) | (35) | (35) |
| Depreciation & amortisation | (426) | (426) | (426) | (426) | (1,703) | (406) | (406) | (439) | (439) | (439) | (450) | (450) | (450) |
| Drugs | (55) | (105) | (130) | (84) | (373) | (94) | (99) | (95) | (95) | (95) | (95) | (95) | (95) |
| Education and training: non-staff | (23) | (23) | (56) | (45) | (146) | (83) | (85) | (83) | (83) | (83) | (83) | (89) | (83) |
| Establishment | (32) | (37) | (35) | (44) | (147) | (40) | (40) | (40) | (40) | (48) | (40) | (40) | (40) |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Legal fees | (19) | (5) | (33) | (16) | (72) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| Non-executive directors | (11) | (11) | (11) | (11) | (43) | (11) | (11) | (11) | (11) | (11) | (11) | (11) | (11) |
| Premises - business rates | (65) | (93) | (82) | (88) | (328) | (82) | (82) | (82) | (82) | (82) | (82) | (82) | (82) |
| Premises - other | (537) | (512) | (381) | (459) | (1,889) | (463) | (464) | (422) | (433) | (448) | (445) | (428) | (436) |
| Purchase of healthcare from non-NHS | 27 | (340) | 228 | (136) | (221) | (108) | (108) | (108) | (108) | (108) | (108) | (108) | (108) |
| R&D: non-staff | (216) | (219) | (130) | (8) | (572) | (172) | (172) | (144) | (144) | (144) | (206) | (123) | (123) |
| Supplies & services | (310) | (402) | (182) | (149) | (1,044) | (529) | (560) | (474) | (474) | (477) | (463) | (463) | (463) |
| Transport | (195) | (147) | (155) | (13) | (510) | (134) | (130) | (87) | (84) | (84) | (78) | (71) | (73) |
| Other non pay * | (18) | (16) | (116) | (51) | (200) | (22) | (36) | (36) | (36) | (36) | (36) | (36) | (36) |
| Total Non Pay | (3,404) | (3,700) | (3,292) | (3,174) | (13,569) | (3,664) | (3,617) | (3,443) | (3,385) | (3,426) | (3,401) | (3,139) | (3,211) |

Appendix 2: Cash flow

