

## BOARD MEETING

<b>Title</b>	Finance Report Month 4 (July) 2024/25		
<b>Paper Date:</b>	06 September 2024	<b>Meeting Date:</b>	17 September 2024
<b>Purpose:</b>	Assurance	<b>Agenda Item:</b>	12
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### Executive Summary

This report outlines the financial position of the Buckinghamshire, Oxfordshire, and Berkshire West (BOB) Integrated Care Board (ICB) and the broader Integrated Care System (ICS) as of the end of July 2024 (Month 4).

As of Month 4, BOB ICS reported a year-to-date (YTD) deficit of £61.5m, which includes a £20m overspend against plan, while forecasting to meet the planned annual control total deficit of £60m. The ICB itself has overspent by £6m YTD but is forecasted to achieve a breakeven position by year-end. Providers within the ICS are reporting a YTD deficit of £51.0m, £14.3m worse than the planned YTD position, though they are forecasted to meet the planned deficit of £46m by year-end.

This summary highlights the financial pressures and challenges being faced by the system, with both the ICB and providers working to bring spending in line with planned targets.

### Action Required

This report has been reviewed by the System Productivity Committee which has reported the outcome of its meeting. The Board is asked to consider the report and to consider the level of assurance that pertains to the following:

- The ICB's ability to meet its control total considering year-to-date performance, prospective risks and plans to address overspends.
- The ICS's ability to meet its control total considering year-to-date performance and prospective risks.

<b>Conflicts of Interest</b>	Conflict noted: conflicted party can participate in discussion and decision
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This report contains information including the financial performance of organisations that partner members of the Board lead/are employed by. ICB funding contributes to the pooled budgets with Buckinghamshire Council and the contract held by GP practices, so the local authority and primary care partner members of the board are potentially conflicted. The perspective of these members is an important aspect to enable the Board to focus on where the ICB and system contribute to improvement.

<b>Date/Name of Committee/ Meeting, Where Last Reviewed:</b>	System Productivity Committee, 3rd September 2024
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# **BOB ICB finance report**

**Month 4 2024/25**

# BOB system summary position M4

Surplus / (Deficit) - Adjusted Financial Position M4	Plan YTD	Actual YTD	Variance YTD	Variance YTD	Plan 2425
	£'m	£'m	£'m	%	£'m
Buckinghamshire, Oxfordshire And Berkshire West ICB	(4.6)	(10.5)	(5.9)	(0.5%)	(13.7)
Berkshire Healthcare NHS Foundation Trust	0.7	0.8	0.1	0.1%	1.9
Buckinghamshire Healthcare NHS Trust	(12.2)	(13.5)	(1.3)	(0.6%)	(22.9)
Oxford Health NHS Foundation Trust	(1.8)	(1.7)	0.1	0.0%	(2.7)
Oxford University Hospitals NHS Foundation Trust	(18.3)	(23.8)	(5.5)	(1.1%)	(8.1)
Royal Berkshire NHS Foundation Trust	(5.0)	(12.7)	(7.7)	(3.9%)	(14.5)
<b>ICS Total</b>	<b>(41.3)</b>	<b>(61.5)</b>	<b>(20.2)</b>		<b>(60.0)</b>

The System deficit has increased at M4 to £61.5m YTD. The M4 result includes £4.5m cost of Industrial Action (£2.4m direct cost and £2.1m lost income).

Overall, Buckinghamshire, Oxfordshire and Berkshire West (BOB) ICS is reporting a £61.5m deficit at M4 which is £20.2m behind plan YTD (£12.2m M3). Providers are reporting a £51.0m deficit which is £14.3m (£7.8m M3) worse than the YTD plan position. The underlying drivers for the provider position are:

- Impact of Industrial Action (Bucks Health £0.6m costs, £0.6m lost income/efficiency) (OUH £1.3m cost, £1.1m+ lost elective activity, RBFT £0.5m+ (tbc))
- VWA (Value Weighted Activity)/ERF – Royal Berkshire's activity is currently behind the YTD plan regarding their ERF internal target, which aims to exceed 107% (£2.0 million achieved versus a £3.9 million additional ERF target). Additionally, OUH's VWA is below plan, combined by the impact of industrial action.
- Pressures with drugs and clinical supplies (RBFT)
- Most of the providers' savings plans are phased to increase later in the year.
- Providers cost control is focused on workforce cost control, both substantive and temporary, both of which are receiving significant attention.

Within the ICB there are continued financial pressures in Mental Health placements and s117. There is substantial overperformance in High-Cost Drugs and Devices which is being investigated. Confidence about CIP delivery also remains key and will be worked on in the ICB and system wide during July and August.

The cash position is a concern for Acute Trusts, with BHT already requiring and receiving cash support.

# ICB Finances

<b>BOB ICB OVERALL by Service Line M4</b>	<b>YTD Budget £'m</b>	<b>YTD Actual £'m</b>	<b>YTD Variance £'m</b>	<b>Annual Budget £'m</b>	<b>Forecast Outturn £'m</b>	<b>Forecast Variance £'m</b>
Acute	599.6	606.3	(6.7)	1,727.2	1,745.9	(18.8)
Community Health Services	133.5	135.8	(2.2)	401.2	406.7	(5.6)
Continuing Care	74.7	78.8	(4.2)	224.0	228.2	(4.2)
Mental Health	120.7	125.5	(4.8)	358.3	372.4	(14.1)
Other Programme	14.0	2.0	12.0	55.8	17.0	38.8
Primary Care	17.4	18.2	(0.8)	51.2	53.3	(2.1)
Prescribing, Central Drugs and Oxygen	94.1	93.4	0.7	282.2	280.1	2.0
Pharmacy, Optometry and Dentistry (POD)	42.8	42.8	0.0	138.5	134.8	3.7
Delegated Co-Commissioning	115.0	115.0	(0.0)	332.0	332.0	0.0
<b>Total Programme Commissioned Costs</b>	<b>1,211.8</b>	<b>1,217.8</b>	<b>(6.1)</b>	<b>3,570.4</b>	<b>3,570.6</b>	<b>(0.2)</b>
Admin Costs	9.2	9.1	0.1	28.4	28.1	0.3
<b>Total before ICB Surplus/(Deficit)</b>	<b>1,221.0</b>	<b>1,226.9</b>	<b>(5.9)</b>	<b>3,598.8</b>	<b>3,598.7</b>	<b>0.0</b>
ICB Surplus / (Deficit)	(4.6)	0.0	(4.6)	(13.7)	0.0	(13.7)
<b>Total after Surfplus/ (Deficit)</b>	<b>1,216.4</b>	<b>1,226.9</b>	<b>(10.5)</b>	<b>3,585.0</b>	<b>3,598.7</b>	<b>(13.7)</b>

## ICB Position at M4:

As at M4 the ICB is off plan in a number of key areas:

- Acute driven by HCDD costs, unbundled radiology and high ISP (non-ERF) activity
- CHC due to increasing patient numbers and efficiency plans not yet delivering
- Interim health funded individuals (non CHC)
- Mental Health driven by s117 aftercare and placement costs across all three place areas (potential full year impact £10m) there will be an in-month analysis to ensure accuracy of position reported.

Work is underway across the system to fully analyse HCDD costs to date and forecast impact for the year. Contracted baseline positions are yet to be agreed with a number of providers, however total quantum of costs currently forecast to exceed total funding in the system. There is a potential full year risk of £18m in the baseline issues plus the run rate risk. The Meds Optimisation Team are working with Providers on this.

The ICB Executive and Budget holders to undertake a deep dive review of current CIP plans to ensure total savings requirements have robust plans for delivery and mitigations sought. An analysis of the CIPs plans is shown later in this pack.

# ICB Risk and Mitigations M4

Risks and Opps	Service Line	Description	Annual Value £'m	Likelihood (High / Medium / Low)	R/NR
Risk	CHC	Taking back payment of Oxon PHBs from OCC, uncovering issues with PoC on BC not updated	0.5	Medium	R
Risk	Community	OCC BCF contribution to staff costs	0.4	Medium	R
Risk	Community/Acute	Community and contract risk	5.6	Medium	R
Risk	Mental Health	AMH/CYP growth esp. S117 BW	2.3	Medium	R
Risk	Community	OCC Live Well risk share MH Oxon	0.6	Medium	R
Risk	Prescribing	Prescribing - Impact of GP Industrial Action	4.2	Medium	NR
<b>TOTAL Risk</b>			<b>13.5</b>		
Opportunity	Prescribing	Prescribing - GP Action - 50% additional income / risk not materialising	(2.1)	Medium	NR
Opportunity	POD	Dental Clawback 24/25	(4.5)	Medium	NR
Opportunity	Community	Health inequalities reduction in commitment	(0.1)	High	R
Opportunity	Digital	CSU Contract reduction	(1.3)	Medium	R
<b>TOTAL Opportunity</b>			<b>(8.0)</b>		
<b>Net impact of risk</b>			<b>5.5</b>		

As of Month 4, total risks of £13.6m have been identified, and opportunities of £8.1m, with a net impact of unmitigated risk of £5.5m. The most significant risk factors include the ongoing finalisation of contract agreements, which poses the greatest impact risk. Additionally, the increased activity in community services—such as endoscopy, physiotherapy, ultrasound, and intermediate care—while supporting elective recovery, is likely to drive future cost pressures if elective overperformance continues to rise in the coming months. Another high-risk factor is the potential impact of GP industrial action, which could significantly increase GP prescribing costs and hinder the delivery of CIPs. The key opportunities include the dental clawback relating to POD in-year underspends, and a 50% chance of GP Action either not occurring, or potential for cost reimbursement.

# ICB CIPs M4

Efficiency by schemes at M4	Plan YTD	Actual YTD	Variance YTD	Annual Plan	Annual forecast	variance to plan	Risk Rating
	£'m	£'m	£'m	£'m	£'m	£'m	
HCD Biosimilars	1.0	0.0	1.0	3.1	0.0	3.1	
HCD system working	0.7	0.0	0.7	2.0	0.0	2.0	
Other Acute challenges	1.0	0.0	1.0	3.0	0.0	3.0	
All Age continuing care - commissioning	2.0	1.2	0.8	6.0	4.7	1.3	
S117 BW	0.3	0.0	0.3	1.0	0.0	1.0	
SDF: Cardiac rehab defer until later, in process	0.1	0.1	0.0	0.2	0.2	0.0	
Digital Efficiencies	0.2	0.0	0.2	0.6	0.0	0.6	
Primary Care - Prescribing	5.6	5.0	0.6	16.9	15.1	1.8	
Community Equipment Loan	0.2	0.0	0.2	0.5	0.5	0.0	
Nursing Portfolio	0.3	0.0	0.3	1.0	1.0	0.0	
SDF: Other - Womens Health Hubs -delay start	0.0	0.0	0.0	0.1	0.1	0.0	
£1m in year allocations <0.6m further stretch target	0.4	0.0	0.4	1.2	1.2	0.0	
CIP recovery	0.0	0.0	0.0	0.0	8.0	(8.0)	
<b>Total reported as per June 24 Plan resubmission</b>	<b>11.9</b>	<b>6.4</b>	<b>5.5</b>	<b>35.7</b>	<b>30.8</b>	<b>4.9</b>	
<b>Additional Savings and Budgets Removed</b>							
HCD investments	1.9	1.9	0.0	5.7	5.7	0.0	
Reduction in Ambulance growth	0.3	0.3	0.0	1.0	1.0	0.0	
MH Complex care packages savings	0.4	0.0	0.4	1.2	0.0	1.2	
WSOA - Community Paed Service slippage across CIT/Comm Paeds and Neuro	0.1	0.1	0.0	0.4	0.4	0.0	
Health Inequalities	0.3	0.3	0.0	0.9	0.9	0.0	
Interim Health placements & push on Community Equipment loan services	0.4	0.0	0.0	1.2	0.0	1.2	
Commissioning Schemes - delay start	0.1	0.1	0.0	0.4	0.4	0.0	
Community Equipment Loan	0.0	0.0	0.0	0.1	0.1	0.0	
Income (Asylum seeker from Home Office)	0.2	0.2	(0.1)	0.5	0.7	(0.2)	
POD dental clawback	0.7	0.7	0.0	2.0	2.0	0.0	
Cost Pressure -Stranded costs removed	0.4	0.4	0.0	1.1	1.1	0.0	
Clinical Academic - Oxon notice given for service	0.1	0.1	0.0	0.4	0.4	0.0	
Convergence Adj (0.19 %) - Transformation	1.1	1.1	0.0	3.3	3.3	0.0	
£1m in year allocations <0.6m further stretch target	0.1	0.0	0.0	0.4	0.4	0.0	
CIP recovery	0.0	0.0	0.0	0.0	1.4	(1.4)	
<b>Additional Savings Budgets Removed</b>	<b>6.2</b>	<b>5.3</b>	<b>0.4</b>	<b>18.5</b>	<b>17.6</b>	<b>0.8</b>	
<b>Total CIP Plan</b>	<b>18.0</b>	<b>11.6</b>	<b>5.9</b>	<b>54.1</b>	<b>48.4</b>	<b>5.7</b>	

As of Month 4, the Cost Improvement Plans (CIPs) is showing a slippage of £5.9m against the annual targets, resulting in an adverse YTD variance of £5.7m. Within in this position there is an overall CIP recovery forecasted at year end totalling £9.3m, based on a 62% recovery.

All-age Continuing Healthcare (CHC) has a year-end target of £6m, with an adverse variance of £1.3m. The team is working to mitigate this through actions such as enhanced data cleansing.

Primary Care Prescribing CIP target is £16.9m, with a forecasted year-end delivery of £15m. The underperformance is primarily due to potential impacts of GP actions.

Other areas are showing slippage against schemes generally due to either slippage in getting schemes started or contracts not being finalised yet.

A complete review of CIPs is taking place at Exec level during August to ensure all plans are in place and on track to fulfil 100% of plan.

# Provider Finances



# Berkshire Healthcare FT provider summary M4

Income and Expenditure	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Income	30,627	30,956	329	122,343	122,660	317	368,235	368,235	0
Workforce pay cost	(23,409)	(23,038)	371	(92,650)	(92,025)	625	(282,487)	(282,487)	0
Non-pay cost	(6,590)	(7,318)	(728)	(28,192)	(29,234)	(1,042)	(81,131)	(81,131)	0
Non operating Items	(232)	(128)	105	(812)	(609)	203	(2,717)	(2,717)	0
<b>Surplus/(deficit)</b>	<b>395</b>	<b>472</b>	<b>77</b>	<b>688</b>	<b>792</b>	<b>104</b>	<b>1,900</b>	<b>1,900</b>	<b>0</b>
<b>As % of income</b>	<b>1.3%</b>	<b>1.5%</b>	<b>0.3%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.1%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.0%</b>

Efficiencies	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Pay	271	101	(170)	1,084	405	(679)	3,253	3,792	539
Non-Pay	557	303	(254)	2,031	1,211	(820)	7,089	4,300	(2,789)
Income	95	167	72	380	667	287	1,152	1,152	0
<b>Total Recurrent</b>	<b>923</b>	<b>571</b>	<b>(352)</b>	<b>3,495</b>	<b>2,283</b>	<b>(1,212)</b>	<b>11,494</b>	<b>9,244</b>	<b>(2,250)</b>
Pay		527	527		1,912	1,912		2,250	2,250
Non-Pay	175		(175)	700		(700)	2,106	2,106	0
Income			0			0		0	0
<b>Total Non-Recurrent</b>	<b>175</b>	<b>527</b>	<b>352</b>	<b>700</b>	<b>1,912</b>	<b>1,212</b>	<b>2,106</b>	<b>4,356</b>	<b>2,250</b>
<b>Total Efficiencies</b>	<b>1,098</b>	<b>1,098</b>	<b>0</b>	<b>4,195</b>	<b>4,195</b>	<b>0</b>	<b>13,600</b>	<b>13,600</b>	<b>0</b>

Workforce pay costs	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Substantive	(20,652)	(20,434)	218	(82,057)	(81,900)	157	(249,638)	(249,638)	0
Bank	(2,092)	(1,881)	211	(7,953)	(7,584)	369	(24,917)	(24,917)	0
Agency	(665)	(723)	(58)	(2,640)	(2,541)	99	(8,032)	(8,032)	0
<b>Total workforce pay cost</b>	<b>(23,409)</b>	<b>(23,038)</b>	<b>371</b>	<b>(92,650)</b>	<b>(92,025)</b>	<b>625</b>	<b>(282,587)</b>	<b>(282,587)</b>	<b>0</b>

Workforce WTE	M4 Plan	M4 Actuals	M4 Variance	Forecast Plan	Forecast Actual	Forecast Variance
Substantive WTE	4,609	4,625	16	4,697	4,697	0
Bank WTE	459	425	(34)	457	457	0
Agency WTE	71	69	(2)	60	60	0
<b>Total workforce WTE</b>	<b>5,139</b>	<b>5,119</b>	<b>(20)</b>	<b>5,214</b>	<b>5,214</b>	<b>0</b>

BHFT is planning for FY surplus of £1.9m

Month 4 YTD surplus £0.1m better than plan.

ERF on track to earn £5m included in plan incl. Frimley ICB contribution (£1.3m YTD).

OAPs costs being £0.5m over plan, although partially offset by Specialist placements costs being £0.3m lower than planned.

Several efficiency schemes still in development incl. Opt to Tax scheme for Frimley properties. Still expecting to deliver

Planned reduction in PICU placements scheme behind plan, but mitigated YTD and ahead of plan via non- recurrent underspends against planned divisional control totals

Workforce costs £0.6m below plan driven by BOB SDF YTD in line with stretched surplus plan

## Key Risks:

- Risk around MH IP Unit, rolling programme of bed closures, programme being scheduled to minimise impact.
- Significant pressure for IP MH beds. Internally managing risk within plan and will need to manage via existing MHIS/SDF.
- AFC pay award vs CUF Funding (Mental Health/Community >% pay costs vs national average
- Band 2/3 regarding and back pay issue – will require to be internally funded via exiting resources

# Bucks Healthcare provider summary M4

Income and Expenditure	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Income	51,277	52,753	1,476	205,112	206,409	1,297	619,017	619,017	0
Workforce pay cost	(31,744)	(32,360)	(616)	(128,232)	(130,061)	(1,829)	(379,089)	(379,189)	(100)
Non-pay cost	(20,642)	(21,559)	(917)	(82,569)	(83,591)	(1,022)	(243,296)	(243,323)	(27)
Non operating Items	(1,633)	(1,586)	47	(6,532)	(6,296)	236	(19,487)	(19,360)	127
<b>Surplus/(deficit)</b>	<b>(2,742)</b>	<b>(2,752)</b>	<b>(10)</b>	<b>(12,221)</b>	<b>(13,539)</b>	<b>(1,318)</b>	<b>(22,855)</b>	<b>(22,855)</b>	<b>0</b>
<b>As % of income</b>	<b>(5.3%)</b>	<b>(5.2%)</b>	<b>(0.0%)</b>	<b>(6.0%)</b>	<b>(6.6%)</b>	<b>(0.6%)</b>	<b>(3.7%)</b>	<b>(3.7%)</b>	<b>0.0%</b>

BHT is reporting a YTD deficit of £13.5m which is £1.3m worse than plan.

Deficit is equivalent to the impact of industrial action in Jun/Jul (£0.9m lost income/efficiency and £0.3m net costs)

Efficiencies	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Pay	1,575	979	(596)	5,020	3,174	(1,846)	20,698	19,567	(1,131)
Non-Pay	307	190	(117)	1,228	727	(501)	5,184	5,154	(30)
Income	655	827	172	2,620	2,794	174	7,867	9,027	1,160
<b>Total Recurrent</b>	<b>2,537</b>	<b>1,996</b>	<b>(541)</b>	<b>8,868</b>	<b>6,695</b>	<b>(2,173)</b>	<b>33,749</b>	<b>33,748</b>	<b>(1)</b>
Pay	0	0	0			0	2,800	2,800	0
Non-Pay	54	0	(54)	216	825	609	8,923	8,923	0
Income	0	0	0			0			0
<b>Total Non-Recurrent</b>	<b>54</b>	<b>0</b>	<b>(54)</b>	<b>216</b>	<b>825</b>	<b>609</b>	<b>11,723</b>	<b>11,723</b>	<b>0</b>
<b>Total Efficiencies</b>	<b>2,591</b>	<b>1,996</b>	<b>(595)</b>	<b>9,084</b>	<b>7,520</b>	<b>(1,564)</b>	<b>45,472</b>	<b>45,471</b>	<b>(1)</b>

£2.0 one-off benefit released in M2, to offset prior year costs (£1.0m) and additional unplanned estates costs (£0.5m).

Pay materially in line with plan, after adjusting out Consultant pay award (£0.9m, offset in income) and IA impact (£0.4m) and is offsetting overperformance on income.

Assessing delivery of; capping outsourced diagnostics capacity (due to no generic growth in funding for 23/24 and 24/25), commercial items and unplanned income. To be in place for end of Q2.

Workforce pay costs	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Substantive	(31,384)	(29,233)	2,151	(126,401)	(117,757)	8,644	(375,362)	(360,023)	15,339
Bank	(239)	(2,612)	(2,373)	(1,255)	(9,987)	(8,732)	(2,412)	(15,751)	(13,339)
Agency	(121)	(515)	(394)	(576)	(2,317)	(1,741)	(1,315)	(3,415)	(2,100)
<b>Total workforce pay cost</b>	<b>(31,744)</b>	<b>(32,360)</b>	<b>(616)</b>	<b>(128,232)</b>	<b>(130,061)</b>	<b>(1,829)</b>	<b>(379,089)</b>	<b>(379,189)</b>	<b>(100)</b>

Efficiency reporting £1.6m behind plan. CIP run rate steps up in Q3/4, £4.5m delivery stretch agreed to get to planned deficit. One-off items £6.0m phased in M12, skewing 'burn-rate' of plan deficit.

BHT expects to meet agreed plan barring unfunded IA costs - expectation that IA should be funded by NHSE as it was last year.

Workforce WTE	M4 Plan	M4 Actuals	M4 Variance	Forecast Plan	Forecast Actual	Forecast Variance
Substantive WTE	6,312	6,261	(51)	6,214	6,214	0
Bank WTE	322	450	128	257	257	0
Agency WTE	80	78	(2)	80	80	0
<b>Total workforce WTE</b>	<b>6,714</b>	<b>6,789</b>	<b>75</b>	<b>6,551</b>	<b>6,551</b>	<b>0</b>

Risks include, payment for elective care/ HCD/ BPT (BOB ICB only), pressure from pay awards, further IA, significant operational pressures, band 2/3 rebanding, estates compliance/safety and costs of cash drawdown.

Cash Position is very tight. National Issue.

# Oxford Health FT provider summary M4 (1)

Income and Expenditure	M4 Plan	M4 Actuals	M4 Variance	YTD Plan	YTD Actual	YTD Variance	Forecast Plan	Forecast Actual	Forecast Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Income	52,869	56,098	3,229	211,052	215,113	4,061	636,622	636,622	0
Workforce pay cost	(31,438)	(31,087)	351	(125,752)	(124,570)	1,182	(377,278)	(377,278)	0
Non-pay cost	(21,794)	(25,429)	(3,635)	(86,869)	(92,289)	(5,420)	(262,712)	(262,712)	0
Non operating Items	(55)	64	119	(244)	24	268	668	669	1
<b>Surplus/(deficit)</b>	<b>(418)</b>	<b>(354)</b>	<b>64</b>	<b>(1,813)</b>	<b>(1,722)</b>	<b>91</b>	<b>(2,700)</b>	<b>(2,699)</b>	<b>1</b>
<b>As % of income</b>	<b>(0.8%)</b>	<b>(0.6%)</b>	<b>0.1%</b>	<b>(0.9%)</b>	<b>(0.8%)</b>	<b>0.0%</b>	<b>(0.4%)</b>	<b>(0.4%)</b>	<b>0.0%</b>

OHFT is reporting a £1.7m deficit YTD which is £0.1m better than plan

Agency is above plan by £1.2m but this is because the submitted plan is profiled in equal 1/12ths. The actual profile of agency reduction will see greater reduction in the 2<sup>nd</sup> half of the year.

Efficiencies	M4 Plan	M4 Actuals	M4 Variance	YTD Plan	YTD Actual	YTD Variance	Forecast Plan	Forecast Actual	Forecast Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Pay	360	360	0	1,440	1,440	0	4,464	4,464	0
Non-Pay	247	247	0	988	988	0	2,964	2,964	0
Income	59	59	0	236	236	0	708	708	0
<b>Total Recurrent</b>	<b>666</b>	<b>666</b>	<b>0</b>	<b>2,664</b>	<b>2,664</b>	<b>0</b>	<b>8,136</b>	<b>8,136</b>	<b>0</b>
Pay	1,684	1,684	0	6,679	6,679	0	20,152	20,152	0
Non-Pay	997	997	0	3,988	3,988	0	11,964	11,964	0
Income	0	0	0	0	0	0	0	0	0
<b>Total Non-Recurrent</b>	<b>2,681</b>	<b>2,681</b>	<b>0</b>	<b>10,667</b>	<b>10,667</b>	<b>0</b>	<b>32,116</b>	<b>32,116</b>	<b>0</b>
<b>Total Efficiencies</b>	<b>3,347</b>	<b>3,347</b>	<b>0</b>	<b>13,331</b>	<b>13,331</b>	<b>0</b>	<b>40,252</b>	<b>40,252</b>	<b>0</b>

The main risk is a possible charge to the I&E from the settlement figure to exit the PFI contract (see next slide for detail). The key intervention is to work with our valuers and solicitors to ensure that this figure is as low as possible and to avoid any charge to the I&E.

Workforce pay costs	M4 Plan	M4 Actuals	M4 Variance	YTD Plan	YTD Actual	YTD Variance	Forecast Plan	Forecast Actual	Forecast Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Substantive	(26,833)	(26,345)	488	(107,332)	(104,808)	2,524	(322,011)	(319,671)	(2,340)
Bank	(2,643)	(2,710)	(67)	(10,572)	(11,147)	(575)	(31,711)	(34,662)	2,951
Agency	(2,122)	(2,326)	(204)	(8,488)	(9,717)	(1,229)	(25,471)	(24,860)	(611)
<b>Total workforce pay cost</b>	<b>(31,598)</b>	<b>(31,381)</b>	<b>217</b>	<b>(126,392)</b>	<b>(125,672)</b>	<b>720</b>	<b>(379,193)</b>	<b>(379,193)</b>	<b>0</b>

Workforce WTE	M4 Plan	M4 Actuals	M4 Variance	Forecast Plan	Forecast Actual	Forecast Variance
Substantive WTE	6,231	6,224	(7)	6,290	6,290	0
Bank WTE	588	563	(25)	572	572	0
Agency WTE	295	251	(44)	258	258	0
<b>Total workforce WTE</b>	<b>7,114</b>	<b>7,038</b>	<b>(76)</b>	<b>7,120</b>	<b>7,120</b>	<b>0</b>

# Oxford University Hospitals FT provider summary M4 (1)

Income and Expenditure	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Income	130,961	133,841	2,880	521,814	528,673	6,859	1,576,884	1,576,884	0
Workforce pay cost	(76,780)	(76,589)	191	(308,333)	(309,465)	(1,132)	(900,061)	(900,061)	0
Non-pay cost	(49,280)	(55,869)	(6,589)	(202,045)	(213,254)	(11,209)	(590,230)	(590,230)	0
Non operating Items	(7,499)	(7,856)	(357)	(29,766)	(29,776)	(10)	(94,692)	(94,692)	0
<b>Surplus/(deficit)</b>	<b>(2,598)</b>	<b>(6,473)</b>	<b>(3,875)</b>	<b>(18,330)</b>	<b>(23,822)</b>	<b>(5,492)</b>	<b>(8,099)</b>	<b>(8,099)</b>	<b>0</b>
<b>As % of income</b>	<b>(2.0%)</b>	<b>(4.8%)</b>	<b>(3.0%)</b>	<b>(3.5%)</b>	<b>(4.5%)</b>	<b>(1.1%)</b>	<b>(0.5%)</b>	<b>(0.5%)</b>	<b>0.0%</b>

OUH is £5.5m adverse to plan YTD.

Drivers of this position are:

- £2.2m impact of VWA below plan (over half due to impact of lost activity because of industrial action (IA)).
- £1.1m o/spend against pay costs due to IA (£0.6m) and some underperformance against temporary staffing reductions.
- Income £6.9m ahead of plan driven by favorable variances on passthrough and other income
- Non-pay costs £11.2m adverse to plan driven largely by pass-through drugs and devices which are matched by income

Efficiencies	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Pay	2,690	2,036	(654)	6,892	4,279	(2,613)	37,615	37,615	0
Non-Pay	1,100	423	(677)	2,942	1,448	(1,494)	18,845	18,845	0
Income	1,315	525	(790)	4,006	1,341	(2,665)	17,782	17,782	0
<b>Total Recurrent</b>	<b>5,105</b>	<b>2,984</b>	<b>(2,121)</b>	<b>13,840</b>	<b>7,068</b>	<b>(6,772)</b>	<b>74,242</b>	<b>74,242</b>	<b>0</b>
Pay	0	681	681	0	3,545	3,545	0	3,600	3,600
Non-Pay	555	1,785	1,230	1,617	5,398	3,781	11,270	7,670	(3,600)
Income	0	13	13	0	4,839	4,839	6,975	6,975	0
<b>Total Non-Recurrent</b>	<b>555</b>	<b>2,479</b>	<b>1,924</b>	<b>1,617</b>	<b>13,782</b>	<b>12,165</b>	<b>18,245</b>	<b>18,245</b>	<b>0</b>
<b>Total Efficiencies</b>	<b>5,660</b>	<b>5,463</b>	<b>(197)</b>	<b>15,457</b>	<b>20,850</b>	<b>5,393</b>	<b>92,487</b>	<b>92,487</b>	<b>0</b>

Recurrent efficiencies are £6.8m behind plan (including the temporary staffing reduction programme and procurement programme) but have been replaced with non-recurrent efficiencies (including significant one-off central items) resulting in a £5.4m overall favorable variance.

Workforce pay costs	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Substantive	(71,952)	(71,206)	746	(285,755)	(286,744)	(989)	(851,927)	(851,927)	0
Bank	(3,633)	(4,748)	(1,115)	(17,548)	(19,369)	(1,821)	(38,508)	(38,508)	0
Agency	(1,195)	(634)	561	(5,031)	(3,352)	1,679	(9,626)	(9,626)	0
<b>Total workforce pay cost</b>	<b>(76,780)</b>	<b>(76,588)</b>	<b>192</b>	<b>(308,334)</b>	<b>(309,465)</b>	<b>(1,131)</b>	<b>(900,061)</b>	<b>(900,061)</b>	<b>0</b>

Expectation that as IA is a result of national policy decisions the impact of IA should be funded by NHSE as it was last year.

Workforce WTE	M4 Plan	M4 Actuals	M4 Variance	Forecast Plan	Forecast Actual	Forecast Variance
Substantive WTE	13,500	13,596	96	13,608	13,608	0
Bank WTE		850	850			0
Agency WTE		88	88			0
<b>Total workforce WTE</b>	<b>13,500</b>	<b>14,534</b>	<b>1,034</b>	<b>13,608</b>	<b>13,608</b>	<b>0</b>

Board approval obtained in July as planned for review of unfunded services. This has an estimated positive £5m impact in year with a larger FYE. Implementation will now begin.

Local budget finalisation is being finalised and is a key enabler of budget holder accountability and control and the delay is a risk.

## **Theatres build programme**

After OUH failed to secure capital (TIF bid) in 2022, due to growing waiting lists and a chronic demand / capacity mismatch in theatres estate, the Board decided to pursue a different commercial model for a theatres build. A Managed Service Agreement (MSA) approach was chosen using modern methods of construction to minimise build times. This commercial model spreads the cash impact of the building over multiple years and ensures the Trust has access to a high-quality building that will be well maintained over the life of the contract.

The current position at OUH is that they have planning permission, with a s106 agreement being executed imminently. Ground works have begun and contractual negotiations are progressing such that they expect to be in a position to be able to sign the suite of relevant contracts including the MSA by the end of August. This is with the aim of treating the first patient in the 7 newly developed theatres in April 2026.

Given the importance of the project, the trust are keen to avoid slippage which would bring disproportionately long delays and would greatly impact the overall cost of the project. As such, the Trust Board has taken the decision to continue initial works at risk whilst the contract is finalised.

It is unlikely that something will cause the project to be stopped at this stage. The Board wants to ensure transparency and strong financial governance at all stages and hence wish to declare the risks of a 'stop' scenario in their finance pack – this is estimated currently at £3.3-£7.2m but this could increase by up to c. £1.75m over August. These are based on the best information available and it is expected contractual negotiations will be resolved in August such that this risk becomes nil.

This decision to continue at risk has been taken whilst balancing the significant patient benefit of having greater theatre capacity with the costs the Trust would incur in a scenario in which for any reason the project had to be stopped before contract signature.

# Royal Berkshire FT provider summary M4 (1)

Income and Expenditure	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Income	51,142	51,352	210	198,672	203,816	5,144	598,617	598,617	0
Workforce pay cost	(30,821)	(30,200)	621	(123,903)	(125,190)	(1,287)	(372,439)	(372,439)	0
Non-pay cost	(19,207)	(22,682)	(3,476)	(76,846)	(88,419)	(11,573)	(231,406)	(231,406)	0
Non operating Items	(748)	(874)	(126)	(2,931)	(2,946)	(15)	(9,272)	(9,272)	0
<b>Surplus/(deficit)</b>	<b>367</b>	<b>(2,404)</b>	<b>(2,771)</b>	<b>(5,008)</b>	<b>(12,739)</b>	<b>(7,731)</b>	<b>(14,500)</b>	<b>(14,500)</b>	<b>0</b>
<b>As % of income</b>	<b>0.7%</b>	<b>(4.7%)</b>	<b>(5.4%)</b>	<b>(2.5%)</b>	<b>(6.3%)</b>	<b>(3.9%)</b>	<b>(2.4%)</b>	<b>(2.4%)</b>	<b>0.0%</b>

Efficiencies	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Pay	421	0	(421)	1,684	2	(1,682)	5,050	225	(4,825)
Non-Pay	1,680	313	(1,367)	6,724	1,283	(5,441)	20,153	9,514	(10,639)
Income	0	5	5	0	40	40	0	40	40
<b>Total Recurrent</b>	<b>2,101</b>	<b>318</b>	<b>(1,783)</b>	<b>8,408</b>	<b>1,325</b>	<b>(7,083)</b>	<b>25,203</b>	<b>9,779</b>	<b>(15,424)</b>
Pay	0	1,436	1,436	0	3,450	3,450	0	4,553	4,553
Non-Pay	0	81	81	0	365	365	0	7,856	7,856
Income	0	200	200	0	1,422	1,422	0	3,015	3,015
<b>Total Non-Recurrent</b>	<b>0</b>	<b>1,717</b>	<b>1,717</b>	<b>0</b>	<b>5,237</b>	<b>5,237</b>	<b>0</b>	<b>15,424</b>	<b>15,424</b>
<b>Total Efficiencies</b>	<b>2,101</b>	<b>2,035</b>	<b>(66)</b>	<b>8,408</b>	<b>6,562</b>	<b>(1,846)</b>	<b>25,203</b>	<b>25,203</b>	<b>0</b>

Workforce pay costs	M4 Plan £000	M4 Actuals £000	M4 Variance £000	YTD Plan £000	YTD Actual £000	YTD Variance £000	Forecast Plan £000	Forecast Actual £000	Forecast Variance £000
Substantive	(28,868)	(28,270)	598	(116,675)	(117,467)	(792)	(348,081)	(348,081)	0
Bank	(1,543)	(1,546)	(3)	(5,687)	(6,150)	(463)	(19,429)	(19,429)	0
Agency	(410)	(384)	26	(1,541)	(1,573)	(32)	(4,929)	(4,929)	0
<b>Total workforce pay cost</b>	<b>(30,821)</b>	<b>(30,200)</b>	<b>621</b>	<b>(123,903)</b>	<b>(125,190)</b>	<b>(1,287)</b>	<b>(372,439)</b>	<b>(372,439)</b>	<b>0</b>

Workforce WTE	M4 Plan	M4 Actuals	M4 Variance	Forecast Plan	Forecast Actual	Forecast Variance
Substantive WTE	5,941	5,934	(7)	5,924	5,924	0
Bank WTE	330	352	22	349	349	0
Agency WTE	48	29	(19)	47	47	0
<b>Total workforce WTE</b>	<b>6,319</b>	<b>6,315</b>	<b>(4)</b>	<b>6,321</b>	<b>6,321</b>	<b>0</b>

\* Note: RBFT plan figures are based on the 12 June plan submission as reported to NHSE, however internally are reporting to a revised plan phasing.\*

RBFT is reporting a deficit of £12.7m, £7.7m worse than the original plan. This is £3.9m behind the re-phased internal plan of £8.8m deficit.

The main driver of the variance to plan is ERF. Activity is running above the national 107% ERF target, although short of the level RBFT had targeted. YTD £3.9m of additional ERF (£11.6m full year 24/25) had been planned of which £2m has been achieved.

Pay costs are £1.3m above plan, however this includes £0.3m relating to IA. Variance is mainly due to phasing of efficiency plans which are due to be realized in Q3 and Q4. Workforce controls in place.

£11.6m non-pay pressures relate to drugs spend (offset by additional income), premises and clinical supplies as well as the impact of efficiency schemes not yet delivered.

YTD efficiencies are £1.8m behind the original plan.

## Key risks

Delivery of the full activity programme to secure additional 11.6m additional ERF income to the system.

- There are weekly elective activity delivery reviews in place led by the C.O.O. and API elective activity delivery sessions every other week led by the Planned Care Group with representatives from each Care Group.

Development of the full efficiency programme to ensure delivery as the increased quarterly targets take effect

- Unidentified items against the £15.0m new efficiencies set for 2024/25 RBFT target are continuing to be identified through efficiency governance processes, with each clinical area having sessions and timelines in place to achieve this.



# Glossary of Terms



Term	Explanation
2023/24	Financial Year from 1 April 2023 to 31 March 2024
ALOS	Average Length of stay
API	Aligned Payment and Incentive - Payment mechanism covering almost all NHS provider activity and comprises fixed and variable elements. Almost all elective activity, and all activity which forms part of the ERF, is included in the variable element and is paid for using NHS Payment Scheme unit prices.
ARRS	Additional Roles Reimbursement Scheme for Primary care. NHS E reimburse costs of additional roles such as Pharmacists, Paramedics, MH workers retrospectively ie after the additional costs have been incurred.
BOB	Buckinghamshire, Oxfordshire and Berkshire West
Break even	Where actual costs are the same as planned
Capital	Property, plant or equipment held for use in delivering services that are expected to be used for more than one financial year
Category M drugs	Multiple source and widely available generic drugs
CCG	Clinical Commissioning Group - predecessor organisations to the ICB
CHC	Continuing Healthcare - free social care for people with long term complex health needs that is funded solely by the NHS
Deficit	Expenditure in excess of resources
ERF	Elective Recovery Funding
Fast-Track	NHS Continuing Healthcare Fast-Track pathway for those where health is deteriorating quickly or nearing the end of life
FNC	Funded Nursing Care - for people not eligible for CHC but assessed as requiring nursing care in a care home. NHS pay a contribution towards the cost of registered nursing care.
FOT/Forecast	Forecast Outturn - forecast spend at end of the financial year
ICB	Integrated Care Board
ICS	Integrated Care System - consists of ICB and provider organisations in Buckinghamshire, Oxfordshire and Berkshire West.
Mitigations	Actions taken/to be taken to reduce impact of risks
NCA	Non-contracted activity
NCSO	"No cheaper stock obtainable" - generic drug not available at tariff price, higher cost items need to be used
Overspend/Adverse	Actual costs are more than planned
POD services	Pharmacy, Ophthalmology and Dental services delegated to ICBs from NHS E regional teams from 2022-23
Under spend/Favourable	Actual costs are less than planned
Variance	Difference between actual expenditure and plan
YTD	Year to date