Board of Directors - Public

SUMMARY REPORT	Meeting Date:	25th January 2023
	Agenda Item:	13

Report Title:	**Financial Performance Report for the period ending November 2022 (month 8)**	
Author(s):	Jill Savoury, Head of Finance	
Accountable Director:	Phillip Easthope, Executive Director of Finance, IMST and Performance	
Other Meetings presented to or previously agreed at:	**Committee/Group:**	Finance & Performance Committee
	Date:	12th January 2022
Key Points recommendations to or previously agreed at:	Finance & Performance Committee expressed concern re lack of progress and deterioration in the delivery of CIP plan. Further assurance sought by FPC regarding financial recovery and the level of understanding regarding the impact of mitigations including CIP plans. Further assurances provided on how slippage was been utilised, which partly mitigated concerns for the Committee, showing which capital schemes were being brought forward. Discussions took place around challenges to ensure appropriate governance.	

Summary of key points in report

The position at November is a YTD deficit of £2.260m and is forecasting a deficit of £3.940m. The deficits are predominantly driven by pressures from agency (£4.8m) as the key driver behind a net (£3.9m) pay overspend and out of area purchase of healthcare (£3m) expenditure. The funding gap on the planned pay award of £1.2m is also contributing significantly to the deficit. The worst-case forecast is £4.9m recognising the risks that the local authority may not pay the 22/23 management fee in a breach of contract (£0.7m) and efficiency savings may not be achieved (£0.3m). The best-case forecast is £2.8m reflecting the possibility of prior year benefits not yet recognised.

It should be noted that non-recurrent prior year benefits of £1m are included in the forecast, therefore the underlying deficit is being masked by this.

Delivery of recurrent efficiency savings is significantly lower than the revised plan. The current forecast shows a Cost Improvement Programme (CIP) gap/ under delivery of £2m. This and the reliance on £1m non-recurrent savings in 22/23 results in a carry forward efficiency requirement of £3m for 23/24.

Cash balances remains healthy. Debt owed to SHSC remains higher than expected at £7.4m but it should be noted that £4m of this has been received at the time of reporting. There are no working capital concerns except the local authority debt risk noted above. The cash forecast is less than plan as: cash receipts are no longer expected from the Fulwood disposal in this financial year; other working capital movements are anticipated; and the forecast deficit I&E position, which includes unplanned interest cash receipts following interest rate increases of circa £1m.

Capital is underspending YTD against plan from a profile and timing perspective, however emerging needs and cost pressures associated with inflation result in a £0.335m forecast overspend. SHSC cannot breach the annual plan limit (CDEL), which was reduced by the South Yorkshire Integrated Care Board (ICB) as the allocation across the system has been exceeded. SHSC is expected to manage the pressure internally; recovery options are being considered including delaying lower priority schemes until 2023/24. The ICB have escalated the risk to NHSI having recognised that Trusts had been allowed to develop capital programmes at 105% of allocation. There is a risk however that spend will not be incurred this year to the extent planned on the Therapeutic Environments Programme, which would result in the funding being lost to the Trust and increased pressure on the 23/24 capital programme when ICB funding is expected to reduce significantly.

A breakeven forecast has been reported to NHSE/I for M8 as required by the ICB. The ICB has asked us to report breakeven as part of the system reporting on plan. Additional inflationary pressure funding may become available nationally and other providers will achieve surpluses as it is expected that Elective Recovery Funding (ERF) will not be clawed back. This could allow the system to achieve breakeven overall. Discussions are taking place within the Integrated Care System (ICS) to determine how surpluses and deficits are managed at individual organisation and system level. The narrative reporting to NHSE/I explains this position.

Recommendation for the Board/Committee to consider:

Consider for Action		**Approval**		**Assurance**	X	**Information**	

Finance & Performance Committee to note the year to date and forecast financial position at month 7 and the ongoing work to continue to drive CIP identification and delivery.

Please identify which strategic priorities will be impacted by this report:				
Covid-19 Getting through safely	*Yes*	*X*	*No*	
CQC Getting Back to Good	*Yes*	*X*	*No*	
Transformation – Changing things that will make a difference	*Yes*	*X*	*No*	
Partnerships – working together to make a bigger impact	*Yes*		*No*	*X*

Is this report relevant to compliance with any key standards ?					**State specific standard**
Care Quality Commission	*Yes*	*X*	*No*		***Regulation 17: Good Governance*** ***Regulation 13: Financial Position***
Date Security & Protection Toolkit	*Yes*		*No*	*X*	
Any other specific standard?	*Yes*		*No*	*X*	

Have these areas been considered ? YES/NO					If Yes, what are the implications or the impact? If no, please explain why
Service User and Carer Safety and Experience	*Yes*		*No*	***X***	***Out of scope***
Financial (revenue & capital)	*Yes*	***X***	*No*		***Identification of financial sustainability risks***
OD/Workforce	*Yes*		*No*	***X***	***Out of scope***
Equality, Diversity & Inclusion	*Yes*		*No*	***X***	
Legal	*Yes*		*No*	***X***	***Out of scope***
Environmental Sustainability	*Yes*		*No*	***X***	***Out of scope***

Financial Performance Report

November 2022

Sheffield Health and Social Care NHS Foundation Trust

Proud to care in Sheffield

NHS
Sheffield Health and Social Care NHS Foundation Trust

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Proud to care in Sheffield

Executive Summary

KPI	Year to Date Plan £'000	Year To Date Actual £'000	Variance £'000	Annual Plan £'000	Forecast £'000	Variance £'000
Surplus/(Deficit) #	(338)	(2,260)	(1,922)	0	(3,940)	(3,940)
Covid Expenditure	(785)	(782)	3	(1,178)	(903)	275
Agency	3,073	6,332	3,259	(4,348)	(9,131)	(4,783)
Cash	61,248	52,961	(8,287)	61,938	55,383	(6,555)
Efficiency Savings	3,087	1,378	(1,709)	5,168	3,169	(1,999)
Capital # *	(6,999)	(4,071)	2,928	(12,057)	(12,392)	(335)

KPI		Target	Number	Value
Invoices paid within 30 days	NHS	95%	100%	100%
(Better Payments Practice Code)	Non-NHS	95%	99.2%	99.7%

The forecast deficit shown differs from the position reported to NHSI to meet ICB requirements. The report narrative gives further details.

* The capital plan has changed from that originally submitted to NHSI due to the approval of additional national funding of £0.6m for Electronic Patient Records (EPR) and £1.9m for the Health Based Place of Safety projects.

Summary at November 2022:

The position at November is a YTD deficit of £2.260m and is forecasting a deficit of £3.940m. The deficits are predominantly driven by pressures from agency (£4.8m) as the key driver behind a net (£3.9m) pay overspend and out of area purchase of healthcare (£3m) expenditure. The funding gap on the planned pay award of £1.2m is also contributing significantly to the deficit. The worst case forecast is £4.9m recognising the risks that the local authority may not pay the 22/23 management fee in a breach of contract (£0.7m) and efficiency savings may not be achieved (£0.3m). The best case forecast is £2.8m reflecting the possibility of prior year benefits not yet recognised.

It should be noted that non-recurrent prior year benefits of £1m are included in the forecast, therefore the underlying deficit is being masked by this.

Delivery of recurrent efficiency savings is significantly lower than the revised plan. The current forecast shows a Cost Improvement Programme (CIP) gap/ under delivery of £2m. This and the reliance on £1m non-recurrent savings in 22/23 results in a carry forward efficiency requirement of £3m for 23/24.

Cash balances remains healthy. Debt owed to SHSC remains higher than expected at £7.4m but it should be noted that £4m of this has been received at the time of reporting. There are no working capital concerns except the local authority debt risk noted above. The cash forecast is less than plan as: cash receipts are no longer expected from the Fulwood disposal in this financial year; other working capital movements are anticipated; and the forecast deficit I&E position, which includes unplanned interest cash receipts following interest rate increases of circa £1m.

Capital is underspending YTD against plan from a profile and timing perspective, however emerging needs and cost pressures associated with inflation result in a £0.335m forecast overspend. SHSC cannot breach the annual plan limit (CDEL), which was reduced by the South Yorkshire Integrated Care Board (ICB) as the allocation across the system has been exceeded. SHSC is expected to manage the pressure internally; recovery options are being considered including delaying lower priority schemes until 2023/24. The ICB have escalated the risk to NHSI having recognised that Trusts had been allowed to develop capital programmes at 105% of allocation. There is a risk however that spend will not be incurred this year to the extent planned on the Therapeutic Environments Programme, which would result in the funding being lost to the Trust and increased pressure on the 23/24 capital programme when ICB funding is expected to reduce significantly.

A breakeven forecast has been reported to NHSE/I for M8 as required by the ICB. The ICB has asked us to report breakeven as part of the system reporting on plan. Additional inflationary pressure funding may become available nationally and other providers will achieve surpluses as it is expected that Elective Recovery Funding (ERF) will not be clawed back. This could allow the system to achieve breakeven overall. Discussions are taking place within the Integrated Care System (ICS) to determine how surpluses and deficits are managed at individual organisation and system level. The narrative reporting to NHSE/I explains this position.

Financial Overview

INCOME & EXPENDITURE SUMMARY

	Year to Date				Forecast (FOT)			
	Plan	Actual	Variance		Plan	Forecast	Variance	
	£000	£000	£000	%	£000	£000	£000	%
Clinical Income	82,192	83,704	1,512	2%	123,282	125,332	2,050	2%
Other Income	14,664	14,071	(593)	(4%)	22,002	21,034	(968)	(4%)
Total Income	**96,856**	**97,775**	**919**		**145,284**	**146,366**	**1,082**	**1%**
Pay	(77,714)	(79,422)	(1,708)	2%	(116,024)	(119,897)	(3,873)	3%
Non Pay	(18,280)	(19,740)	(1,460)	8%	(27,460)	(29,357)	(1,897)	7%
Total Expenditure	**(95,994)**	**(99,162)**	**(3,168)**		**(143,484)**	**(149,253)**	**(5,769)**	
Net Finance Costs	(1,200)	(987)	213	(18%)	(1,800)	(1,224)	576	(32%)
Net Surplus / (Deficit)	**(338)**	**(2,374)**	**(2,036)**		**0**	**(4,111)**	**(4,111)**	
Technical Adjustments	0	114	114	0%	0	171	171	0%
Adjusted Net Surplus / (Deficit)	**(338)**	**(2,260)**	**(1,922)**		**0**	**(3,940)**	**(3,940)**	
KPI's								
Out of Area healthcare	(4,011)	(5,961)	(1,949)	49%	(6,026)	(9,031)	(3,005)	50%
Agency	3,073	6,332	3,259	106%	(4,348)	(9,131)	(4,783)	110%
Covid	(785)	(782)	3	(0%)	(1,178)	(903)	275	(23%)

The reported forecast deficit at M8 was £3.940m (£3.945m at M7). Key drivers of the overspend are agency spend of £4.8m and out of area (OOA) spend for the purchase of healthcare of £3m. There are a range of variances against plan however as described below:

Clinical income - £2.050m favourable:

- £1.6m increased ICB funding towards the agreed pay award
- £0.4m additional funding for smoking cessation (£0.1m), liaison psychiatry (£0.19m) and long covid (£0.14m).

Other income - £0.968m adverse:

- £1m adverse due to the TUPE transfer of Occupational Therapy (OT) staff to Sheffield Teaching Hospital (STH), which is matched by reduced staffing (£0.9m) and non-pay costs (£0.1m);
- £0.4m adverse across a large number of providers
- £0.48m favourable unplanned income relating to the prior year (PY).

Further explanations are given on the next page.

Financial Overview

Pay - £3.873m adverse:

- £5m adverse agency spend (excluding £0.2m PY benefit)
- £1.2m adverse pay award pressures for ICB funded services

Offset by favourable movements against plan of:
- £1m slippage on recruitment and vacancies
- £1m TUPE transfer of OT staff to STH
- £0.3m unutilised PY pay accruals.

The agency overspend is partly due to the high level of planned efficiency savings (£2.4m) and partly due to assumptions about the ability to fill vacancies that have both proved to be over ambitious in the challenging recruitment market. Appendix 1 shows details of the agency savings position.

The £1.2m pay award pressure relates to forecast costs of ICB funded services in 22/23. The recurrent full year effect of the whole Trust establishment is between £1.6m and £2.8m if non-NHS income is not uplifted in line with NHS contracts.

Non pay - £2.439m adverse:

- £3.0m adverse acute OOA purchase of healthcare and is caused by:
    - Block booked beds price 1.02% higher on average (£0.03m) and bed nights 22% higher than planned (1,011 nights costing £0.5m)
    - Spot purchase average cost 3.55% higher than the anticipated £604 per night (£0.09m) and bed nights 261% higher than planned (3,059 nights costing £1.9m)
    - One to one observation costs £0.6m less than expected
    - CIP non-delivery of £1.1m (part of £1.8m OOA target shown on slide 7).

Offset by favourable movements against plan of:
- £0.6 net reductions across a range of areas including consultancy, general supplies and services and premises rates.
- £0.2m unutilised PY non-pay accruals.

Net finance costs - £0.576m favourable:

- £1m favourable interest receipts following interest rate increases,
- £0.4m adverse PDC dividends payments due to differing assumptions on the levels of forecast net assets and cash balances at year-end, which are used to calculated dividends payable.

Technical adjustments - £0.171m favourable:

Adjustments not recognised in the financial plan:
- £0.04m depreciation on donated assets
- £0.131 peppercorn leases

Forecast

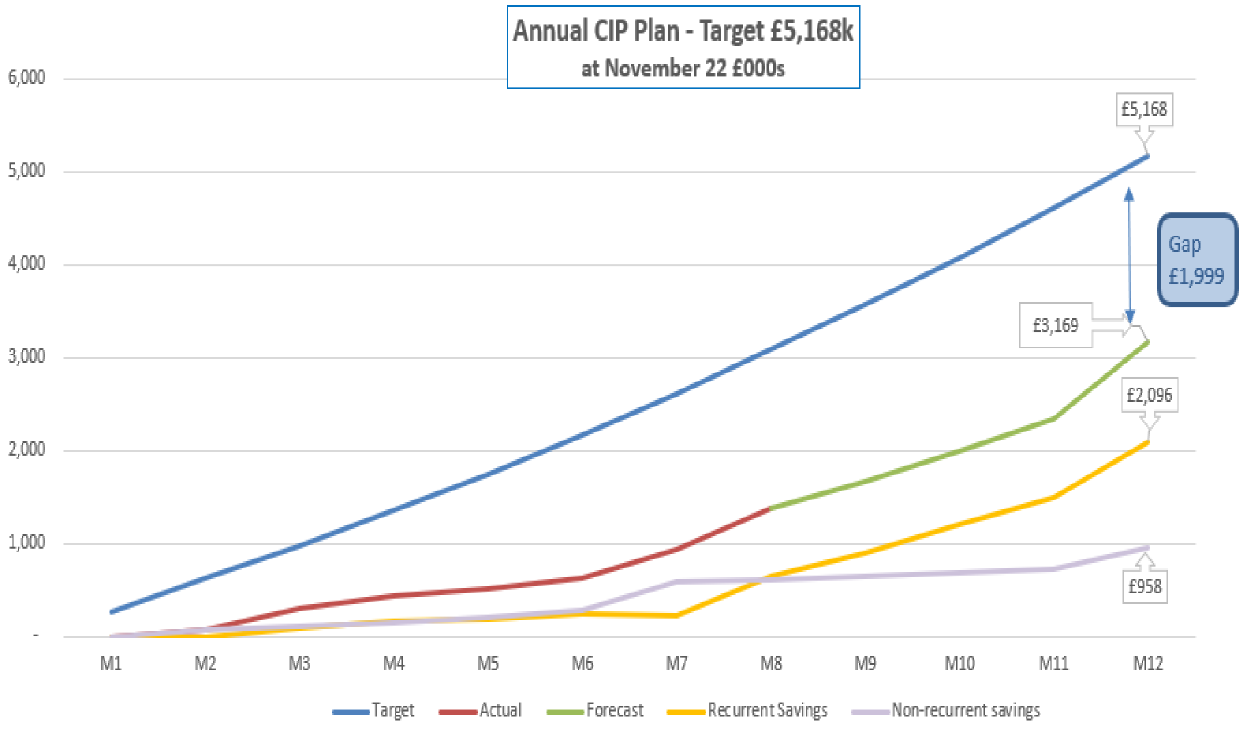
Commentary:

- The Trust deficit is predominantly driven by pressures from agency and out of area expenditure. CIP programmes are being pursued to reduce spend in these, and other areas, to mitigate the overspends and attempt to recover the position. The funding gap on the planned pay award is also contributing significantly to the deficit.
- The worst case forecast deteriorates by £1m recognising the risk that Sheffield City Council may not pay the management fee they are contractually liable for in 22/23 (£0.7m) and the risk of CIP under delivery (£0.3m).
- The best case forecast improves by £1.1m reflecting the possibility of prior year benefits from accruals that may not be utilised and income previously not recognised. Work is ongoing to confirm the likelihood of this scenario for month 9.
- Please note that the forecast variances above differ from page 4 as the prior year benefits are included on each line rather than being separated out.

	Prior Year	Actual								Forecast				Forecast Out-turn	M12 Plan	Variance
		Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income																
Income from Patient Care Activities	130,481	10,110	10,110	10,406	10,401	10,247	11,468	10,511	10,451	10,411	10,411	10,404	10,402	125,332	123,282	2,050
Other Operating Income	21,368	1,725	1,725	1,924	1,595	1,725	2,125	1,561	1,691	1,695	1,691	1,691	1,885	21,034	22,002	(968)
Total Income	151,849	11,835	11,835	12,330	11,996	11,972	13,593	12,072	12,142	12,106	12,102	12,095	12,287	146,366	145,284	1,082
Expenditure																
Substantive	100,156	(8,466)	(8,466)	(8,843)	(8,577)	(7,992)	(9,930)	(8,799)	(8,797)	(9,007)	(9,011)	(9,012)	(9,073)	(105,972)	(106,681)	710
Bank	6,474	(384)	(384)	(364)	(358)	(364)	(394)	(299)	(351)	(367)	(360)	(351)	(351)	(4,327)	(4,580)	253
Agency	5,873	(675)	(675)	(883)	(764)	(856)	(846)	(911)	(725)	(730)	(686)	(680)	(700)	(9,131)	(4,348)	(4,783)
Other (Apprenticeship Levy)	4,919	(35)	(35)	(37)	(33)	(35)	(36)	(41)	(69)	(37)	(37)	(37)	(37)	(467)	(415)	(52)
Total Pay	117,422	(9,559)	(9,559)	(10,127)	(9,732)	(9,247)	(11,206)	(10,049)	(9,943)	(10,141)	(10,093)	(10,080)	(10,161)	(119,897)	(116,024)	(3,873)
Out of Area healthcare	9,708	(472)	(829)	(912)	(735)	(758)	(910)	(780)	(624)	(771)	(771)	(697)	(771)	(9,031)	(6,026)	(3,005)
Drugs	965	(88)	(88)	(109)	(95)	(104)	(94)	(109)	(118)	(120)	(120)	(120)	(120)	(1,286)	(1,016)	(270)
Other non pay	17,681	(1,573)	(1,215)	(1,537)	(1,411)	(1,140)	(1,604)	(1,259)	(1,213)	(1,287)	(1,287)	(1,287)	(1,287)	(16,097)	(17,745)	1,648
Total Non Pay	28,354	(2,133)	(2,133)	(2,558)	(2,241)	(2,001)	(2,608)	(2,149)	(1,955)	(2,178)	(2,178)	(2,103)	(2,178)	(26,415)	(24,787)	(1,628)
Total Expenditure	145,776	(11,692)	(11,692)	(12,685)	(11,973)	(11,248)	(13,814)	(12,198)	(11,898)	(12,319)	(12,271)	(12,183)	(12,339)	(146,311)	(140,811)	(5,500)
EBITDA	6,073	144	144	(355)	23	724	(221)	(126)	245	(213)	(169)	(88)	(52)	55	4,473	(4,418)
Depreciation & Amortisation	5,653	(241)	(241)	(99)	(193)	(423)	(364)	(236)	(166)	(245)	(245)	(245)	(245)	(2,942)	(2,673)	(269)
Net Operating Surplus / (Deficit)	420	(98)	(98)	(454)	(170)	301	(585)	(363)	79	(457)	(414)	(333)	(296)	(2,887)	1,800	(4,687)
Net Finance Costs		(118)	(118)	(103)	(82)	(257)	93	(349)	(54)	(59)	(59)	(59)	(59)	(1,224)	(1,800)	576
Technical Adjustments	1,391	51	51	49	50	(123)	16	7	14	14	14	14	14	171	0	171
Adjusted Net Surplus / (Deficit)	1,811	(165)	(165)	(508)	(202)	(79)	(476)	(704)	38	(502)	(459)	(378)	(341)	(3,940)	0	(3,940)

Cost Improvement Programme (CIP) as at November 2022

		Forecast out turn			
£000s	Annual Target	Achieved Recurrent	Achieved N/R	Total Achieved	Out standing
OOA Delivery Group	1,800	434	-	434	1,366
Agency Delivery Group	1,220	296	-	296	924
Efficiency Delivery Group	448	1,480	958	2,439	- 1,991
Trust underspend	1,700	-	-	-	1,700
	5,168	2,211	958	3,169	1,999
		42.8%	18.5%	61.3%	



The forecast gap for CIP delivery is £1,999k. This is an improvement of £262k since last month. £500k of the £980k interest receivable has been recognised as recurrent in month; this has previously all been treated as a non-recurrent saving.

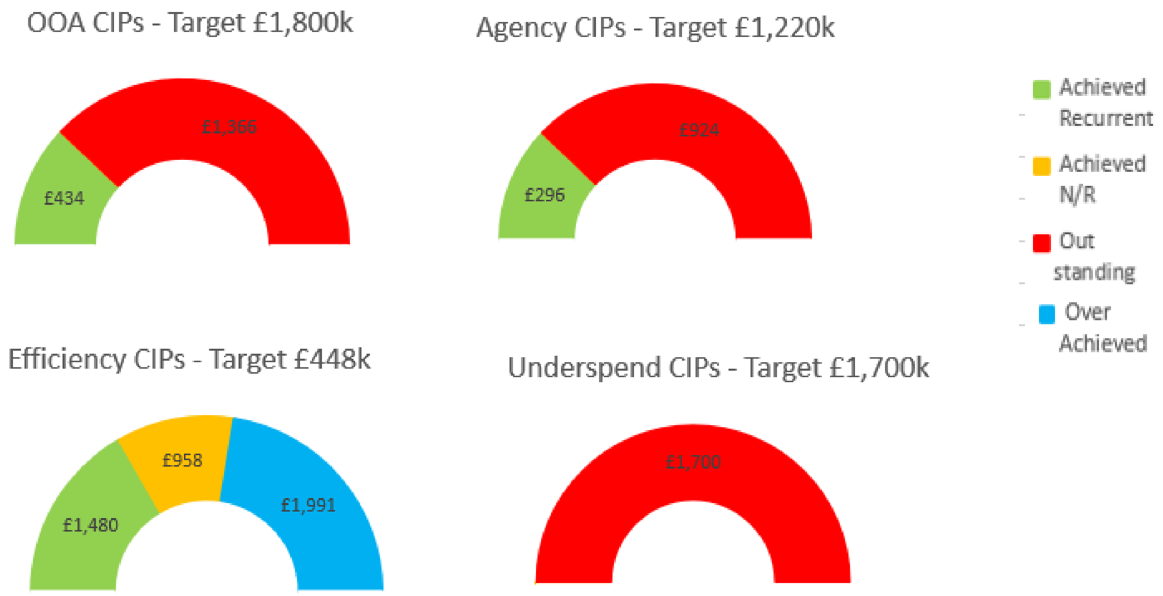
The reliance on non-recurrent savings in 22/23 will increase the recurrent efficiency target for the 23/24 financial year; the carry forward value is forecast to be £2,957k.

The forecast of £3,169k is the likely outturn. The worst case outturn currently has a downside risk of £300k (patient transport, agency and new HQ) and the best case being the forecast.

The Programme Board and projects are established and this will continue to be reviewed to ensure capacity is in place to help delivery. The focus is now on developing robust efficiency saving plans for 23/24.

Appendix 1 shows the Agency CIP Dashboard.

These rainbow charts show the forecast achievement for each of the workstream targets:



SOFP | Statement of Financial Position

Year to date

Under new operating lease accounting rules for 2022/23 Right of Use assets have been brought onto the SOFP at £8.3m for the capitalised cost of operating leases less depreciation. This is included in the PPE balance at month 8. Associated borrowing costs of £5.9m and £0.6m are included within non current liabilities and current liabilities respectively for the liability associated with the leases. This is a new accounting treatment to comply with the requirements of IFRS 16.

A positive cash position of £53.0m is reported at the end of November (£55.3m at the end of October). The November cash position is £5.7m lower than last year's closing balance. The movement reflects the in year deficit, capital spend and a reduction in payables (excluding IFRS 16 liabilities).

Liabilities remain under control and there are no working capital concerns. The Better Payment Practice Code (BPPC) target is continuing to be met monthly.

The current ratio (current assets to current liabilities) is 5:1, with cash contributing 72% of current assets.

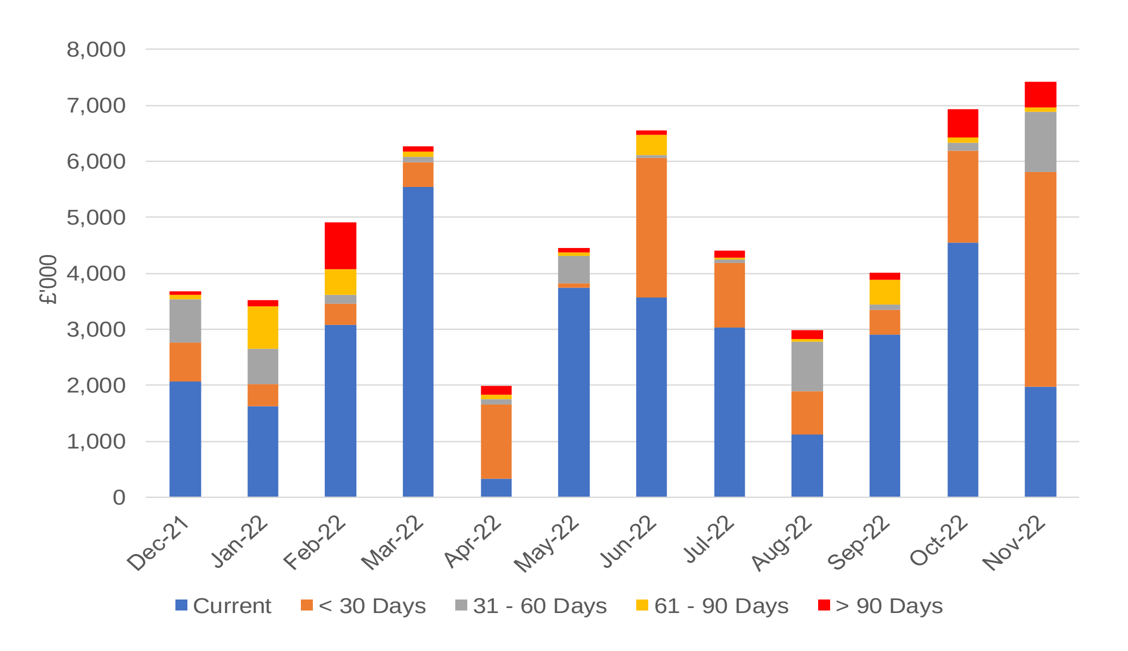
Forecast

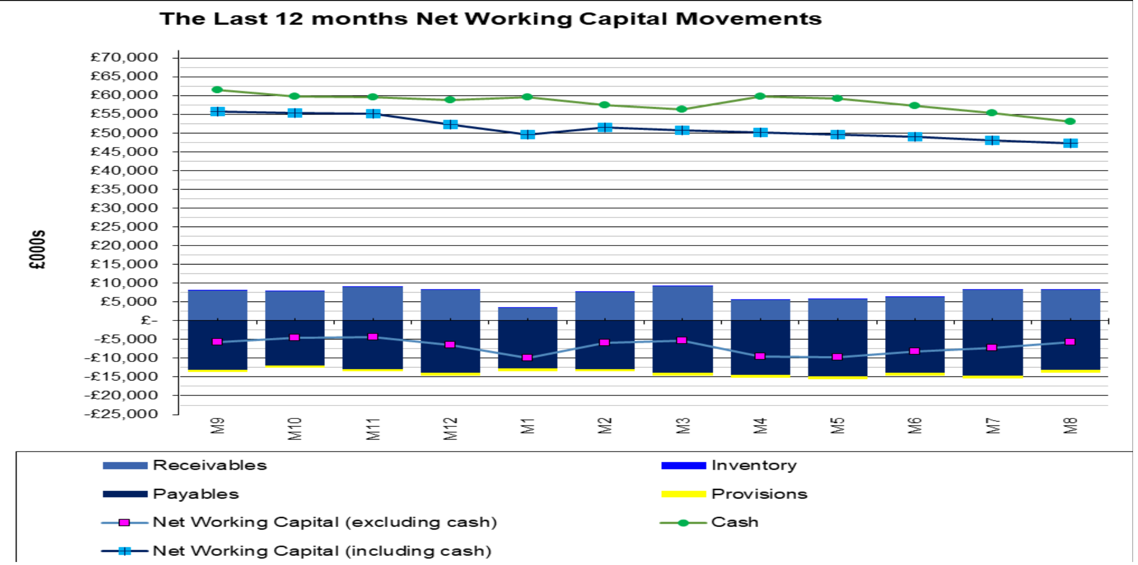
Cash is forecast to be £6.6m lower than plan. £3.5m of this movement is due to the timing of the next stage of the Fulwood sale as the plan assumed partial disposal in the current year and this has been delayed until 23/24. £1.5m is for a forecast increase in receivables from plan levels. The remainder is a combination of other working capital movements and the forecast deficit I&E position.

	OPENING 2022/23	YTD ACTUAL	YTD MOVEMENT	ANNUAL PLAN	FORECAST	FORECAST VARIANCE v PLAN
	£'000	£'000	£'000	£'000	£'000	£'000
Non-Current Assets						
Property, Plant & Equipment (PPE)	55,238	64,541	9,303	65,623	66,049	426
Intangible Assets	1,364	2,482	1,118	915	4,199	3,284
Other Non-Current Assets	4,434	4,001	(433)	3,906	4,004	98
Non-Current Assets Total	61,036	71,024	9,988	70,444	74,252	3,808
Current Assets						
Receivables	8,034	7,557	(477)	4,953	6,500	1,547
Cash and Cash Equivalents	58,757	52,961	(5,796)	61,938	55,383	(6,555)
Assets held for sale (Fulwood HQ)	12,000	12,000	0	8,542	12,000	3,458
Other Current Assets	81	685	604	3,633	3,101	(532)
Total Current Assets	78,872	73,203	(5,669)	79,066	76,984	(2,082)
Current Liabilities						
Provisions	(762)	(770)	(8)	(508)	(773)	(265)
Payables	(8,215)	(11,389)	(3,174)	(4,291)	(11,063)	(6,772)
Other Current Liabilities	(5,687)	(1,751)	3,936	(9,644)	(7,953)	1,691
Total Current Liabilities	(14,664)	(13,910)	754	(14,443)	(19,789)	(5,346)
Net Current Assets/ (Liabilities)	64,208	59,293	(4,915)	64,623	57,195	(7,428)
Total Non-Current Liabilities	(4,285)	(10,182)	(5,897)	(15,155)	(10,031)	5,124
Total Net Assets	120,959	120,135	(824)	119,912	121,416	1,504
Total Taxpayers Equity	120,959	120,135	(824)	119,912	121,416	1,504

SOFP | Statement of Financial Position

AGED DEBT ANALYSIS





Aged Debt Analysis: Debt remains higher than the expected level and the overall balance (money owed to the Trust) has increased to £7.4m as at the end of November (£6.9m at the end of October). It should be noted that £4.0m of this debt had been paid at the time of reporting.

£2.0m of the debt was current and related to invoices raised in November which were not overdue at the reporting date. Current debt is lower than last month and we are not aware of any issues with this current balance.

£3.8m of the debt was overdue between 1 and 30 days. £3.1m of this was paid on 1st December. (£2.8m Health Education England, £0.3m South West Yorkshire Partnership FT). £0.36m remains outstanding from Sheffield City Council (SCC) for 6 months of the 22/23 management fee. There is a risk that SCC may breach contract and not pay the contract value for the year of £0.71m.

Debts older than 31 days total £1.6m (£0.7m at 31st October). £0.5m has been paid so far in December. £1m of the outstanding balance is with one customer who we are in discussion with to resolve the issues around payment for the Buckwood View contract (Guinness Partnership). There is not yet considered to be a risk of non payment but the situation is being closely monitored.

The debt is a combination of NHS, Trade and employee overpayments and we are in discussion with organisations and individuals to resolve the issues around payment.

There is a continuing effort to improve collections especially for debts for overpayments to employees leaving SHSC. Debt recovery services are used where appropriate.

Working Capital Movements: At the end of November 2022 SHSC had a cash balance of £53.0m compared to £58.8m at the end of the last financial year.

The Trust had a negative net working capital (NWC) balance of £5.7m excluding cash (positive NWC of £47.3m including cash). This has remained stable during the past 12 months.

The high liquidity ratio of 5:1 (current assets: current liabilities) allows SHSC to operate without the need to borrow to finance working capital.

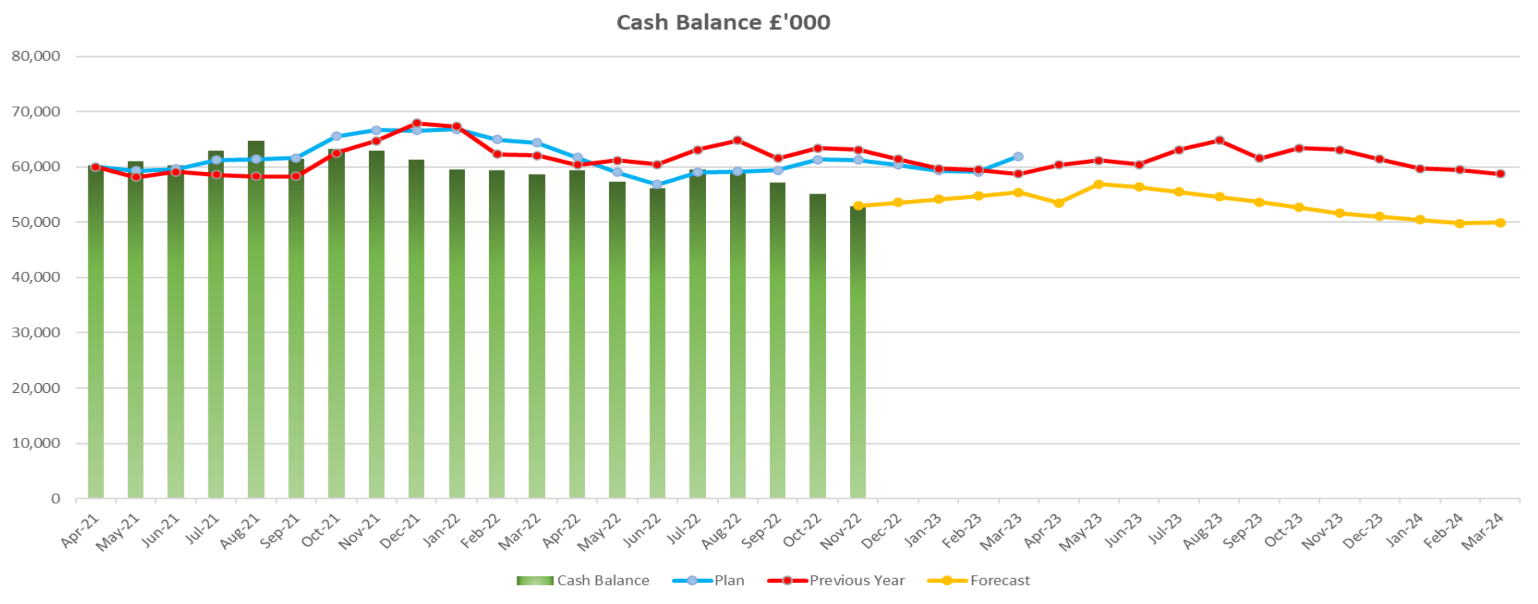
12 Months Cash Flow Forecast

		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast
Cash flow as at October 2022	Prior Year Mar-22 £000s	2022/23 Apr-22 £000s	2022/23 May-22 £000s	2022/23 Jun-22 £000s	2022/23 Jul-22 £000s	2022/23 Aug-22 £000s	2022/23 Sep-22 £000s	2022/23 Oct-22 £000s	2022/23 Nov-22 £000s	2022/23 Dec-22 £000s	2022/23 Jan-23 £000s	2022/23 Feb-23 £000s	2022/23 Mar-23 £000s
Operating Surplus/(deficit)	2,182		(195)	(454)	(170)	301	(585)	(363)	79	610	610	610	610
Net cash generated from / (used in) operations	2,983		(186)	(501)	4,346	1,754	(1,892)	(1,331)	(1,732)	911	911	911	911
Net cash inflow/(outflow) from investing activities, Total	(8,364)		(883)	(337)	(641)	(1,686)	775	(179)	(629)	(1,874)	(1,874)	(1,874)	(1,874)
Net cash inflow/(outflow) before financing	(3,199)	0	(1,264)	(1,292)	3,535	369	(1,702)	(1,873)	(2,282)	(353)	(353)	(353)	(353)
Net Cash inflow/(outflow) from financing activities, Total	(119)		(101)	101	0	(855)	(285)	(93)	(54)	959	959	959	959
Increase/(decrease) in cash and cash equivalents	(3,318)		(1,365)	(1,191)	3,535	(486)	(1,987)	(1,966)	(2,336)	606	606	606	606
Cash and cash equivalents at start of period	62,075	58,757	58,757	57,392	56,201	59,736	59,250	57,263	55,297	52,961	53,567	54,172	54,778
Increase/(decrease) in cash and cash equivalents	(3,318)		(1,365)	(1,191)	3,535	(486)	(1,987)	(1,966)	(2,336)	606	606	606	606
Cash and cash equivalents at end of period	58,757	58,757	57,392	56,201	59,736	59,250	57,263	55,297	52,961	53,567	54,172	54,778	55,383

NARRATIVE

The cash balance at the end of November 2022 was £53.0m. Spend on the capital programme is phased more heavily into the second half of the year therefore the monthly forecast for the remainder of the year is expected to reduce. The forecast range for the remainder of the year is between £54.1m and £55.4m.

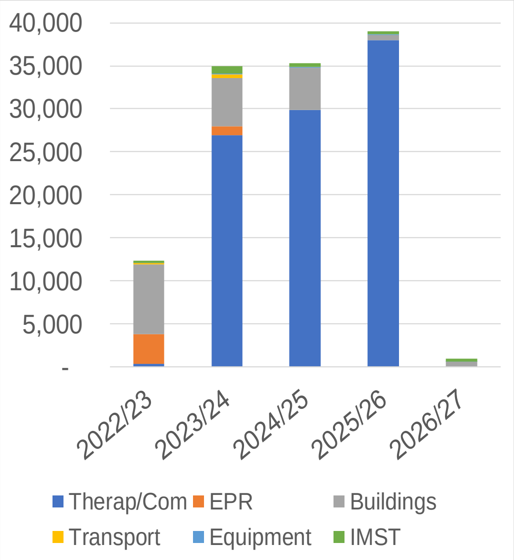
The Trust has a capital programme of £12.392m to deliver before the end of the financial year. Part of the capital will be externally funded: £3.45m for the Electronic Patient Record scheme and £1.9m relates to the S136 Health Based Place of Safety (HBPoS) project. The balance will be funded internally in line with Capital Departmental Expenditure Limit (CDEL).



Capital Programme

CAPITAL FORECAST 2022/23 TO 2026/27

Category	2022/23 YTD £000	2022/23 Revised Plan £000	2023/24 Plan £000	2024/25 Plan £000	2025/26 Plan £000	2026/27 Plan £000	Total Programme Forecast £'000
Therap/Com	29	350	26,901	29,856	38,000	-	95,107
EPR	1,283	3,450	1,107	-	-	-	4,557
Buildings	2,738	8,107	5,553	4,959	600	600	19,819
Transport	-	173	470	-	-	-	643
Equipment	21	50	50	50	50	50	250
IMST	-	262	864	430	342	282	2,180
Total	**4,071**	**12,392**	**34,945**	**35,295**	**38,992**	**932**	**122,556**



POSITION SUMMARY 2022/23

Capital Position to Date	**Revised Plan £'000**	**Actual £'000**	**Variance £'000**	**Indicator**
In-month spend	1,203	755	(448)	Amber
Cumulative spend	6,999	4,071	(2,928)	Amber
Capital expenditure is <85% or >115% of plan for year to date				Amber

Capital Forecast Outturn	**CDEL: Limit £'000**	**Revised Plan £'000**	**Actual (FOT) £'000**	**Variance against CDEL Limit**	**Variance against plan £'000**	**Indicator against CDEL**	**Indicator against plan**
Full Year cumulative spend	12,057	12,856	12,392	335	(464)	Amber	Green

Capital expenditure is <85% or >115% of plan for full year forecast

NARRATIVE

The capital programme for FY 2022/23 submitted to the ICS in March was £10.5m.

SHSC has a CDEL allocation of £6.707m and expected to be able to overspend by 5% as agreed during the financial planning round, which increased the expected CDEL to £7.042m. This permission has now been withdrawn by the ICB as the allocation across the system has been exceeded. SHSC is expected to manage the pressure internally. The ICB have escalated the risk to NHSI having recognised that Trusts had been allowed to develop capital programmes at 105% of allocation.

The approved external funding for the Electronic Patient Record scheme of £3.450m and the HBPoS of £1.9m take the total expected CDEL to £12.057m for 2022/23.

At the end of November 2022, SHSC is reporting capital expenditure including accruals of £4.071m, which is £2.928m below the revised phased plan. Delays in the phase 3 LAP works, HBPoS and EPR account for the main variances however scheme leads are confident that this will not effect the forecast out-turn position for 2022/23. There is a risk however that spend will not be incurred this year to the extent planned on the Therapeutic Environments Programme, which would result in the funding being lost to the Trust and increased pressure on the 23/24 capital programme when ICB funding is expected to reduce significantly.

The full year forecast as at the end November 2022 is £12.392m, which is £0.335m more than the CDEL target. The position is continually monitored and reported into the Capital Project Group through to the Finance and Performance Committee. The risk of exceeding the CDEL limit has been raised with the ICB and also reflected in the reporting to NHSI.

Details of year to date progress by scheme is given in Appendix 2.

The capital forecast assumes external national funding is received to build new hospital sites in future years but this has not yet been confirmed. This is an aspirational forecast and not a capital plan agreed by the Trust and SHSC.

Appendix 1 – Agency CIP dashboard

Over view

	Forecast Target	Forecast Spend	Forecast Variance		Year to date Target	Year to date Spend	Year to date Variance	
Current Month	6,624	9,131	2,507	89	3,769	6,332	2,563	128
Previous Month	6,624	9,042	2,417		3,174	5,610	2,435	

The target is based on last years outturn less required CIP for 22/23 (16%)

Commentary

The current gap to plan is not changing significantly, the processes put in place will take time to filter through. Some post have been through bank and recruitment and still failed to appoint; these areas are being supported.

The jump in breaches is due to the increase in agency being tracked through E-rostering along with joining up of the various steps aiding better reporting.

Legend		
	Green	Target or under
	Red	Over target

Suppliers List (top 5)

	YTD
First point	853
Sanctuary health	508
Dutton	486
Synergy medic	386
Service cares	216
	not on framework

Agency Directorate Summary £000s

	21/22 Outturn	Target	Forecast Outturn	Var (F) / A		Forecast Pay Variance	YTD Target	YTD Actual	Var (F) / A	
Acute & Community	5,663	4,809	7,483	2,674	Red	1,077	2,736	5,018	2,282	Red
Rehab & Specialist	659	560	705	146	Red	(3,796)	318	492	174	Red
Clinical Central	137	116	135	19	Red	828	66	85	19	Red
Clinical Total	**6,459**	**5,485**	**8,324**	**2,839**	Red	**(1,890)**	**3,120**	**5,595**	**2,475**	Red
Medical	264	225	131	(94)	Green	62	128	118	(9)	Green
Chair/Chief Exec Office	194	165	0	(165)	Green	(55)	94	0	(94)	Green
Nursing & Professions	60	51	60	9	Red	(109)	29	49	20	Red
People Directorate	63	54	168	114	Red	41	31	106	76	Red
Finance	660	561	411	(150)	Green	(64)	319	405	86	Red
IMST	103	88	346	258	Red	(13)	50	188	138	Red
Special Projects & Facilities	94	79	252	172	Red	(446)	45	167	121	Red
Corporate Governance	124	106	42	(64)	Green	88	60	12	(48)	Green
Deputy Chief Exec	68	58	21	(38)	Green	278	33	16	(17)	Green
Central / Obsolete/CIPS	(246)	(246)	(623)	(377)	Green	5,931	(140)	(324)	(184)	Green
Corporate Total	**1,386**	**1,140**	**808**	**(332)**	Green	**5,714**	**648**	**736**	**88**	Red
Total	**7,844**	**6,624**	**9,131**	**2,507**	Red	**3,823**	**3,769**	**6,332**	**2,563**	Red

Comment

The outturn for 21/22 was adjusted to include medical agency which was mis coded to bank all year.
The targets in the dashboard reflect the 21-22 outturn less developed CIP scheme value (16%)

Agency Profession Summary

	21/22 Outturn	Target	Forecast Outturn	Var (F) / A		Forecast Pay Variance	YTD Target	YTD Actual	Var (F) / A	
Health Care Assistant	2,134	1,802	3,289	1,487	Red	3,272	1,025	2,164	1,139	Red
Consultants	1,217	1,027	1,414	387	Red	939	585	955	371	Red
Other Medical	970	819	1,393	574	Red	167	466	913	447	Red
Admin & Clerical	1,491	1,259	1,166	(93)	Green	(1,765)	716	1,049	333	Red
Nursing Registered	1,501	1,267	1,420	152	Red	877	721	940	219	Red
Ancillary	259	219	323	104	Red	(235)	125	218	93	Red
Scientific Therapeutic & Tech	226	191	118	(73)	Green	1,094	109	83	(26)	Green
Allied Health Professions	46	39	9	(30)	Green	(526)	22	9	(13)	Green
Total	**7,844**	**6,624**	**9,131**	**2,506**	Red	**3,823**	**3,769**	**6,332**	**2,563**	Red

Comments

1. Admin & Clerical, the reduction is mainly around Finance as vacancies are being filled; however widely, due to various difficulties around turnover and recruitment there will be a continuing need until all Admin posts are filled.

The financial plan and budgets show lower planned spend than the target measured in the dashboard as those values were determined before the schemes were developed.

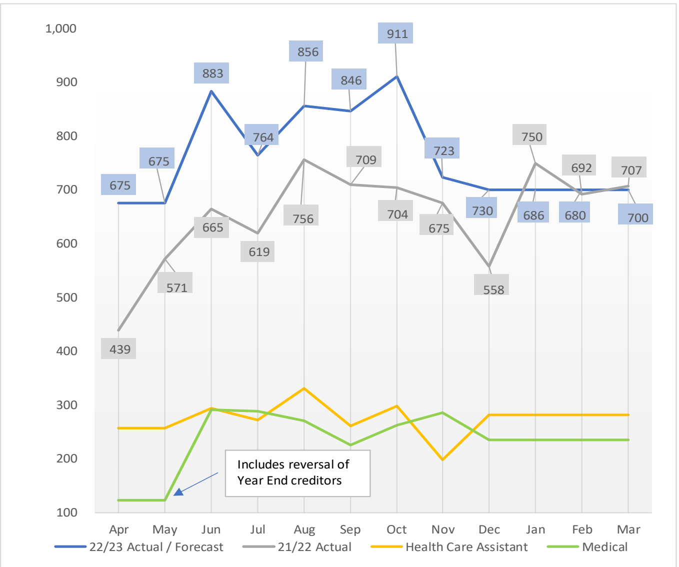
Top 10 Services Highest Forecast spend

Clinical		Forecast Pay Variance	Forecast Outturn	Year to Date	21/22 Out turn
MH Recovery North	Acute & Community	507	968	645	315
Maple Ward	Acute & Community	450	908	616	306
Dovedale	Acute & Community	648	843	607	328
G1 Ward	Acute & Community	1,050	774	516	577
Stanage Ward	Acute & Community	523	713	449	455
Burbage Ward	Acute & Community	298	647	444	416
SPA/EWB	Acute & Community	- 228	578	385	131
Endcliffe Ward	Acute & Community	273	539	359	335
Woodland View	Acute & Community	23	482	322	184
OA CMHT	Acute & Community	625	347	199	0
Top 10 based on FOT 2022/23			**6,799**	**4,542**	**3,048**
		% of total forecast		***50%***	***48%***
Corporate					
Directorate Finance	Director of Finance	- 31	150	143	190
Facilities Management T	Special Projects & Fac	- 141	126	84	32
Financial Accounts	Director of Finance	10	123	123	185
Freedom of Information	Director of Finance	126	120	80	0
PGME Sheffield	Medical	107	107	79	0
Bank eRostering & Work	People Directorate	139	105	57	0
IMST Manager	Director of Finance	52	89	18	69
New EPR	Director of Finance	- 77	70	23	34
Informatics & Systems	Director of Finance	- 31	67	67	0
Procurement	Director of Finance	- 26	64	64	140
Top 10 based on FOT 2022/23			**1,023**	**739**	**651**
			% of total forecast	***8%***	***10%***

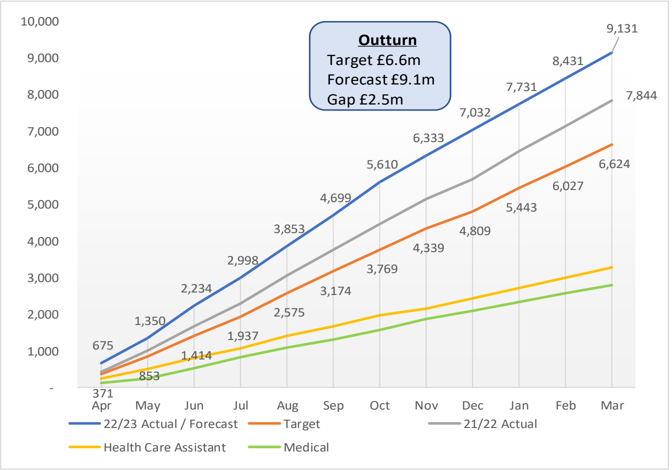
Breaches (Number of Shifts)

	Current Month	Previous Month	Change to previous month	Year to Date
Price Cap Breaches	569	221	348	2,708
Framework Breaches	185	278	- 93	2,570
	754	499	255	5,278
Price Cap Breaches				
Medical	148	165	- 17	2,175
Registered Nursing	187	56	131	299
Administration & Estates	195	0	195	195
Scientific, Therapeutic & Technical	39	0	39	39
Framework Breaches				
Registered Nursing	8	0	8	76
Support Workers	177	277	- 100	2,488
Admin & Estates	0	1	- 1	6
	754	499	255	5,278

Agency Comparison - Monthly



Agency Comparison - Cumulative



Appendix 2- Revised Capital Programme Year to Date progress by scheme