

Public Board of Directors
Item number: 16
Date: 28th May 2025

Private/ public paper:	Public				
Report Title:	Financial Performance Report as at 31 st March (month 12)				
Author(s) Accountable Director:	Chris Cotton, deputy director of finance Phillip Easthope, executive director of finance, digital and performance				
Presented by:	Phillip Easthope, executive director of finance, digital and performance				
Vision and values:	The financial performance report shows our progress against how we are working together to ensure we 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:	Board of Directors are asked to note financial position as at 31 st March 2025, with SHSC achieving its planned deficit position. This position is subject to audit, unaudited financial accounts have been presented to Audit and Risk Committee on 19th May. Final audited accounts will be presented to Audit Committee on 16 th June and Board of Directors on 25 th June for submission to NHS England on 27 th June.				
Executive summary:	Key Performance Indicator		YTD Plan £'000	YTD Actual £'000	Variance £'000
	Surplus/(Deficit)		(6,514)	(6,009)	505
	Adjusted Plan		(603)	(98)	505
	Surplus/(Deficit)				
	Cash		33,897	41,830	7,933
	Efficiency Savings		7,334	7,334	0
	Capital		(10,246)	(7,705)	2,541
			Target	Number	Value
	Invoices paid within 30 days	NHS	95%	100.0%	100%
	(Better Payments Practice Code)	Non-NHS	95%	99.7%	99.2%
At month 12, the £6m deficit described in month 11’s report was achieved. This resulted in a positive variance to plan of £0.5m due to aligning the capital policy in the Trust to other NHS providers in South Yorkshire, this includes some staffing and computer equipment such as laptops which have historically been classified as Revenue. The position has been achieved despite out of area overspending by £8.9m as a result of increased delayed discharges and increased length of stay. This has been possible due to the additional financial controls and mitigations put in place since month 6					

	<p>As highlighted previously the adjusted plan includes the non-recurrent deficit funding of £5.9m, NHS England have confirmed the funding will not have to be returned.</p> <p>Cash is higher than planned due to the non-recurrent deficit funding, pausing of the capital program and receiving additional capital funding in year (most payments will be made in April), this is partial offset with not receiving the Fulwood receipt and aged debts being higher throughout the year compared to plan.</p> <p>Value improvement and recovery plans totaling £10.3m were developed, the £7.3m savings requirement was achieved, £6.0m of these saving are recurrent savings (80%).</p> <p>Appendices Appendix 1: Financial Performance Report Month 12</p>
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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.	
<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 2024/25. This includes reducing overspending areas through recovery plans. – this risk has been closed for 2024/25 as the target score was met, the risk has been updated for 2025/26.</p>
Any background papers/ items previously considered:	Monthly report presented to the Board of directors and finance and performance committee.
Any background papers/ items previously considered:	<p>The Board of Directors are asked to:</p> <ul style="list-style-type: none"> • note the financial position as at 31st March 2025.



FINANCIAL PERFORMANCE REPORT

MARCH 2025



Executive Summary – Month 12

Key Performance Indicator		YTD Plan £'000	YTD Actual £'000	Variance £'000
Surplus/(Deficit)		(6,514)	(6,009)	505
Adjusted Plan Surplus/(Deficit)		(603)	(98)	505
Cash		33,897	41,830	7,933
Efficiency Savings		7,334	7,334	0
Capital		(10,246)	(7,705)	2,541
		Target	Number	Value
Invoices paid within 30 days (Better Payments Practice Code)	NHS	95%	100.0%	100%
	Non-NHS	95%	99.7%	99.2%

At Month 12, the £6m deficit described in Month 11's report was achieved. This resulted in a positive variance to plan of £0.5m due to aligning the Capital policy in the Trust to other NHS providers in South Yorkshire, this includes some staffing and computer equipment such as laptops which have historically been classified as Revenue. The position has been achieved despite Out of Area overspending by £8.9m as a result of increased delayed discharges and increased length of stay. This has been possible due to the additional financial controls and mitigations put in place since Month 6.

As highlighted previously the adjusted plan includes the non-recurrent deficit funding of £5.9m, NHS England have confirmed the funding will not have to be returned.

Cash is higher than planned due to the non-recurrent deficit funding, pausing of the Capital program and receiving additional Capital funding in year (most payments will be made in April), this is partial offset with not receiving the Fulwood receipt and aged debts being higher throughout the year compared to plan.

Value improvement and recovery plans totaling £10.3m were developed, the £7.3m savings requirement was achieved, £6.0m of these saving are recurrent savings (80%).

Executive Summary – Month 12

Area of Focus	YTD Plan £'000	YTD Actual £'000	Variance £'000
Out of Area spend *	(6,486)	(15,358)	(8,871)
Medics pay **	(17,071)	(19,929)	(2,858)
	Apr- Nov 24/25 Av	Mar-25	Variance
Aged Debt (Amount above 30 Days)	(2,098)	(3,129)	(1,031)

Out of area Acute activity for March was slightly higher than expected although the bed used at the end of the month did reach the target level. Additional observations were considerably higher as a result of acuity of specific patients. Other areas continued to underspend to offset the Out of Area increase, since being off plan at Month 6, £4.1m of additional mitigations have been found.

Highlighted in Section 6 is a list of overspending areas as a result of a mixture of pay overspends in different areas. At an organisation view, the Medics pay is the largest driver behind the pay overspend as other professions have vacancies in some areas offsetting areas with overspending. The value for Medics pay is adjusted for offsetting income including pay award. As highlighted in previous reports, budget are being updated in 2025/26 planning to reflect approval of additional budget to reflect some of the over-established Medic posts are required, it is also expected that the cost of Medics will reduce from the changes.

Aged Debt has increased in the last year which is having a negative impact on the Cash balance. The amount outstanding has reduced by £0.4m to £3.1m at the end of March, agreement has been made with South Yorkshire Housing Association, so the level of outstanding debt is expected to reduce by at least £1m in the next month. 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 7.

Section 1: Year to Date (YTD)

Year To Date Position

At month 12, the year end position is a deficit of £6.0m, which is £0.5m better than plan. The table below sets out the income and expenditure summary and the variances compared to plan including the system deficit funding:

	2024/25			
	Plan £000	YTD £000	Variance £000	%
Clinical Income	129,826	148,598	18,772	14.5%
Other Income	20,914	24,609	3,695	18%
Total Income	150,740	173,207	22,467	15%
Pay (substantive, agency, bank & other)	(125,826)	(138,290)	(12,465)	9.9%
Non Pay	(31,050)	(39,982)	(8,932)	28.8%
Total Expenditure	(156,876)	(178,272)	(21,396)	13.6%
Interest receipts	2,004	2,019	15	0.8%
Finance expense	(62)	(64)	(2)	3.5%
PDC dividends payable	(2,493)	(2,686)	(193)	7.7%
Net Finance Costs	(552)	(731)	(180)	32.6%
Other gains/(losses) inc disp of assets	0	1	1	100.0%
Net Surplus / (Deficit)	(6,687)	(5,796)	892	2
Technical Adjustments	173	(214)	(387)	(223.4%)
Net Surplus / (Deficit) inc. Technical Adj	(6,514)	(6,009)	505	-8%
System Deficit Funding	5,911	5,911	0	0.0%
Adjusted Net Surplus / (Deficit)	(603)	(98)	505	(83.7%)
KPI's				
Acute OOA purchase of healthcare	(4,606)	(10,510)	(5,904)	128.2%
PICU OOA purchase of healthcare	(1,260)	(3,368)	(2,108)	167.3%
Rehab OOA purchase of healthcare	(621)	(1,381)	(761)	122.6%
Medics pay	(17,071)	(18,218)	(1,146)	6.7%
Bank pay	(3,519)	(6,698)	(3,180)	90.4%
Agency pay	(4,451)	(2,378)	2,073	(46.6%)

Key variances are described below:

Clinical income - £18.7m favourable:

- £9.6m additional income from the ICB's & NHS England for pay award, NHS 111 Crisis Line initiative, Neighbourhood MH hub pilot, Better Care Fund contribution to patient flow services and Out of Area cost pressure funding.
- £0.2m non recurrent additional income from ICB to support with pay award impact
- £0.5m additional income from the local authority for contributions towards jointly funded service users in Woodland View.
- £8.4m additional notional income for pension costs incurred on our behalf by NHSE; we were notified in Month 12 of the value and are required to include the notional spend and funding in the accounts.

Other income - £3.7m favourable:

- £1.7m favourable variance for training income and the reimbursement of seconded staff

Section 1: Year to Date (YTD)

costs including pay award impact on trainee doctors.

- £1.5m favourable variance for additional research income

Pay - £12.5m adverse:

- £3.6m overspend in bank staff spend compared to plan. The largest area of bank overspend is the acute and older adult wards and the nursing homes. Each of these is subject to recovery plans. Additional controls have been put in place to monitor bank staffing as part of the weekly review of rota management.
- £1.6m underspend in agency and substantive pay expenditure compared to plan. This is due to additional reduction in agency compared to the planned expectation and vacancies.
- £2.2m adverse variance due to actual investments and efficiency being pay/non-pay compared to assumption in plan
- It should be noted that assumptions were made in the financial plan around the split of savings between substantive, bank and agency as VIP and Recovery plans were not fully formed at that point. Appendix 2 shows the changes in spend from last year, this shows bank spend is forecast to increase by £2.0m from 23/24 and agency spend reduce by £4.2m, this includes 2024/25 pay award.
- £8.4m additional notional expenditure for pension costs incurred on our behalf by NHSE; we were notified in Month 12 of the value and are required to include the notional spend and funding in the accounts, this is offset with the notional income of the same value

Non-pay - £9.0m adverse:

- £8.9m adverse cost increase relating to out of area activity as described previously.
- £2.2m favourable variance due to actual investments and efficiency being pay/non-pay compared to assumption in plan.
- £1.6m adverse variance due to Research expenditure which is offset by additional income
- £0.5m overspend on patient transport including secure transport for Out of Area.

Technical Adjustments - £0.4m adverse:

- Variance due to revaluation of land and buildings at the end of the year.

Section 2: Current Month

Month 12 in month position

The table below shows the current month actual position against the plan:

	Current month			
	M12 plan £000	M12 actual £000	Variance £000	%
Clinical Income	10,696	21,955	11,259	105.3%
Other Income	1,743	2,547	804	46.1%
Total Income	12,439	24,502	12,063	97.0%
Pay	(10,197)	(19,335)	(9,138)	89.6%
Non Pay	(2,613)	(5,221)	(2,608)	99.8%
Total Expenditure	(12,810)	(24,556)	(11,746)	91.7%
Interest receipts	146	170	23	16.0%
Finance expense	(5)	(11)	(6)	110.0%
PDC dividends payable	(207)	(220)	(13)	6.1%
Net Finance Costs	(66)	(61)	5	(7.6%)
Other gains/(losses) inc disposal of assets	0	0	0	
Net Surplus / (Deficit)	(437)	(115)	322	(73.6%)
Technical Adjustments	14	(354)	(368)	(2552.2%)
Adjusted Net Surplus / (Deficit)	(423)	(469)	(46)	10.9%
System Deficit Funding	315	315	0	0.0%
Adjusted Net Surplus / (Deficit)	(108)	(154)	(46)	43%
KPI's				
Acute OOA purchase of healthcare	(320)	(1,328)	(1,007)	314.2%
PICU OOA purchase of healthcare	(220)	(508)	(288)	130.9%
Rehab OOA purchase of healthcare	(86)	(144)	(58)	67.9%
Medics pay	(1,329)	(1,708)	(379)	28.5%
Bank pay	(340)	(735)	(396)	116.6%
Agency pay	(405)	(299)	106	(26.2%)

The main reason for income and pay being over plan is for pension costs of £8.4m incurred on our behalf by NHSE; we were notified in Month 12 of the value and are required to include the notional spend and funding in the accounts. This is an annual transaction that we are not permitted to plan for or include in forecasts for NHSE reporting until Month 12. Income is also higher due to the additional income received in year for pay award etc. This is offset by additional pay expenditure above the original plan set. The majority of the non-pay overspend is due to Out of Area expenditure.

Section 4: Directorate Position

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 this is where it will be coded as its income from the ICB.

	Prior Year	Actual												M12 Plan	Actual	Variance
	£'000	Apr-24 £'000	May-24 £'000	Jun-24 £'000	Jul-24 £'000	Aug-24 £'000	Sep-24 £'000	Oct-24 £'000	Nov-24 £'000	Dec-24 £'000	Jan-25 £'000	Feb-25 £'000	Mar-25 £'000	£'000	£'000	£'000
Income																
Income from Patient Care Activities	135,138	10,655	10,453	10,642	10,755	11,784	13,947	13,938	12,060	11,893	12,695	13,416	22,270	135,737	154,509	18,772
Other Operating Income	24,494	1,861	1,818	1,855	1,765	1,863	1,952	2,288	2,069	2,159	2,211	2,224	2,547	20,914	24,609	3,695
Total Income	159,633	12,516	12,271	12,497	12,520	13,647	15,898	16,226	14,129	14,052	14,906	15,640	24,817	156,651	179,118	22,467
Expenditure																
Substantive	(112,933)	(9,704)	(9,698)	(9,657)	(9,441)	(10,473)	(8,895)	(12,266)	(9,802)	(9,792)	(9,869)	(9,817)	(9,825)	(116,652)	(119,240)	(2,588)
Bank	(5,427)	(588)	(449)	(622)	(632)	(574)	(565)	(740)	(570)	(650)	(662)	(647)	(735)	(3,839)	(7,434)	(3,595)
Agency	(6,893)	(412)	(222)	(227)	(274)	(183)	(228)	(171)	(99)	(156)	(231)	(175)	(299)	(4,856)	(2,677)	2,179
NHSE pension costs	(5,256)														0	
Other (Apprenticeship Levy)	(526)	(40)	(40)	(42)	(40)	(36)	(39)	(54)	(46)	(43)	(42)	(42)	(8,476)	(480)	(8,940)	(8,460)
Pay	(131,035)	(10,744)	(10,409)	(10,549)	(10,388)	(11,266)	(9,728)	(13,230)	(10,517)	(10,640)	(10,804)	(10,681)	(19,335)	(125,826)	(138,290)	(12,465)
Out of Area healthcare		(608)	(642)	(855)	(1,059)	(999)	(1,000)	(1,406)	(1,364)	(1,767)	(2,129)	(1,449)	(1,980)	(6,486)	(15,260)	(8,774)
Drugs	(1,094)	(87)	(89)	(82)	(81)	(82)	(78)	(90)	(94)	(102)	(82)	(58)	(63)	(825)	(989)	(164)
Impairments	(3,982)														0	0
Other non pay	(28,930)	(1,219)	(1,577)	(1,652)	(1,073)	(1,631)	(1,464)	(1,580)	(1,769)	(1,630)	(1,420)	(1,953)	(2,793)	(19,783)	(19,763)	21
Non Pay	(34,006)	(1,914)	(2,309)	(2,590)	(2,205)	(2,721)	(2,542)	(3,076)	(3,227)	(3,499)	(3,632)	(3,460)	(4,837)	(27,095)	(36,012)	(8,917)
Total Expenditure	(165,041)	(12,658)	(12,718)	(13,138)	(12,592)	(13,988)	(12,270)	(16,306)	(13,743)	(14,139)	(14,436)	(14,141)	(24,172)	(152,921)	(174,302)	(21,381)
Earnings Before Interest, Tax, Depre'n & Amort'n	(5,408)	(142)	(447)	(641)	(72)	(341)	3,629	(80)	385	(88)	470	1,499	645	3,731	4,816	1,085
Depreciation & Amortisation	(3,496)	(330)	(330)	(330)	(330)	(330)	(330)	(326)	(326)	(326)	(316)	(316)	(384)	(3,955)	(3,970)	(15)
Net Operating Surplus / (Deficit)	(8,904)	(472)	(777)	(971)	(402)	(670)	3,299	(406)	60	(413)	154	1,183	261	(225)	846	1,070
Interest receipts	2,438	180	177	164	167	163	157	176	177	172	170	147	170	2,004	2,019	15
Finance expense	(89)	(4)	(6)	(6)	(4)	(5)	(5)	(5)	(4)	(4)	(4)	(4)	(11)	(62)	(63)	(1)
PDC dividends payable	(2,512)	(204)	(208)	(206)	(207)	(211)	(268)	(278)	(193)	(217)	(215)	(259)	(220)	(2,493)	(2,686)	(193)
Net Finance Costs	(163)	(28)	(37)	(48)	(45)	(54)	(116)	(107)	(20)	(49)	(48)	(115)	(61)	(552)	(730)	(179)
Net Surplus/ (Deficit) for the year	(9,068)	(500)	(814)	(1,019)	(447)	(725)	3,183	(512)	39	(462)	106	1,068	200	(776)	115	892
Technical Adjustments	4,136	14	14	14	14	15	14	14	14	14	5	5	(354)	173	(214)	(387)
Adjusted Net Surplus / (Deficit)	(4,932)	(486)	(799)	(1,005)	(432)	(710)	3,197	(499)	54	(448)	111	1,073	(154)	(603)	(98)	505

A more detailed breakdown of the run rates and monthly forecast by type of income and expenditure is given in appendix 4.

Section 4: Directorate Position

Directorate	YTD budget £'000	YTD actual £'000	YTD variance £'000
Acute & community	(46,902)	(55,055)	(8,153)
Rehab & specialist	(42,489)	(40,766)	1,722
Directorate management/ central	(1,263)	491	1,754
Medical	(4,466)	(4,730)	(264)
Chair/Chief Exec Office	(1,630)	(1,643)	(14)
Corporate Governance	(1,521)	(1,514)	7
Director of Finance	(7,900)	(6,972)	927
Exec Dir of Operations & Trans	(84)	(86)	(3)
Nursing & Professions	(4,454)	(4,068)	386
People Directorate	(4,002)	(4,041)	(39)
Strategy, Estates & Facilities	(8,837)	(8,335)	501
Reserves	(1,827)	28	1,855
Central budgets	124,597	126,808	2,211
Net surplus/ (deficit)	(776)	116	892
Technical adjustments	173	(214)	(387)
ADJUSTED SURPLUS/ (DEFICIT)	(603)	(98)	505

The Directorate analysis shows significant over and underspends at line level compared to forecast. This is because central reserves and central budgets were set during financial planning to recognise that services subject to recovery plans in 2023/24 would continue to overspend during 2024/25 while the recovery plans were implemented. The central reserves and budgets are then reported without spend against them to offset the additional costs elsewhere in the organisation.

The drivers of the variances are as described above in sections 1 and 2 and this table shows how this breaks down over the directorates. The largest overspending area is Acute & Community mainly caused by out of area activity, staffing above agreed rotas and over establishment on the wards, secure patient transport costs and drugs costs.

Section 5: Spotlight on YTD Overspends

The services showing overspends at M11 of more than £109,999 for clinical and medical services or £54,999 for corporate services and 5% 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											
Stanage Ward	2,749,912	3,100,041	(350,129)	55.86	62.93	(7.07)	198,713	(158,217)	(379,521)	(11,103)	Staffing over establishment levels
Burbage Ward	2,906,884	3,284,069	(377,185)	61.29	66.11	(4.82)	890,484	(408,951)	(824,381)	(34,337)	Staffing over establishment levels
Endcliffe Ward	2,808,011	3,407,504	(599,493)	58.04	71.62	(13.58)	339,259	(108,718)	(807,400)	(22,634)	Staffing over establishment levels
Acute & Comm Central	264,658	617,780	(353,122)	0.97	1.07	(0.10)	(1,243)	-	(312)	(351,567)	Secure patient transport costs - recovery plan in development.
Out of Town Acute	4,820,866	11,104,964	(6,284,098)	-	-	0.00	-	-	-	(6,284,098)	Spot purchased bed nights significantly higher than planned.
Out of Town PICU	1,304,346	3,530,189	(2,225,843)	-	-	0.00	-	-	-	(2,225,843)	Spot purchased bed nights significantly higher than planned.
Directorate management/ central											
Clinical Management Team	555,512	1,707,039	(1,151,527)	11.80	13.40	(1.60)	(1,238,551)	-	(2)	87,026	Staffing over establishment levels
People Directorate											
HR Management	281,508	401,091	(119,583)	5.71	5.75	(0.04)	(156,400)	-	(6,037)	42,854	VIPs for People directorate contribute to pay variance.
Medical											
Medical Management Team	356,003	559,747	(203,744)	5.88	5.86	0.02	(176,430)	-	-	(27,314)	Staffing over establishment levels & Unidentified VIP

Section 5: Spotlight on YTD Overspends

											contribute to Pay variance
PGME Sheffield	1,557,049	1,558,112	(1,063)	42.92	44.40	(1.48)	(220,419)	-	-	219,356	Skill mix higher than the budgeted establishment
PGME Risk Share	(21,740)	81,082	(102,822)	-	-	0.00	(81,221)	-	-	(21,601)	Lower income than planned, not covering costs.
PGME MH Regional PA Project	-	1,093	(1,093)	-	-	0.00	(66,050)	-	-	64,957	Project funding ended but staff still in post.
R&D Commercial Studies-Staff	4,871	81,150	(76,279)	0.80	2.00	(1.20)	(5,605)	-	-	(70,674)	Lower income than planned, not covering costs.
Rehab & Specialist											
Older Adults Central	197,809	407,004	(209,195)	3.40	5.17	(1.77)	(209,317)	-	-	122	Staffing over establishment levels
Birch Avenue	99,731	820,669	(720,938)	74.70	82.42	(7.72)	(33,098)	(11,886)	(817,571)	141,616	Staffing over establishment levels
Dovedale 1	2,630,086	3,009,217	(379,131)	52.85	67.10	(14.25)	443,096	(58,678)	(750,792)	(12,757)	Staffing over establishment levels
G1 Ward	2,615,547	2,967,377	(351,830)	54.92	66.78	(11.86)	401,564	(115,447)	(641,756)	3,808	Staffing over establishment levels
OA CMHT	2,766,013	3,113,869	(347,856)	48.56	47.42	1.14	(169,481)	(105,101)	(37,554)	(35,721)	2.4 WTE over on medical staff (under on other staff) resulting in increased costs
Dovedale 1	2,630,086	3,009,217	(379,131)	52.85	67.10	(14.25)	443,096	(58,678)	(750,792)	(12,757)	Staffing over establishment levels
Forest Lodge	137,496	347,946	(210,450)	67.41	77.03	(9.62)	199,439	(32,164)	(507,352)	129,626	Staffing over establishment levels
IFR - Out of Town	632,469	1,043,365	(410,896)	0.20	0.20	0.00	(17)	-	-	(410,879)	Increased placement costs.
Strategy, Estates & Facilities											
Fulwood Site	55,828	246,194	(190,366)	-	-	0.00	-	-	-	(190,366)	No funding for Fulwood site beyond M3 but running costs ongoing until sold.
Fulwood Site Disposal	30,527	376,043	(345,516)	-	-	0.00	-	-	-	(345,516)	
TOTAL	29,297,117	44,152,525	(14,855,408)	598.16	686.36	(88.20)	557,819	(1,057,839)	(5,523,469)	(8,831,919)	

Of the £14.9m overspend for these areas, the biggest drivers are bank usage (£5.5m) and out of area activity (£8.9m inc. Transport).

Section 6: Value Improvement Programme and Recovery Plans

The financial plan required savings are £7.3m, to create headroom to account for under-delivery and other in year cost pressures the target across Directorates for the year is £9.7m.

The table below shows the achievement at Month 12 against identified schemes and additional non-recurrent savings/underspends to offset underperformance in recurrent schemes.

Directorate	Target	Plans in place	Recurrent Savings	Non-Recurrent Savings	Var to Target
Out of Area	3,612	3,612	0		(3,612)
Clinical Management	165	220	67		(98)
Acute & Community	2,006	2,626	2,337		331
Rehab & Specialist	2,658	2,658	2,601	1,169	1,111
Medical	210	210	161	48	0
Corp Gov	62	62	62		0
Finance & Digital	294	302	228	74	9
Nursing, Quality & Prof	161	161	161		0
People	263	164	126		(137)
Strategy, Estates & Facilities	300	300	300		(0)
Total	9,730	10,315	6,042	1,292	(2,396)
Headroom	(2,396)				2,396
Savings Required	7,334	10,315	6,042	1,292	0

Out of area is the biggest driver of under-delivery with none of the planned £3.6m savings achieved. With the headroom and Non-recurrent underspends in other clinical areas the non-delivery of Out of Area is being offset. The challenge and reason for the additional mitigations required is that Out of Area has a further overspend above the £3.6m of £5.2m to offset. Since Month 6 there has been an additional £1.7m improvement in the forecast of overspending areas, mainly due to further improvements on roster efficiency and reducing costs relating to observations.

80% of the savings realised in 2024/25 have been recurrent, this has been used in planning for future years.

Section 6: Value Improvement Programme and Recovery Plans

Within the reporting of these savings in the previous page are recovery plans of overspending areas. The table below shows cost centres that overspent by more than £50k (where Directorate was overspending in total) and how the overspend has changed to this year. The target for reducing overspends by recovery plan actions is 60%. Work is continuing with each budget manager where 100% hasn't been achieved to find further plans and mitigations to reduce spend in this year and have plans to not overspend from 2025/26. Excluding the Out of Area changes the reduction is £3.7m (43%).

Service Area	23/24 Variance	Month 12 Forecast Variance	% Change from 23/24 Overspend	Further Information
Early Intervention Service	(121,429)	117,725	197%	Removal of cost pressures and vacancies
Woodland View	(476,118)	314,615	166%	Increased SCC income
Decisions Unit	(63,036)	39,386	162%	Funding for 3rd HBPOs Suite
Hast - Changing Futures	(84,100)	8,263	110%	Non-recurrent costs in 24/25
Crisis Central	(83,523)	6,468	108%	Clinical Mge restructure
Dovedale 2	(833,777)	50,460	106%	Reduced bed numbers and staffing
International Recruitment	(64,486)	(275)	100%	Non-recurrent costs in 24/25
Acute Central	(125,721)	(2,481)	98%	Planning gap reduced as a result of temporary staffing changes on the wards
OA Home Treatment Team	(139,027)	(39,249)	72%	Recovery plan actions
Flow Team	(124,424)	(43,656)	65%	Leavers not being replaced
Workforce Information	(70,763)	(25,379)	64%	Recovery plan actions
Forest Lodge	(436,674)	(210,450)	52%	Recovery plan action
Burbage Ward	(625,979)	(377,185)	40%	Improved roster efficiency (reduced slightly in Feb)
Dovedale 1	(619,401)	(379,131)	39%	Recovery plan action
OA CMHT	(515,466)	(347,856)	33%	Recovery plan action
Stanage Ward	(508,330)	(350,129)	31%	Improved roster efficiency
Endcliffe Ward	(807,545)	(599,493)	26%	Improved roster efficiency
Clinical Management Team	(183,520)	(144,966)	21%	
G1 Ward	(417,899)	(351,830)	16%	Improved roster efficiency (reduced slightly in Feb)
Longley Site Services	(81,473)	(80,616)	1%	
Birch Avenue	(721,009)	(720,938)	0%	
Medical Management Team	(143,986)	(203,744)	(42%)	Increase due to not delivering on VIP
Older Adults Central	(142,696)	(209,195)	(47%)	Increased Medical & AHP costs
Acute & Comm Central	(226,251)	(353,122)	(56%)	Increased secure patient transport
Out of Town PICU	(822,751)	(2,225,843)	(171%)	Increase in OOA bed usage
Out of Town Acute	(281,712)	(6,284,098)	(2,131%)	Increase in OOA bed usage

Section 7: Statement of Financial Position

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

	2023/24 Prior Year	YTD Plan	YTD Actual	YTD Variance
	£'000	£'000	£'000	£'000
<u>Non-Current Assets</u>				
Intangible Assets	8,146	11,106	11,006	(100)
Property, Plant & Equipment (PPE)	63,594	67,043	65,516	(1,527)
Right of Use Assets (IFRS 16 Leases)	6,896	6,208	6,209	1
Other Non-Current Assets	212	276	133	(143)
Non-Current Assets Total	78,848	84,633	82,864	(1,769)
<u>Current Assets</u>				
Receivables	9,687	6,127	8,209	2,082
Cash and Cash Equivalents	38,963	33,897	41,830	7,933
Assets held for sale (Fulwood HQ)	12,000	6,050	12,595	6,545
Other Current Assets	74	575	1,097	522
Total Current Assets	60,725	46,649	63,731	17,082
<u>Current Liabilities</u>				
Provisions	(248)	(241)	(108)	133
Payables	(13,475)	(12,465)	(17,931)	(5,466)
Borrowings (leases)	(581)	(566)	(582)	(16)
Other Current Liabilities	(414)	(414)	(138)	276
Total Current Liabilities	(14,718)	(13,686)	(18,758)	(5,073)
Net Current Assets/ (Liabilities)	46,007	32,963	44,972	12,009
Provisions	(853)	(860)	(840)	20
Borrowings (leases)	(4,754)	(4,182)	(4,116)	66
Other Non-Current Liabilities		(209)	0	209
Total Non-Current Liabilities	(5,607)	(5,251)	(4,956)	295
Total Net Assets	119,248	112,345	122,881	10,536
Total Taxpayers Equity	119,248	112,345	122,881	10,536

Section 7: 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 £1.8m lower than expected:

- £0.1m relates to intangibles, this is a timing issue of EPR expenditure is recognised.
- £1.5m relates to property plant and equipment additions, this is due to the delay in Capital projects.

Current assets are £17.1m higher than planned.

- £2.1m receivables are higher than expected due to income accruals and aged debt – information included in the next section.
- £8m cash is higher than planned due to delays in Capital plan and additional Capital funding where invoices will be paid in April.
- £6.5m asset held for sale is higher than planned due to the delay in the sale of Fulwood and St George's to next financial year.
- £0.5m other current assets are lower than planned due to the timing of payments.

These key changes have been reflected in the forecast positions shown.

Aged Debt Analysis

As at 31st March 2025 there were unpaid receivable invoices totalling £5.6m. £2.5m of the unpaid invoices relate to invoices raised during March 2025 and were not overdue at the reporting date. £3.1m 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 April 2025
NHS Trusts, Ft's and ICB	3349	1737	423	169	306	263	451	2219
NHSE and DOH	78	2	5	4	0	0	68	78
Staff Overpayments	105	18	7	1	3	6	69	96
Other	2098	817	261	81	25	98	816	2003
Local Authority	6	-67	0	0	0	0	72	
Grand Total	5636	2507	697	255	334	367	1476	4396

The total outstanding receivable balance has reduced to £2.5m in the first half of April.

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 5 (confidential)

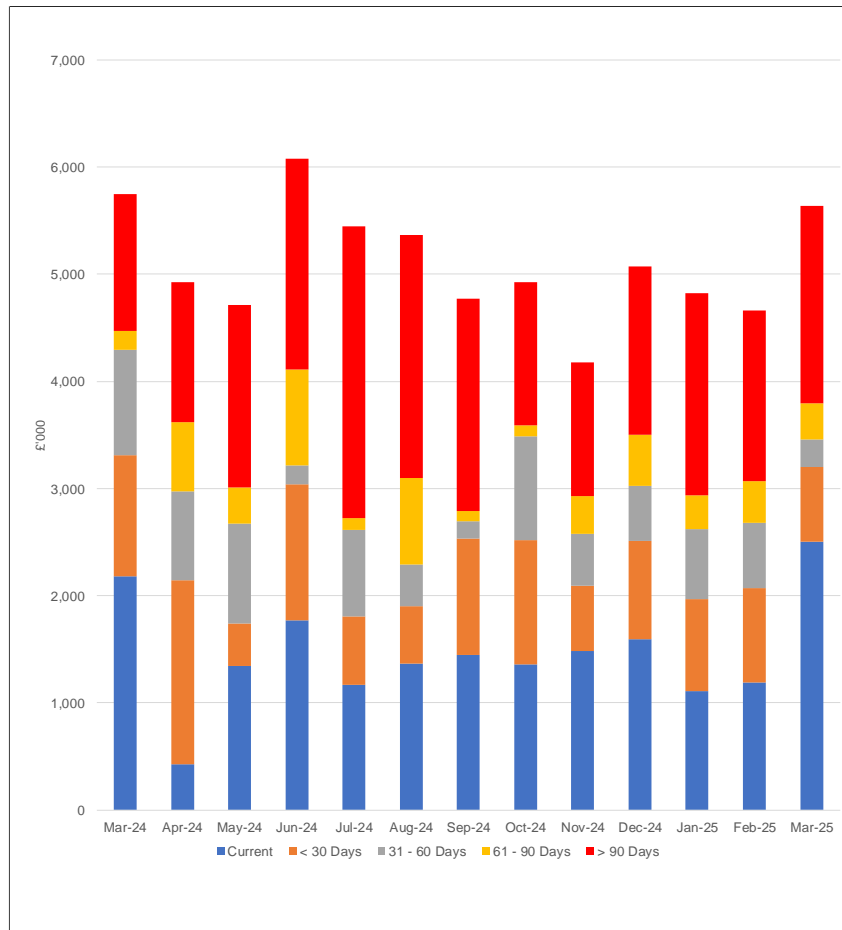
There is also continuing effort to improve collections for debts for overpayments to employees

Section 7: Statement of Financial position

leaving SHSC and debt recovery services are used where appropriate.

19 outstanding debts totalling £0.036m 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 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 not decreased as hoped in the last year as shown in the chart below:



Action is being taken to speed up recovery of the aged debt to ensure the Trust can maximise the amount of interest that can be generated from the bank account and also to minimise the risk of debt write offs. This action includes weekly monitoring of progress made on debt recovery and escalation meetings with customers where payment is being withheld. The finance department continues an improvement project around income and has updated a number of processes across all teams in the department and stages in the process of receiving income to improve the position in future. There has been clear improvements and the aged debt is largely due to the balance outstanding with Sheffield Teaching Hospitals and South Yorkshire Housing Association.

Despite the large aged debt, there are no concerns of material bad debt risk to highlight at present.

Section 8: 12 Month Cash Flow Forecast

Cash flow as at 31 March 2025	Prior Year Mar-24 £000s	Actual										
		2024/25 April & May-24 £000s	2024/25 Jun-24 £000s	2024/25 Jul-24 £000s	2024/25 Aug-24 £000s	2024/25 Sep-24 £000s	2024/25 Oct-24 £000s	2024/25 Nov-24 £000s	2024/25 Dec-24 £000s	2024/25 Jan-25 £000s	2024/25 Feb-25 £000s	2024/25 Mar-25 £000s
Operating Surplus/(deficit)	(8,904)	(1,480)	(740)	(401)	(657)	3,283	(405)	59	(419)	291	1,054	(98)
Net cash inflow / (outflow) from operations	4,268	(123)	(1,472)	1,695	(238)	(122)	5,257	2,994	(1,963)	(59)	1,167	2,174
Net cash inflow/(outflow) from investing activities,	(9,231)	(1,552)	(776)	223	(73)	785	1,234	(2,505)	93	(280)	(231)	(3,274)
Net cash inflow/(outflow) before financing	(13,867)	(1,675)	(2,248)	1,918	(311)	663	6,491	489	(1,870)	(339)	936	(1,100)
Net Cash inflow/(outflow) from financing activities,	(884)			(215)	(48)	(1,392)	(328)	(250)	538	(1,091)	(53)	2,752
Increase/(decrease) in cash and cash equivalents	(14,751)	(1,675)	(2,248)	1,703	(359)	(729)	6,163	239	(1,332)	(1,430)	883	1,652
Cash and cash equivalents at start of period	53,714	38,963	37,288	35,040	36,743	36,384	35,655	41,818	42,057	40,725	39,295	40,178
Increase/(decrease) in cash and cash equivalents	(14,751)	(1,675)	(2,248)	1,703	(359)	(729)	6,163	239	(1,332)	(1,430)	883	1,652
Cash and cash equivalents at end of period	38,963	37,288	35,040	36,743	36,384	35,655	41,818	42,057	40,725	39,295	40,178	41,830
Cashflow balance as per 2024/25 plan		38,362	38,211	36,766	36,228	40,346	40,818	40,445	39,541	36,678	36,732	33,897
Variance between actual and forecast cash balance to plan		(1,075)	(3,171)	(23)	155	(4,692)	999	1,611	1,184	2,616	3,446	7,933

The cash balance at the end of March 2025 was £41.8m. This is £7.9m above plan due to the non-recurrent deficit funding, delays in the Capital programme and receiving the funding for additional Capital, these are partly offset by the delay in the sale of Fulwood.

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 historic cash balance trends and rolling 12-month forecast is shown in Appendix 3.

Section 9: Capital Programme

The capital programme for 2024/25 has planned expenditure of £10.246m. This is after the repayment of £1m brokerage as agreed in 2023/24 and assumed capital receipts of £6m and £0.6m from the sale of Fulwood and St Georges land and buildings respectively. As highlighted in the previous reports the Fulwood and St George's Capital receipts have been delayed to 2025/26. At Month 12 it was possible to spend all the additional Capital by 31st March, the table below shows the final Capital position:

	2024/25	
	2024/25 Plan	2024/25 Actual
Category	£000	£000
EPR	3,293	2,912
Buildings	6,663	1,125
Transport		-
Green Plan	-	-
Lease Revaluation	250	351
Digital	40	40
Additional Capital		3,277
Total	10,246	7,705

Appendix 2: Income & Expenditure Trends

Finance and Performance Committee (FPC) has requested high level information on expenditure trends to be included in this report. This is to give context to discussions regarding drivers of the deficit and efficiency saving opportunities. The table below shows the changes in income and expenditure at summary level from 2018/19 to 2024/25:

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Income from patient care activities	98,720	105,734	118,174	130,481	137,970	135,138	148,598
Other Income	29,216	25,741	35,537	21,368	22,571	24,494	24,609
Total Income	127,936	131,475	153,711	151,849	160,541	159,633	173,207
Pay	(94,015)	(104,443)	(116,244)	(117,422)	(128,913)	(131,035)	(138,290)
Non Pay	(20,798)	(22,547)	(33,589)	(32,246)	(31,988)	(37,502)	(39,982)
Total Expenditure	(114,813)	(126,990)	(149,833)	(149,668)	(160,901)	(168,537)	(178,272)
Interest receipts	224	322	1	29	1,278	2,438	2,019
Finance expense	(21)	(38)	(22)	(25)	(97)	(89)	(64)
PDC dividends payable	(1,635)	(1,432)	(1,374)	(1,765)	(2,226)	(2,512)	(2,686)
Net Finance Costs	(1,432)	(1,148)	(1,395)	(1,761)	(1,045)	(163)	(731)
Net Surplus / (Deficit)	11,691	3,337	2,483	420	(1,405)	(9,068)	(5,796)
Technical Adjustments	172	145	182	1,391	(1,092)	4,136	(214)
Adjusted Net Surplus / (Deficit)	11,863	3,482	2,665	1,811	(2,497)	(4,932)	(6,009)
System Deficit Funding	0	0	0	0	0	0	5,911
KPI's							
Acute OOA purchase of healthcare	(270)	(625)	(2,079)	(5,283)	(6,460)	(5,735)	(10,510)
PICU OOA purchase of healthcare	(1,088)	(881)	(1,403)	(1,696)	(1,764)	(2,480)	(3,368)
Rehab OOA purchase of healthcare	(628)	(1,691)	(1,789)	(1,525)	(1,324)	(1,129)	(1,381)
Total Out of Area healthcare	(1,986)	(3,197)	(5,271)	(8,504)	(9,549)	(9,343)	(15,260)
Year on year % increase		61%	65%	61%	12%	(2%)	63%
Total Medics Spend	(14,695)	(16,061)	(17,355)	(16,428)	(17,368)	(17,906)	(18,218)
Year on year % increase		9%	8%	-5%	6%	3%	2%
Total Bank Revenue Spend	(4,590)	(4,879)	(6,006)	(6,474)	(4,409)	(5,427)	(6,698)
Year on year % increase		6%	23%	8%	-32%	23%	23%
Total Agency Revenue Spend	(3,516)	(3,819)	(4,638)	(5,873)	(8,963)	(6,893)	(2,378)
Year on year % increase		9%	21%	27%	53%	(23%)	(66%)

Appendix 2: Income & Expenditure Trends

Pay was significantly higher in 2022/23 than previous years as a result of agency spend but also because a non-recurrent payment of £4.8m was included in the position for the non-consolidated backdated pay award. Income from NHS England was recognised to offset the cost.

Out of area, medics, bank and agency expenditure are shown separately as these are the key drivers of the deficit position and focus points for efficiency savings.

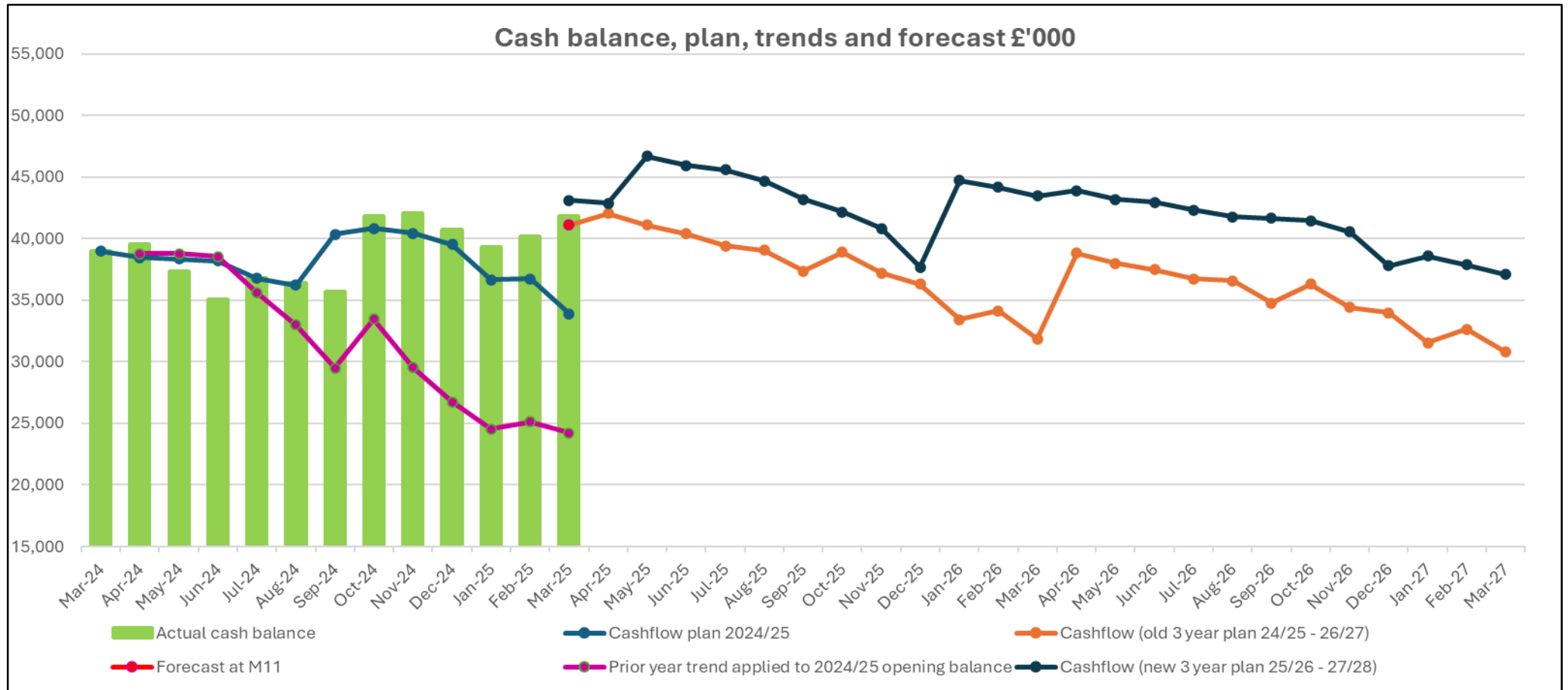
Out of area spend is broken down into 3 components of acute, PICU and rehab. Historically, acute is the key area of concern as expenditure has gone up significantly year on year. However, pressures were seen in PICU spend in 2023/24 due to escalating costs for high level observations for a small number of patients and higher bed nights than planned.

The table below shows the pay expenditure split by substantive, bank and agency pay over 4 years so the movement between categories can be seen.

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

* The 2022/23 substantive staff spend has been reduced by £4.8m to remove the non-consolidated backdated pay award to make the year-on-year figures comparable.

Appendix 3: Cash Balance Trends and Rolling Cash Flow Forecast



Appendix 4: Detailed income and expenditure breakdown by month

This appendix sets out the income and expenditure of the Trust by type from April 2023 to March 2025. This is to show the run rates for the year.

Below is the breakdown of income by type from April 2024 to March 2025:

	Actual												M12 Plan	Forecast	Variance
	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income															
<u>Income from patient care activities</u>															
NHSE	181	214	182	201	181	176	220	468	184	187	239	8,709	2,233	11,140	8,907
ICBs	9,905	9,727	9,898	10,043	11,003	13,197	13,188	11,038	11,206	11,929	12,592	13,253	127,562	136,977	9,415
NHS FTs	368	374	371	371	391	391	386	376	376	340	472	383	4,484	4,600	117
LAs	197	133	187	119	199	173	135	164	124	231	108	(34)	1,405	1,736	331
Other	4	4	4	21	10	10	9	9	9	9	6	(41)	54	56	2
Sub-total	10,655	10,453	10,642	10,755	11,784	13,947	13,938	12,055	11,899	12,695	13,416	22,270	135,737	154,509	18,772
<u>Other operating income</u>															
R&D	187	180	259	184	193	212	583	266	428	298	279	626	2,204	3,695	1,492
Education & training	842	812	802	739	867	908	650	882	876	915	1,022	956	10,283	10,271	(11)
Other WGA	137	115	129	124	101	74	133	153	129	214	138	142	1,491	1,588	97
Non WGA	266	262	212	284	303	260	271	274	269	267	273	276	2,959	3,217	258
Pay recharges	415	436	440	422	408	496	625	474	430	486	481	516	3,962	5,629	1,667
Other	14	13	12	11	(9)	2	26	19	27	31	31	31	16	208	193
Sub-total	1,861	1,818	1,855	1,765	1,863	1,952	2,288	2,069	2,159	2,211	2,224	2,547	20,914	24,609	3,695
Total income	12,516	12,271	12,497	12,520	13,647	15,898	16,226	14,123	14,057	14,906	15,640	24,817	156,651	179,118	22,467

ICB income is lower in Q1 than the rest of the year as income has been deferred to future months where spend has not yet been incurred so that the income and expenditure are matched in the same financial period. The increase in September is mainly due to the non-recurrent deficit funding and October due to pay award funding. The increase in NHS England income is due to the notional adjustment relating to pension costs.

Appendix 4: Detailed income and expenditure breakdown by month

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

		Actual											M12 Plan	Forecast	Variance	
		Apr-24 £'000	May-24 £'000	Jun-24 £'000	Jul-24 £'000	Aug-24 £'000	Sep-24 £'000	Oct-24 £'000	Nov-24 £'000	Dec-24 £'000	Jan-25 £'000	Feb-25 £'000	Mar-25 £'000	£'000	£'000	£'000
Pay Expenditure																
<u>Medical</u>																
	Substantive	(1,372)	(1,423)	(1,361)	(1,427)	(1,435)	(1,358)	(2,370)	(1,467)	(1,447)	(1,492)	(1,502)	(1,501)	(14,051)	(18,155)	(4,105)
	Bank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Agency	(209)	(133)	(118)	(155)	(185)	(146)	(128)	(97)	(90)	(163)	(137)	(207)	(1,740)	(1,770)	(30)
	Sub-total	(1,581)	(1,556)	(1,479)	(1,582)	(1,621)	(1,504)	(2,498)	(1,564)	(1,537)	(1,655)	(1,639)	(1,708)	(15,791)	(19,926)	(4,135)
<u>Nursing</u>																
	Substantive	(2,245)	(2,150)	(2,191)	(2,129)	(2,165)	(2,181)	(2,649)	(2,224)	(2,250)	(2,275)	(2,257)	(2,264)	(27,558)	(26,978)	580
	Bank	(100)	(108)	(110)	(131)	(148)	(149)	(194)	(119)	(160)	(169)	(182)	(213)	(1,071)	(1,781)	(710)
	Agency	(125)	(48)	(46)	(49)	(32)	(41)	(43)	(12)	(40)	(50)	(22)	(80)	(579)	(588)	(9)
	Sub-total	(2,470)	(2,305)	(2,346)	(2,309)	(2,345)	(2,371)	(2,885)	(2,354)	(2,449)	(2,494)	(2,461)	(2,557)	(29,208)	(29,347)	(138)
<u>Scientific, therapeutic and technical staff</u>																
	Substantive	(2,313)	(2,301)	(2,340)	(2,345)	(2,328)	(2,339)	(2,996)	(2,484)	(2,473)	(2,477)	(2,449)	(2,536)	(30,526)	(29,379)	1,147
	Bank	(55)	46	(6)	(7)	(8)	(5)	(10)	(15)	3	(7)	(11)	(21)	0	(96)	(96)
	Agency	3	(5)	(3)	(3)	(2)	(1)	(6)	1	(3)	0	0	6	0	(12)	(12)
	Sub-total	(2,365)	(2,260)	(2,349)	(2,355)	(2,338)	(2,344)	(3,012)	(2,497)	(2,473)	(2,484)	(2,459)	(2,550)	(30,526)	(29,487)	1,039
<u>Support to clinical staff</u>																
	Substantive	(2,116)	(2,230)	(2,140)	(1,943)	(2,309)	(2,060)	(2,141)	(1,985)	(1,977)	(1,981)	(1,961)	5,941	(25,963)	(16,901)	9,062
	Bank	(386)	(367)	(459)	(446)	(382)	(374)	(490)	(389)	(438)	(442)	(398)	(376)	(1,433)	(4,946)	(3,512)
	Agency	(58)	(13)	(29)	(20)	(22)	(6)	(8)	(5)	(9)	(17)	(13)	(13)	(1,377)	(213)	1,164
	Sub-total	(2,560)	(2,610)	(2,627)	(2,410)	(2,713)	(2,440)	(2,639)	(2,379)	(2,424)	(2,439)	(2,372)	5,553	(28,773)	(22,060)	6,713
<u>Non-medical, non-clinical staff</u>																
	Substantive	(1,659)	(1,594)	(1,626)	(1,598)	(1,545)	(1,649)	(2,110)	(1,643)	(1,646)	(1,644)	(1,648)	(9,465)	(16,766)	(27,827)	(11,060)
	Bank	(46)	(20)	(48)	(47)	(37)	(37)	(46)	(47)	(55)	(45)	(57)	(126)	(1,334)	(611)	723
	Agency	(23)	(24)	(32)	(47)	59	(34)	15	13	(13)	(1)	(3)	(4)	(1,159)	(93)	1,066
	Sub-total	(1,728)	(1,637)	(1,705)	(1,692)	(1,523)	(1,720)	(2,141)	(1,676)	(1,714)	(1,689)	(1,709)	(9,596)	(19,260)	(28,531)	(9,272)
Planned net overspend														(1,788)	0	1,788
Accounting adjustment														0	0	0
NHSE pension costs														(8,437)	0	(8,437)
Other (Apprenticeship Levy)														(40)	(40)	(23)
Total Pay		(10,744)	(10,409)	(10,549)	(10,388)	(11,266)	(9,728)	(13,230)	(10,517)	(10,640)	(10,804)	(10,681)	(19,335)	(125,826)	(138,290)	(12,465)

Appendix 4: Detailed income and expenditure breakdown by month

Recovery plans are targeting over spending services to reduce over establishment and significantly improve rota management to reduce the reliance on bank and agency staff. In addition, the vacancy control panel meets on a weekly basis to review all requests to recruit permanently or through secondment, extend fixed term contracts or secondments, increase hours and any other change that would impact on substantive pay.

The planned net overspend was set during financial planning to recognise that services subject to recovery plans in 2023/24 would continue to overspend during 2024/25 while the recovery plans were implemented. The overspend value was then reduced by the efficiency savings plans still in development, which couldn't be allocated to specific services. This £1.8m is held centrally and reported without spend against it to offset the additional costs elsewhere in the organisation.

Appendix 4: Detailed income and expenditure breakdown by month

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

	Actual												M12 Plan	Forecast	Variance
	Apr-24 £'000	May-24 £'000	Jun-24 £'000	Jul-24 £'000	Aug-24 £'000	Sep-24 £'000	Oct-24 £'000	Nov-24 £'000	Dec-24 £'000	Jan-25 £'000	Feb-25 £'000	Mar-25 £'000	£'000	£'000	£'000
Non-Pay Expenditure															
Out of Area healthcare - acute	(439)	(483)	(642)	(821)	(772)	(695)	(792)	(866)	(1,234)	(1,490)	(950)	(1,328)	(4,606)	(10,510)	(5,904)
Out of Area healthcare - PICU	(91)	(83)	(174)	(31)	(125)	(196)	(466)	(397)	(401)	(484)	(412)	(508)	(1,260)	(3,368)	(2,108)
Out of Area healthcare - rehab	(78)	(77)	(38)	(207)	(103)	(110)	(148)	(101)	(132)	(155)	(87)	(144)	(621)	(1,381)	(761)
External audit fees	(20)	(20)	(26)	(37)	(21)	(20)	(20)	(20)	(20)	(20)	(35)	(3)	(236)	(260)	(24)
Clinical negligence	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(700)	(676)	24
Consultancy	(31)	(55)	(25)	(4)	(102)	(26)	(21)	(109)	(48)	(24)	(34)	41	(368)	(438)	(70)
Depreciation & amortisation	(330)	(330)	(330)	(330)	(330)	(330)	(326)	(326)	(326)	(316)	(316)	(384)	(3,955)	(3,970)	(15)
Drugs	(87)	(89)	(82)	(81)	(82)	(78)	(90)	(94)	(102)	(82)	(58)	(63)	(825)	(989)	(164)
Education and training: non-staff	(45)	(41)	(54)	(54)	(73)	(59)	18	(42)	(49)	(59)	(51)	(72)	(737)	(581)	156
Establishment	(40)	(26)	(48)	(36)	(16)	(38)	(66)	(49)	(46)	(41)	(38)	(33)	(543)	(477)	67
Impairments	0	0	0	0	0	0	0	0	0	0	0	357	0	357	357
Legal fees	(16)	(21)	(32)	(21)	(11)	(16)	(30)	(4)	1	(13)	(2)	39	(152)	(126)	26
Non-executive directors	(11)	(11)	(11)	(11)	(10)	(10)	(12)	(6)	(10)	(10)	(10)	(10)	(135)	(123)	12
Premises - business rates	(68)	(97)	(82)	(82)	(84)	(82)	(82)	(82)	(82)	(82)	(86)	(118)	(796)	(1,028)	(233)
Premises - other	(420)	(516)	(533)	(330)	(768)	(144)	(295)	(597)	(475)	(178)	(675)	(381)	(6,236)	(5,310)	927
Purchase of healthcare from non-NHS	(94)	(121)	(145)	(56)	(96)	(121)	(78)	(88)	(99)	(94)	(150)	(159)	(1,321)	(1,301)	21
R&D: non-staff	(94)	(97)	(164)	(94)	(91)	(96)	(485)	(179)	(259)	(195)	(205)	(787)	(1,103)	(2,746)	(1,642)
Supplies & services	(162)	(316)	(228)	(256)	(421)	(278)	(261)	(282)	(348)	(365)	(386)	(1,122)	(3,069)	(4,425)	(1,356)
Transport	(124)	(137)	(208)	5	(99)	(156)	(170)	(204)	(73)	(227)	(170)	(185)	(1,264)	(1,748)	(485)
Other non pay *	(36)	(64)	(42)	(32)	208	(363)	(22)	(49)	(65)	(58)	(55)	(304)	(3,123)	(881)	2,242
Total Non Pay	(2,244)	(2,639)	(2,919)	(2,534)	(3,051)	(2,872)	(3,402)	(3,552)	(3,825)	(3,948)	(3,776)	(5,221)	(31,050)	(39,982)	(8,932)

* Other non-pay includes: internal audit fees, bank charges, insurance, losses and special payments, miscellaneous staff and patient expenses, fees and subscriptions, professional fees

As expected the major variance is due to the Out of area spend highlighted in the report.

On Other Non Pay £2.2m of the variance is due to planned investment on this line where the actuals have materialised on pay and other non pay lines. The remaining underspend is mainly due to additional non pay controls introduced in 2023/24.