Oxford University Hospitals
NHS Foundation Trust

Finance, Procurement and Contracting

Financial Performance Report: Month 5

Jason Dorsett: Chief Finance Officer

Executive Summary

Oxford University Hospitals
NHS Foundation Trust

Month 5 In-Month and YTD Position

In month 5 the Trust reported a £1.7m deficit (Plan -£1.7m). The year to date (YTD) deficit is £23m (Plan -£20.8m). The Trust remains £2.2m off plan YTD having been behind plan in month 4.

We would highlight for the Board:

Deficits are planned until month 5 with surpluses being planned from month 6 onwards to deliver breakeven by the year end.

Month 5 and YTD include £5m of clinical income overperformance with the best month having been month 2 (c.£2m in month). SEC activity was planned to start in July and thus over-performance per month has reduced in Q2.

Pay was controlled to budget until month 5 (-£2.5m in month 5). In month 1-4 temporary staffing exceeded budget while vacancies offset this. However, in month 5 pay was budgeted to reduce by £1.9m as part of the CIP, but the run rate actually increased by £0.6m due to additional substantive staff numbers. Divisions attribute staffing pressures to vacancy levels and operational pressures, but there is also evidence of insufficient control of leave and rosters and additional control will be necessary.

Non-pay was £1.7m better than plan in month, £0.9m worse than plan YTD. The run rate is obscured by the ongoing need for in year accounting adjustments to stock and GRNI balances and estimates of the impact of commercial disputes.

Non-opex costs are ahead of plan because of additional depreciation (which is funded) and because we did not align right of use asset budgets correctly.

CIP for the YTD is on plan, but with more delivered non-recurrently (via vacancy control and one-off items) and less from recurrent cost reduction. Insufficient CIP has been fully developed to deliver the H2 plan which will require more short term cost control. TME has asked that this come via rapid improvements in temporary staffing and non-pay controls rather than further vacancy controls.

Financial performance continues to include judgements and estimates particularly for income, stock and GRNI issues and commercial disputes. These areas are reviewed periodically by the Audit Committee, but we are briefing the monthly Finance Committee in more detail. We are also having to adjust where internal budgets and the plan submitted to NHSE do not align in detail. We are going to be able to adjust this from month 6 onwards.

MRC	**MRC** are £0.8m **favourable** to plan in month 5, driven by favourable non-pay £1.2m (GRNI correction of £0.8m) and income £0.5m (cardiology and general medicine overperformance). Pay includes bank pressures (£0.8m).
NOTSSCaN	**NOTSSCaN** are **on plan** in month 5, driven by favourable non-pay -£0.4m and income £0.2m, offset by pay -£0.7m. Pay bank variance -£0.9m includes temporary staff nurses due to bed pressures. Overperformance from non-SEC activity of £0.8m, helps to offset the shortfall of £0.9m.
SUWON	**SUWON** are £1.1m **adverse** to plan in month 5, driven by pay -£0.5m (net bank pressure £0.5m against vacancies), income -£0.4m (SEC-related shortfall of £0.2m) and non-pay -£0.3m (underachieved CIP £0.5m).
CSS	**CSS** are £0.4m **favourable** to plan in month 5, driven by income +£0.3m (old year genetics £0.2m) and non-pay +£0.3m (benefit from Pharmacy gain share), offset by pay -£0.2m (bank pressures £0.3m).
Non-Clinical	**Non-Clinical** is reporting a **favourable** variance of £1.2m in month 5 (5.6% on a cost of £21.2m) from additional SDE MoU income £0.7m and energy savings £0.4m from CHP.
Central	**Central** budgets are £1.1m **adverse** to plan in month 5. This is driven by a net shortfall against efficiency targets.
Cash	Cash was £12.3m at month 5, which was £29.2m below plan due to timing differences in pay award funding. The plan assumed August was consistent with 2025, whereas the 2026 pay award impacted cash flow earlier, in April. Year-end cash remains forecast to be in line with plan.
Capital	Gross capital expenditure to August was £16.9m against a plan of £28.3m. The underspend is primarily due to delays in UEC Level 1 (£5.5m), Maternity ventilation (£2.9m) and PDC funded schemes (£2.0m).

Income and Expenditure Position: Trustwide Overview

Source: Budget in Finance Ledger.

Financial Summary OUH £000s	IN MONTH 5				YEAR TO DATE				Full Year
	Plan	Actual	Var £	Var %	Plan	Actual	Var £	Var %	Plan
Activity Income	110,068	110,915	848	0.8%	546,139	551,084	4,945	0.9%	1,321,459
Pass Through(Income)	21,600	21,037	(563)	(2.6%)	107,999	110,463	2,465	2.3%	259,197
PP, Overseas &RTA Income	1,573	1,140	(433)	(27.5%)	7,832	6,436	(1,396)	(17.8%)	18,880
Other Income	15,890	17,484	1,594	10.0%	81,307	81,229	(78)	(0.1%)	192,500
Income Total	**149,131**	**150,577**	**1,446**	**1.0%**	**743,277**	**749,212**	**5,936**	**0.8%**	**1,792,036**
Staff	(80,451)	(81,855)	(1,405)	(1.7%)	(410,637)	(409,094)	1,543	0.4%	(956,319)
NHSP	(3,276)	(4,337)	(1,062)	(32.4%)	(16,665)	(20,671)	(4,006)	(24.0%)	(39,460)
Agency	(239)	(258)	(19)	(8.2%)	(1,317)	(1,141)	177	13.4%	(2,988)
Pay Total	**(83,965)**	**(86,451)**	**(2,486)**	**(3.0%)**	**(428,620)**	**(430,906)**	**(2,287)**	**(0.5%)**	**(998,767)**
Clinical Supplies & Services (Excl Pass Through)	(10,996)	(11,699)	(703)	(6.4%)	(54,037)	(61,760)	(7,722)	(14.3%)	(132,087)
Pass Through(NonPay)	(21,600)	(21,037)	563	2.6%	(107,999)	(110,463)	(2,465)	(2.3%)	(259,197)
Drugs (Excl Pass Through)	(5,038)	(4,052)	986	19.6%	(25,108)	(23,464)	1,644	6.5%	(60,474)
Premises and Fixed Plant	(9,475)	(8,739)	736	7.8%	(46,994)	(47,308)	(314)	(0.7%)	(112,404)
Other Non-Pay	(10,745)	(10,074)	671	6.2%	(56,505)	(51,007)	5,498	9.7%	(122,908)
Non-Pay Total	**(57,854)**	**(55,602)**	**2,253**	**3.9%**	**(290,644)**	**(294,003)**	**(3,359)**	**(1.2%)**	**(687,071)**
EBITDA	**7,312**	**8,524**	**1,213**	**16.6%**	**24,014**	**24,303**	**290**	**1.2%**	**106,198**
Capital and Financial Charges	**(9,054)**	**(10,235)**	**(1,182)**	**(13.1%)**	**(44,799)**	**(47,269)**	**(2,470)**	**(5.5%)**	**(106,149)**
Control Total	**(1,742)**	**(1,711)**	**31**	**1.8%**	**(20,786)**	**(22,966)**	**(2,180)**	**(10.5%)**	**48**

WTE	IN MONTH 4			
	Plan	Actual	Variance	Var %
Staff	14,181.9	13,311.0	870.9	**6.1%**
NHSP	215.7	676.8	**(461)**	**(213.7%)**
Agency	5.4	21.4	**(16)**	**(293.9%)**
Total WTE	**14,403.1**	**14,009.3**	**394**	**2.7%**

Trust

Month 5 was on plan at £1.7m deficit. YTD is a £23.0m deficit, which is worse than plan by £2.2m. The plan for the full year remains a breakeven position. Key drivers of the YTD variance are net income overperformance of £3.4m, offset by pay pressures (£2.3m adverse), non-pay net pressures £1.0m and non-EBITDA (£1.3m adverse excluding depreciation impact which is funded). The non-recurrent items included in the month 5 position total £7.8m (including vacancies being held non-recurrently) which means the Trust's underlying position is a deficit of circa £9.5m at month 5 and £46.6m YTD.

Income

Income is £1.4m better than plan at month 5, but removing passthrough/R&D it is £1.9m better than plan. Commissioning activity has a favourable variance of £0.8m: £0.9m Aflibercept drugs gain share, £0.5m depreciation funding. Other income £1.6m favourable: SDE MoU £0.7m, GenQA £0.3m. Passthrough (-£0.6m), R&D (£0.0m) and HIOTV (+£0.1m) all offset by costs.

Pay

Pay is £2.5m worse than plan at month 5. This is driven by substantive vacancies being covered by bank £1.1m adverse and substantive pay £1.4m adverse, primarily due to the recurrent pay saving target increasing by £1.2m this month with only a £0.2m increase in actual recurrent delivery. The Trust is 266 wte less than plan, with 754 substantive paid vacancies offset by 477 wte of NHSP and 10 wte of agency. Note there is a misalignment between the establishment in ESR and in the ledger with ESR showing unbudgeted posts. Options are being developed to address this.

Non-Pay

Non pay is £2.3m favourable to plan at month 5, but removing passthrough and similar items it is £1.6m better than plan. Non-recurrent benefits of £1.4m PFI insurance credits, £0.8m in MRC Division relating to Cardiology TAVI GRNIs closed and further Estates PFI water deductions of £0.4m. These are offset by a £0.7m adverse position on clinical supplies expenditure

Income and Expenditure: Divisional Positions

Source: Finance Ledger.

NHS
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	Division Financial Summary OUH £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Clinical	Medicine Rehabilitation and Cardiac	8,962	9,714	752	8.4%	42,562	41,598	(964)	(2.3%)	106,931
Clinical	Neurosciences Orthopaedics Trauma Specialist Surgery Chil	9,596	9,561	(35)	(0.4%)	41,413	40,531	(882)	(2.1%)	112,652
Clinical	Surgery Women and Oncology	10,772	9,648	(1,123)	(10.4%)	51,980	49,653	(2,327)	(4.5%)	129,404
Clinical	Clinical Support Services	(9,060)	(8,695)	366	4.0%	(42,976)	(42,184)	791	1.8%	(98,845)
Non-Clinical	Corporate	(12,297)	(11,528)	769	6.3%	(61,363)	(60,269)	1,094	1.8%	(146,555)
Non-Clinical	Estates	(13,072)	(12,525)	547	4.2%	(64,777)	(61,764)	3,013	4.7%	(154,498)
Non-Clinical	Education and Training	3,990	3,401	(589)	(14.8%)	19,874	18,355	(1,520)	(7.6%)	47,952
Non-Clinical	Hosted Services DIV	0	0	(0)	(54.5%)	0	(1)	(1)	(312.5%)	1
Non-Clinical	Research and Development	200	661	461	230.4%	1,000	1,444	444	44.4%	2,400
Tech	Operating Expenses	(4,463)	(4,214)	250	5.6%	(22,113)	(22,115)	(2)	(0.0%)	(51,996)
Tech	Trustwide Reserves	3,631	2,266	(1,365)	(37.6%)	13,614	11,788	(1,826)	(13.4%)	52,603
	Total, by Directorates	**(1,742)**	**(1,711)**	**31**	**1.8%**	**(20,786)**	**(22,966)**	**(2,180)**	**(10.5%)**	**48**

Clinical

Clinical divisions are £3.4m off plan year to date.

SUWON are the most significant at £2.3m off plan, driven by underachieved non pay CIP of £3.0m, offset by in-tariff drugs activity £1.5m.

MRC are £1.0m off plan, driven by unachieved CIP £2.6m partly offset by activity ahead of plan in Cardiology (£1.3m) and private patients over recovery mainly driven by TAVI activity (£0.2m).

NOTSSCaN are £0.9m off plan, including pay pressures for SEC (net £0.6m), £1.9m of staffing costs, offsetting £1.3m of vacancies across Theatres.

CSS are £0.8m better than plan, driven by other income £1.5m (£0.9m education income) offset by non-pay £0.5m (excluding passthrough).

Non-Clinical

Non-Clinical areas are £3.0m better than plan year to date.

Estates Division £3.0m better than plan, from utilities CIP £1.8m and PFI benefits to contract (including CIP delivered) £1.5m.

Corporate Division £1.1m better than plan, driven by pay underspend £0.8m (SDE capitalisation net £1.2m) and non-pay £0.3m.

Education £1.5m off plan due to £1.5m pressure on CEA costs compared to plan.

R&D are £0.4m better than plan.

Central

Central budgets are £1.8m worse than plan year to date, due primarily to a net CIP shortfall.

The **Trustwide Reserves** Division is driving this at £1.8m adverse variance including net CIP shortfall.

I&E: Divisional Position MRC

Oxford University Hospitals
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Source: Finance Ledger.

Financial Summary N4EMTA £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Activity Income	28,960	29,497	537	1.9%	144,545	145,839	1,293	0.9%	347,558
Pass Through(Income)	6,525	6,291	(234)	(3.6%)	32,623	33,370	747	2.3%	78,295
PP, Overseas &RTA Income	558	462	(96)	(17.3%)	2,792	2,948	157	5.6%	6,700
Other Income	430	693	264	61.3%	2,149	2,291	142	6.6%	5,158
Income Total	**36,473**	**36,943**	**470**	**1.3%**	**182,109**	**184,448**	**2,339**	**1.3%**	**437,710**
Staff	(17,471)	(17,442)	29	0.2%	(88,614)	(86,577)	2,037	2.3%	(208,574)
NHSP	(323)	(1,159)	(836)	(258.9%)	(1,687)	(6,074)	(4,387)	(260.1%)	(3,914)
Agency	(8)	(146)	(138)	(1,762.0%)	(39)	(484)	(445)	(1,136.9%)	(94)
Pay Total	**(17,802)**	**(18,746)**	**(945)**	**(5.3%)**	**(90,340)**	**(93,135)**	**(2,795)**	**(3.1%)**	**(212,582)**
Clinical Supplies & Services (Excl Pass Through)	(1,686)	(738)	948	56.2%	(8,432)	(7,584)	849	10.1%	(20,238)
Pass Through(NonPay)	(6,525)	(6,291)	234	3.6%	(32,623)	(33,370)	(747)	(2.3%)	(78,295)
Drugs (Excl Pass Through)	(675)	(633)	42	6.2%	(4,701)	(4,221)	480	10.2%	(11,514)
Premises and Fixed Plant	(124)	(118)	6	4.8%	(618)	(700)	(83)	(13.4%)	(1,482)
Other Non-Pay	(699)	(703)	(4)	(0.5%)	(2,834)	(3,841)	(1,007)	(35.5%)	(6,669)
Non-Pay Total	**(9,709)**	**(8,483)**	**1,226**	**12.6%**	**(49,207)**	**(49,715)**	**(508)**	**(1.0%)**	**(118,197)**
EBITDA	**8,962**	**9,714**	**752**	**8.4%**	**42,562**	**41,598**	**(964)**	**(2.3%)**	**106,931**

WTE	IN MONTH 5 Plan	Actual	Variance	Var %
Staff	3,192.0	3,002.7	189.3	5.9%
NHSP	48.8	184.6	(136)	(278.5%)
Agency	0.6	2.4	(2)	(277.8%)
Total WTE	**3,241.4**	**3,189.7**	**52**	**1.6%**

Current/YTD Results

The division is reporting a £0.8m favorable variance to plan on a contribution of £9.7m. The in-month position includes £0.5m activity over performance in Cardiology and General Medicine. Retrospective education Income for resident doctors on other income. One off non-pay benefit £0.8m, relating to Cardiology. These benefits are partially offset by in month pay pressures.
Excluding pass through variances, the material YTD issues are:

- Activity ahead of plan EL/DC & OP in Cardiology ~£1.3m Favourable
- Private patients over recovery mainly driven by TAVI activity ~£0.2m Favourable
- Other income ~£0.1m favourable to plan driven by education income.
- Pay overspend by ~£2.8m, of which £0.3m relates to IA, temporary pay pressure £0.8m and undelivered CIP £2.6m.
- Non-Pay underspend £0.2m (excluding passthrough). Mainly due to one off benefit in Cardiology. This is supporting delivery of non-pay CIP Target.

YTD CIP target is £2.5m for 2025/26 and £2.5m for 2026/27. The Division has reported delivery of £4.1m YTD.

Divisional Risk and Management Actions

Actions to reduce temporary spend include tighter NHSP controls, recruitment to vacancies, enhanced sickness management and proactive bed management. The principal forecast risk remains full delivery of CIP, with £16.7m of savings required and only £8.4m currently identified.

Risk – 2026/27 CIP Delivery – Status High
Explanation – annual target is £10.3m for 2026/27 and £6.4m remaining from 2025/26, totalling £16.7m. Circa £8.4m has been identified to cover full target. Management action; Divisional CIP board overseeing scheme development, validation & delivery, with particular focus on closing the unidentified gap.

Risk - Future industrial action Status Medium.
Explanation – potential Industrial action for consultant medics regarding pay
Mitigation – The financial impact will be assessed for each period of IA. No central funding has currently been confirmed.

Risk – High Volume Winter Pressures Status Low.
Explanation – additional capacity required Nov-Feb, with a potential increase in temporary staffing cost.
Mitigation – services to manage budgets seasonally, underspend early part of year to preserve resources for winter.

I&E: Divisional Position NOTSSCAN

Oxford University Hospitals
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Source: Finance Ledger.

Financial Summary N4NTSS £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Activity Income	35,311	36,156	845	2.4%	173,648	175,341	1,694	1.0%	424,178
Pass Through(Income)	5,350	4,688	(662)	(12.4%)	26,750	24,426	(2,324)	(8.7%)	64,201
PP, Overseas &RTA Income	196	160	(36)	(18.5%)	980	600	(380)	(38.8%)	2,352
Other Income	483	578	95	19.6%	2,414	2,980	566	23.5%	5,861
Income Total	**41,340**	**41,581**	**241**	**0.6%**	**203,792**	**203,348**	**(444)**	**(0.2%)**	**496,591**
Staff	(20,504)	(20,286)	218	1.1%	(103,295)	(101,236)	2,059	2.0%	(242,845)
NHSP	(339)	(1,203)	(864)	(255.3%)	(2,079)	(5,628)	(3,549)	(170.7%)	(4,788)
Agency	(18)	(45)	(27)	(146.0%)	(91)	(278)	(187)	(204.4%)	(219)
Pay Total	**(20,861)**	**(21,533)**	**(673)**	**(3.2%)**	**(105,466)**	**(107,143)**	**(1,677)**	**(1.6%)**	**(247,852)**
Clinical Supplies & Services (Excl Pass Through)	(3,294)	(2,976)	318	9.7%	(16,470)	(16,422)	47	0.3%	(39,527)
Pass Through(NonPay)	(5,350)	(4,688)	662	12.4%	(26,750)	(24,426)	2,324	8.7%	(64,201)
Drugs (Excl Pass Through)	853	(1,096)	(1,949)	(228.5%)	(5,824)	(6,452)	(628)	(10.8%)	(14,366)
Premises and Fixed Plant	(143)	(139)	3	2.4%	(713)	(643)	71	9.9%	(1,711)
Other Non-Pay	(2,949)	(1,588)	1,361	46.2%	(7,156)	(7,731)	(575)	(8.0%)	(16,283)
Non-Pay Total	**(10,883)**	**(10,487)**	**396**	**3.6%**	**(56,913)**	**(55,674)**	**1,239**	**2.2%**	**(136,087)**
EBITDA	**9,596**	**9,561**	**(35)**	**(0.4%)**	**41,413**	**40,531**	**(882)**	**(2.1%)**	**112,652**

WTE	IN MONTH 5 Plan	Actual	Variance	Var %
Staff	3,454.5	3,324.7	129.9	**3.8%**
NHSP	59.4	187.4	**(128)**	**(215.2%)**
Agency	1.0	10.2	**(9)**	**(971.6%)**
Total WTE	**3,514.9**	**3,522.2**	**(7)**	**(0.2%)**

Current/YTD Results

The division is reporting a break-even position in month with an adverse variance of £0.9m YTD (2%). Excluding pass-through variances, the material YTD highlights are:

- Activity income - £1.7m favourable, includes £1.2m adverse to plan for SEC activity offset by circa £2.0m baseline extra activity, £0.9m of Aflibercept ICB gainshare income.
- Other income - £0.6m favourable, driven largely by education income
- Industrial action costs - £0.3m adverse
- Super-numerary staff for SEC - £0.6m adverse - £1.9m of staffing costs, offsetting £1.3m of vacancies across Theatres
- Medical staff in Ophthalmology - £0.2m adverse
- Overachieved CIP (inc. 25/26 target) - £0.7m favourable
- Non-recurrent Non-pay cost pressures - £0.6m adverse
- Private Patient Income underperformance - £0.4m adverse

The division reported £8.3m of CIP delivery YTD against a target of £7.6m. Of the YTD target, £4m relates to 2025/26 and £3.6m relates to 2026/27. Of the £8.3m delivered, £3.4m is pay, most of which is non-recurrent. £1.9m is non-pay and £2m is income overperformance.

Divisional Risk and Management Actions

Risk – 2026/27 CIP Delivery – Status High

Explanation – annual target is £13.4m for 2026/27 and £9.8m remaining from 2025/26, totalling £23.2m. Currently £8.5m has been identified to deliver this target.

Mitigation - division is reviewing grip and control checklist and continuing with pay and non-pay scrutiny and ongoing review.

Risk - Future industrial action Status Medium.

Explanation – consultants have voted in favour of strikes. This presents a risk of activity reduction against plan.

Mitigation –additional costs per action, no funding centrally confirmed to mitigate.

Risk – SEC Capacity Status High.

Explanation – delayed opening reduces activity and performance. 3 months delay estimated at 794 electives/day cases, circa £2.3m of income.

Mitigation – alternative sources of capacity being assessed.

I&E: Divisional Position SUWON

Oxford University Hospitals NHS Foundation Trust

Source: Finance Ledger.

Financial Summary N4SUON £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Activity Income	34,434	34,056	(378)	(1.1%)	171,499	170,867	(632)	(0.4%)	413,307
Pass Through(Income)	9,176	9,162	(14)	(0.1%)	45,879	49,481	3,602	7.9%	110,109
PP, Overseas &RTA Income	186	159	(28)	(15.0%)	932	791	(142)	(15.2%)	2,237
Other Income	1,044	1,094	50	4.7%	5,221	6,007	786	15.1%	12,529
Income Total	**44,840**	**44,470**	**(370)**	**(0.8%)**	**223,531**	**227,146**	**3,615**	**1.6%**	**538,183**
Staff	(18,537)	(17,966)	571	3.1%	(93,523)	(89,298)	4,225	4.5%	(221,330)
NHSP	(338)	(1,363)	(1,025)	(303.7%)	(1,680)	(6,391)	(4,712)	(280.5%)	(4,006)
Agency	(32)	(30)	2	7.0%	(98)	(199)	(101)	(103.1%)	(325)
Pay Total	**(18,907)**	**(19,359)**	**(452)**	**(2.4%)**	**(95,301)**	**(95,888)**	**(588)**	**(0.6%)**	**(225,660)**
Clinical Supplies & Services (Excl Pass Through)	(3,343)	(3,583)	(239)	(7.2%)	(16,712)	(16,981)	(269)	(1.6%)	(40,108)
Pass Through(NonPay)	(9,176)	(9,162)	14	0.1%	(45,879)	(49,481)	(3,602)	(7.9%)	(110,109)
Drugs (Excl Pass Through)	(2,011)	(1,528)	482	24.0%	(11,122)	(9,628)	1,494	13.4%	(26,740)
Premises and Fixed Plant	(173)	(178)	(5)	(3.2%)	(853)	(966)	(113)	(13.3%)	(2,050)
Other Non-Pay	(459)	(1,011)	(553)	(120.5%)	(1,685)	(4,549)	(2,865)	(170.0%)	(4,112)
Non-Pay Total	**(15,161)**	**(15,463)**	**(302)**	**(2.0%)**	**(76,250)**	**(81,605)**	**(5,355)**	**(7.0%)**	**(183,119)**
EBITDA	**10,772**	**9,648**	**(1,123)**	**(10.4%)**	**51,980**	**49,653**	**(2,327)**	**(4.5%)**	**129,404**

WTE	IN MONTH 5 Plan	Actual	Variance	Var %
Staff	3,309.4	3,087.6	221.9	**6.7%**
NHSP	49.9	235.1	**(185)**	**(371.6%)**
Agency	1.2	3.2	**(2)**	**(168.6%)**
Total WTE	**3,360.5**	**3,325.8**	**35**	**1.0%**

Current/YTD Results

The division is reporting an adverse variance of £1.1m in month (10.4% on a contribution of £10.8m) with an adverse variance of £2.3m YTD. Excluding pass-through variances, the material YTD issues are:

- Activity below plan - £0.6m Adverse (£0.7m Adverse Gastroenterology, £0.6m Adverse Renal, partly offset with £0.5m Favorable in Surgery)
- Private Patient and Other income - £0.7m Favorable
- Pay £0.6m Adverse - £7.8m vacancies covered by £4.3m Adverse on temporary staffing with £2.8m non recurrent CIP delivery and Industrial action costs of £0.1m
- In tariff drugs activity - £1.5m Favorable (£1m Favorable in Gastroenterology)
- Underachieved non pay CIP - £3.3m Adverse

YTD CIP target is £3.7m for 25/26 and £3.6m for 26/27, totalling £7.3m. The division achieved £6.5m YTD - £1.1m legacy from 25/26 and £5.4m in 26/27, with 57% of 26/27 schemes delivered through non-recurrent means.

Divisional Risk and Management Actions

Risk – 2026/27 CIP Delivery – Status High

Explanation – annual target is £12.9m for 2026/27 & £9.3m remaining from 2025/26, totalling £22.2m. Currently forecast to deliver £11.4m against this target in the CIP tracker, however there are other schemes in development that will be added to the tracker. *Mitigation* - divisional CIP board is focusing on major schemes, and meeting on a weekly basis to review schemes/ideas. *Management action*; Divisional CIP board overseeing scheme development, validation & delivery, with particular focus on closing the unidentified gap.

Risk - Future industrial action Status Medium.

Explanation – consultants have voted in favour of strikes. This presents a risk of activity reduction against plan.
Mitigation –additional costs per action, no funding centrally confirmed to mitigate.

Risk – Recruitment to High risk services Status Medium.

Explanation – current uncovered vacancies are a potential risk to patient safety (e.g. long wait times for radiotherapy). There is recruitment ongoing in these areas which *will increase headcount and pay costs. Mitigation* – services being risk assessed to target recruitment by risk profile.

I&E: Divisional Position CSS

Source: Finance Ledger.

Oxford University Hospitals NHS Foundation Trust

Financial Summary N4CTDP £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Activity Income	9,983	9,415	(568)	(5.7%)	49,915	50,018	103	0.2%	119,797
Pass Through(Income)	549	896	346	63.0%	2,747	3,186	439	16.0%	6,592
PP, Overseas &RTA Income	170	153	(17)	(9.9%)	848	655	(193)	(22.8%)	2,036
Other Income	1,631	2,218	587	36.0%	8,155	9,701	1,546	19.0%	19,575
Income Total	**12,333**	**12,682**	**348**	**2.8%**	**61,665**	**63,560**	**1,895**	**3.1%**	**147,999**
Staff	(14,662)	(14,665)	(3)	(0.0%)	(73,974)	(73,298)	676	0.9%	(174,658)
NHSP	(173)	(447)	(275)	(158.8%)	(876)	(1,915)	(1,040)	(118.7%)	(2,050)
Agency	(29)	0	29	100.0%	(146)	1	147	100.7%	(350)
Pay Total	**(14,864)**	**(15,112)**	**(248)**	**(1.7%)**	**(74,995)**	**(75,212)**	**(217)**	**(0.3%)**	**(177,058)**
Clinical Supplies & Services (Excl Pass Through)	(3,909)	(4,145)	(236)	(6.0%)	(20,830)	(20,199)	631	3.0%	(49,880)
Pass Through(NonPay)	(549)	(896)	(346)	(63.0%)	(2,747)	(3,186)	(439)	(16.0%)	(6,592)
Drugs (Excl Pass Through)	(387)	(767)	(379)	(98.0%)	(2,292)	(3,096)	(804)	(35.1%)	(5,570)
Premises and Fixed Plant	(250)	(154)	95	38.2%	(1,257)	(963)	294	23.4%	(3,017)
Other Non-Pay	(1,435)	(303)	1,132	78.9%	(2,520)	(3,088)	(569)	(22.6%)	(4,727)
Non-Pay Total	**(6,530)**	**(6,264)**	**266**	**4.1%**	**(29,646)**	**(30,533)**	**(887)**	**(3.0%)**	**(69,786)**
EBITDA	**(9,060)**	**(8,695)**	**366**	**4.0%**	**(42,976)**	**(42,184)**	**791**	**1.8%**	**(98,845)**

WTE	IN MONTH 5 Plan	Actual	Variance	Var %
Staff	2,264.1	2,198.8	65.3	2.9%
NHSP	32.3	59.7	(27)	(84.7%)
Agency	1.4	0.0	1	100.0%
Total WTE	**2,297.9**	**2,258.5**	**39**	**1.7%**

Current/YTD Results

The Division is reporting a surplus month (4.0% on a cost of £9.1m) with a £0.8m favourable position YTD. Excluding pass-through variances, the material YTD issues are:

- Activity above plan - £0.1m Favourable (Radiology +£0.9m, CDC/Critical Care --£0.8m adv). Increases to SLAM plan was +£0.3m more in CDC.
- Education funding - £0.9m & One-off income OY- £0.52m fav YTD
- Underachieved CIP (inc. 25/26 target) - £0.1m adverse
- Industrial action costs - £0.1m adverse
- Underspend in clinical supplies/drugs/recharges - £0.1m Favourable
- CDC increased costs : £0.1m & PET CT Costs : £0.1m adverse
- Other cost pressures - £0.5m adverse

YTD CIP target is £1.8m for 2025/26 and £3.3m for 2026/27, totalling £5.2m. The Division achieved £5.1m YTD split between recurrent (£2.5m) and non-recurrent (£2.6m) schemes.

Activity income has been updated for the 2026/27 M4 SLAM Plan

Divisional Risk and Management Actions

Risk – 2026/27 CIP Delivery – Status Medium

Explanation – annual target is £11.6m for 2026/27 and £4.4m remaining from 2025/26, totalling £16.0m. Currently £8.9m has been identified to deliver this target (76%); this includes £1.6m for Pharmacy Gain Share.

Mitigation – partial. Division has set up divisional CIP board, will be meeting on a weekly basis to review schemes/ideas,

Risk – Demand Growth Status Medium.

Explanation – support services (Radiology and Pathology) annually experience circa 5% demand. Current expenditure budgets not funded for growth. Mitigation – productivity on resource and demand management required but increases risk on the CIP delivery as an offset.

Risk – Recruitment to Activity driven services Status Medium.

Explanation – current uncovered vacancies are a potential risk to activity and staff wellbeing. Ongoing recruitment into business cases will increase headcount and pay costs. Mitigation –services being risk assessed to target recruitment for improved delivery of CIP or activity.

Risk – Baxter increased prior year costs. Status Medium

Baxters have queried £2.4m additional costs, which has not been substantiated by OUH. Not in current costs YTD or forecast.

I&E: Divisional Position Non-Clinical Services (inc. Corp, R&D, Estates)

Oxford University Hospitals
NHS Foundation Trust

Source: Finance Ledger.

Financial Summary Non-Clinical £000s	IN MONTH 5 Plan	IN MONTH 5 Actual	IN MONTH 5 Var £	IN MONTH 5 Var %	YEAR TO DATE Plan	YEAR TO DATE Actual	YEAR TO DATE Var £	YEAR TO DATE Var %	Full Year Plan
Activity Income	24	23	(0)	(0.1%)	118	118	(0)	(0.0%)	282
Pass Through(Income)	0	0	0	0.0%	0	0	0	0.0%	0
PP, Overseas &RTA Income	343	357	14	4.2%	1,714	1,442	(272)	(15.9%)	4,113
Other Income	12,006	12,229	223	1.9%	61,885	59,275	(2,610)	(4.2%)	145,888
Income Total	**12,372**	**12,609**	**237**	**1.9%**	**63,717**	**60,834**	**(2,883)**	**(4.5%)**	**150,284**
Staff	(12,008)	(11,464)	544	4.5%	(60,352)	(58,760)	1,593	2.6%	(142,997)
NHSP	(69)	(166)	(96)	(139.3%)	(553)	(662)	(110)	(19.8%)	(1,297)
Agency	(12)	(37)	(25)	(202.3%)	(62)	(89)	(28)	(44.9%)	(148)
Pay Total	**(12,089)**	**(11,667)**	**422**	**3.5%**	**(60,967)**	**(59,512)**	**1,456**	**2.4%**	**(144,442)**
Clinical Supplies & Services (Excl Pass Through)	(385)	(258)	127	33.0%	(1,924)	(1,423)	502	26.1%	(4,619)
Pass Through(NonPay)	0	0	0	0.0%	0	0	0	0.0%	0
Drugs (Excl Pass Through)	(42)	(28)	14	34.3%	(211)	(68)	143	67.9%	(505)
Premises and Fixed Plant	(14,854)	(14,549)	305	2.1%	(73,606)	(69,452)	4,153	5.6%	(175,932)
Other Non-Pay	(6,180)	(6,099)	81	1.3%	(32,274)	(32,615)	(341)	(1.1%)	(75,485)
Non-Pay Total	**(21,461)**	**(20,934)**	**527**	**2.5%**	**(108,015)**	**(103,558)**	**4,457**	**4.1%**	**(256,541)**
EBITDA	**(21,178)**	**(19,991)**	**1,187**	**5.6%**	**(105,266)**	**(102,236)**	**3,030**	**2.9%**	**(250,700)**
Capital and Financial Charges	**0**	**0**	**0**	**0.0%**	**0**	**0**	**0**	**0.0%**	**0**
Control Total	**(21,178)**	**(19,991)**	**1,187**	**5.6%**	**(105,266)**	**(102,236)**	**3,030**	**2.9%**	**(250,700)**

WTE	IN MONTH 5 Plan	IN MONTH 5 Actual	IN MONTH 5 Variance	IN MONTH 5 Var %
Staff	1,833.6	1,787.6	46.0	2.5%
NHSP	17.3	19.0	(2)	(9.8%)
Agency	0.9	0.0	1	100.0%
Total WTE	**1,851.8**	**1,806.6**	**45**	**2.4%**

Current/YTD Results

The combined divisional position is reporting a favourable variance of £1.2m in month (5.6% on a cost of £21.2m) with a favourable variance of £3m YTD. The material YTD issues are:

- Estates Utilities recorded as CIP delivered - £1.8m Favourable
- Estates PFI benefits to contract (inc CIP delivered) - £1.5m Favourable
- Education (CEA cost vs plan & LDA variance) - £1.5m Adverse
- SDE (capitalisation) – Net £1.2m Favourable

Income is £2.9m adverse: Education £1.9m (included above), R&D £0.9m offset in non-pay. Month 5 CIP target is £0.4m for 2025/26 and £0.8m for 2026/27, totalling £1.2m. The division achieved £1.0m

The WTE budget in month shows a favourable 45 WTE due to the capitalisation of staff in SDE (26) and vacancies held across directorates

Divisional Risk and Management Actions

Risk – 2026/27 CIP Delivery – Status High

Explanation – annual target is £10.4m for 2026/27 and £5.2m remaining from 2025/26, totalling £15.6m. Currently only £8.0m has been identified to deliver this target.

Mitigation – a corporate CIP board has been set up to review schemes/ideas, update the CIP Hopper and ensure EPIDs are completed.

Risk – Budget Finalisation Status Low

Explanation – corporate and estates budgets have not been finalised to confirm spending limits for 2026/27. Three directorates flagging as a concern (Strategy, People, Nursing). Meetings being arranged for October.

Mitigation – following meetings held in May/June final alignment of any items to be confirmed with offset in CIP targets

Management Action – M6 Budget Adjustment Education

A proposal has been made in a paper to adjust the Education budget in M6,to align both phasing and Divisional split with known information from CEA Awards and the latest LDA Schedule.

I&E: Central / Technical

Oxford University Hospitals
NHS Foundation Trust

Financial Summary Technical £000s	IN MONTH 5 Plan	Actual	Var £	Var %	YEAR TO DATE Plan	Actual	Var £	Var %	Full Year Plan
Activity Income	1,357	1,768	411	30.3%	6,414	8,901	2,487	38.8%	16,337
Pass Through(Income)	0	(0)	(0)	0.0%	0	(0)	(0)	0.0%	0
PP, Overseas &RTA Income	120	(150)	(270)	(225.3%)	566	0	(566)	(100.0%)	1,442
Other Income	296	673	377	127.2%	1,484	976	(508)	(34.2%)	3,489
Income Total	**1,773**	**2,291**	**518**	**29.2%**	**8,463**	**9,876**	**1,413**	**16.7%**	**21,269**
Staff	2,731	(33)	(2,764)	(101.2%)	9,121	74	(9,047)	(99.2%)	34,085
NHSP	(2,034)	0	2,034	100.0%	(9,790)	(0)	9,790	100.0%	(23,405)
Agency	(139)	0	139	100.0%	(882)	(91)	790	89.6%	(1,853)
Pay Total	**558**	**(33)**	**(591)**	**(105.9%)**	**(1,551)**	**(17)**	**1,534**	**98.9%**	**8,827**
Clinical Supplies & Services (Excl Pass Through)	1,621	(0)	(1,621)	(100.0%)	10,332	849	(9,482)	(91.8%)	22,284
Pass Through(NonPay)	0	0	0	0.0%	0	0	0	0.0%	0
Drugs (Excl Pass Through)	(2,776)	(0)	2,776	100.0%	(959)	(0)	959	100.0%	(1,779)
Premises and Fixed Plant	6,068	6,400	332	5.5%	30,052	25,416	(4,636)	(15.4%)	71,788
Other Non-Pay	977	(370)	(1,348)	(137.9%)	(10,036)	818	10,854	108.2%	(15,633)
Non-Pay Total	**5,890**	**6,029**	**139**	**2.4%**	**29,388**	**27,083**	**(2,305)**	**(7.8%)**	**76,660**
EBITDA	**8,221**	**8,288**	**67**	**0.8%**	**36,300**	**36,942**	**642**	**1.8%**	**106,756**
Capital and Financial Charges	**(9,054)**	**(10,235)**	**(1,182)**	**(13.1%)**	**(44,799)**	**(47,269)**	**(2,470)**	**(5.5%)**	**(106,149)**
Control Total	**(833)**	**(1,948)**	**(1,115)**	**(133.9%)**	**(8,499)**	**(10,327)**	**(1,828)**	**(21.5%)**	**607**

WTE	IN MONTH 5 Plan	Actual	Variance	Var %
Staff	120.7	19.3	101.4	**84.0%**
NHSP	0.7	0.0	**1**	**100.0%**
Agency	0.3	0.0	**0**	**100.0%**
Total WTE	**121.8**	**19.3**	**102**	**84.1%**

Current/YTD Results

The combined position is reporting adverse variance of £1.1m in month and £1.8m YTD. The key YTD issues are:

- Commissioning income - £2.5m favourable
- Finances charges - £2.5m adverse (driven by cash interest below plan and SEC phasing of interest. Offset against £0.7m depreciation funding on the commissioning income line)
- Central CIP unachieved - £13.2m adverse
- Central reserves - £6.2m favourable linked to favourable variance for WTE
- Alignment to external plan - £3.7m favourable
- Non-pay expenditure - £0.9m favourable
- Other income - £0.6 favourable

Commissioning Income – Divisional Month 5 clinical income reflects the Month 4 SLAM estimate for Month 5, with a central adjustment (in trust reserves) applied to align the position with the current assessment of performance of £2.6m.

Divisional Risk and Management Actions

Risk – 2026/27 CIP Delivery – Status High

Explanation – annual target is £61.8m for 2026/27 is being held centrally, covering the £33.0m non-recurrent and £28.8m strategic CIP targets. These have been assigned to Chief officers with only £18.3m (30%) identified.

Mitigation – the PMO is currently driving identification of CIP schemes to deliver against these targets. This is being mitigated in the short term through elective income overperformance and non-recurrent/technical benefits.

Risk – SEC Delivery – Status High

Explanation – a risk that the implementation of SEC delivers lower income or higher costs, overall leading to a financial pressure. Financial modelling is currently being validated to assess the impact.

Mitigation – plan for the September opening being costed and grounded in specialty level plans.

Risk – Reserves Reconciliation to Plan– Status High

Explanation – budgets set later than plan, more realistic and localised. Leads to differences in the allocation of costs between plan and budget in central reserves.

Mitigation – change being developed to remove the central reserve and update the plan with NHSE.

Drivers: Cost Improvement Programme (CIP)

Oxford University Hospitals
NHS Foundation Trust

Source: CIP Tracker. The table shows the 2026/27 planned CIP targets submitted to NHSE

Savings Summary	IN MONTH 5				YEAR TO DATE				Full Year			
£000s	Plan	Actual	Var £	Var %	Plan	Total Actual	Var £	Var %	Plan	Forecast (PFR)	Var £ (Fcst v Plan)	Var % (Fcst v Plan)
MRC	770	930	160	21%	2,520	4,070	1,551	62%	10,313	8,440	(1,873)	(18%)
NOTSSCAN	1,021	2,855	1,834	180%	3,562	8,343	4,781	134%	13,463	14,092	629	5%
SUWON	981	951	(31)	(3%)	3,590	5,448	1,858	52%	12,856	11,429	(1,426)	(11%)
CSS	889	1,557	668	75%	3,334	5,079	1,746	52%	11,613	9,463	(2,150)	(19%)
Corporate	488	243	(245)	(50%)	1,896	1,300	(596)	(31%)	6,326	4,431	(1,895)	(30%)
Estates	331	715	384	116%	1,582	3,389	1,807	114%	4,042	4,677	635	16%
Education	31	0	(31)	(100%)	77	0	(77)	(100%)	440	0	(440)	(100%)
Operating Expenses	0	0	0	0%	0	0	0	0%	0	0	0	0%
Central - NR CIP	2,752	1,842	(910)	(33%)	13,761	4,898	(8,862)	(64%)	33,025	12,730	(20,295)	(61%)
Central - Strategic CIP	2,008	0	(2,008)	(100%)	4,783	400	(4,383)	(92%)	28,772	6,849	(21,923)	(76%)
2025/26 FYE	962	962	(0)	(0%)	4,977	4,978	1	0%	6,016	6,016	0	0%
Unidentified CIP										48,708	48,708	0%
Total	9,788	10,056	268	3%	37,629	37,918	289	1%	126,866	126,866	0	0%

Please be aware that the CIP plan considers all items as recurrent, except for the Central NR line listed in the table above.

PFR - FOT Trustwide View (£'000) **78,158**

Total FOT (excl unidentified FOT)

Status Profile

Risk Profile	Total Target: 126,866	Fully Developed	Plans in Progress	Opportunity	Unidentified	
	Low	51,460 41%	178 0%	350 0%		**51,988** 41%
	Medium	9,833 8%	1,741 1%	500 0%		**12,074** 10%
	High	2,191 2%	181 0%	11,724 9%	48,708 38%	**62,804** 50%
		63,484 50%	**2,100** 2%	**12,574** 10%	**48,708** 38%	

Overall Position

The Trust has a total new 2026/27 CIP requirement of c.£120.8m, underpinning delivery of the financial plan and £6.1m of full year effect from 2025/26, totalling £126.9m. As at Month 5, forecast for identified schemes total £78.2m, leaving £48.7m (c.38%) unidentified.

Identification and Pipeline Development

There has been a material increase in identified CIP week-on-week, driven primarily by non-recurrent items. Existing processes remain active to continue to identify further CIP but it will not be sufficient to achieve the full value for 2027/28.

Performance

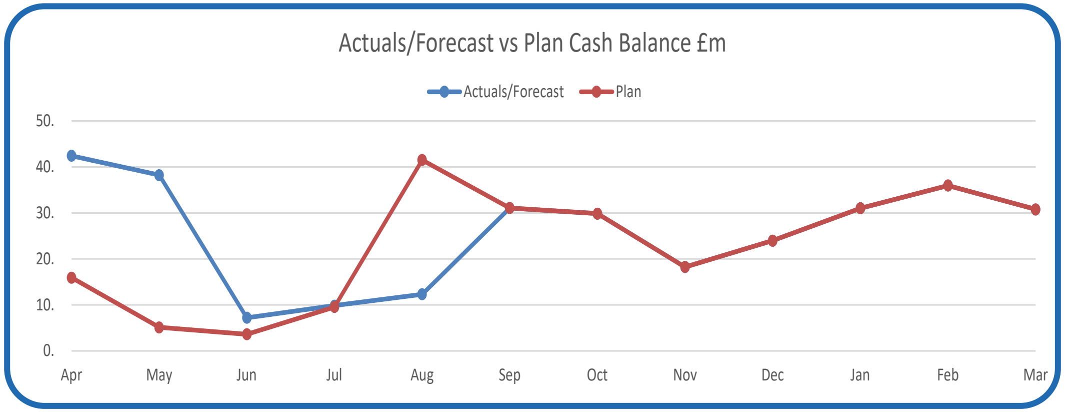
CIP over-delivered against plan by £0.3m in Month 5, of which £1.7m relates to non-recurrent CIP. The favourable position is primarily driven by a PFI benefit (£1.4m), procurement vouchers claimed, and additional income generated from increased chargeable fees to the University.

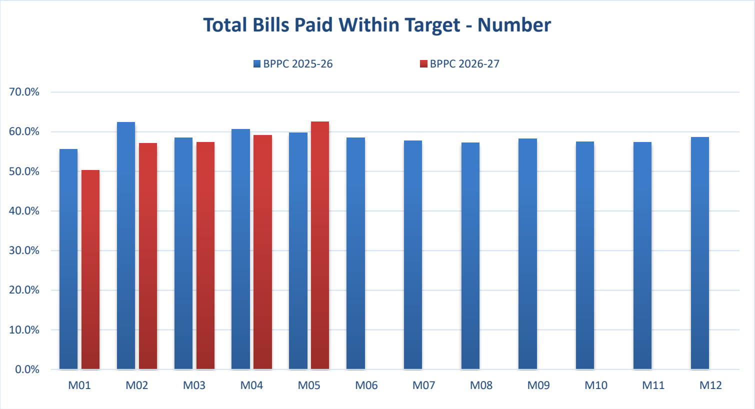
2025/26 CIP Targets

£35.2m of recurrent unachieved CIP remains from 2025/26 within service budgets. This is not part of the figures in the table above, which means total CIP required in 2026/27 is £156m (ex. 25/26 FYE). The YTD value is £14.7m.

Cash

Oxford University Hospitals
NHS Foundation Trust





	2026	2027				
	M12	M01	M02	M03	M04	M05
Debtor Days	6.07	8.20	7.89	8.20	8.46	8.51
Creditor Days	38.72	34.61	35.56	24.62	27.72	34.62

Month 5 Cash Position

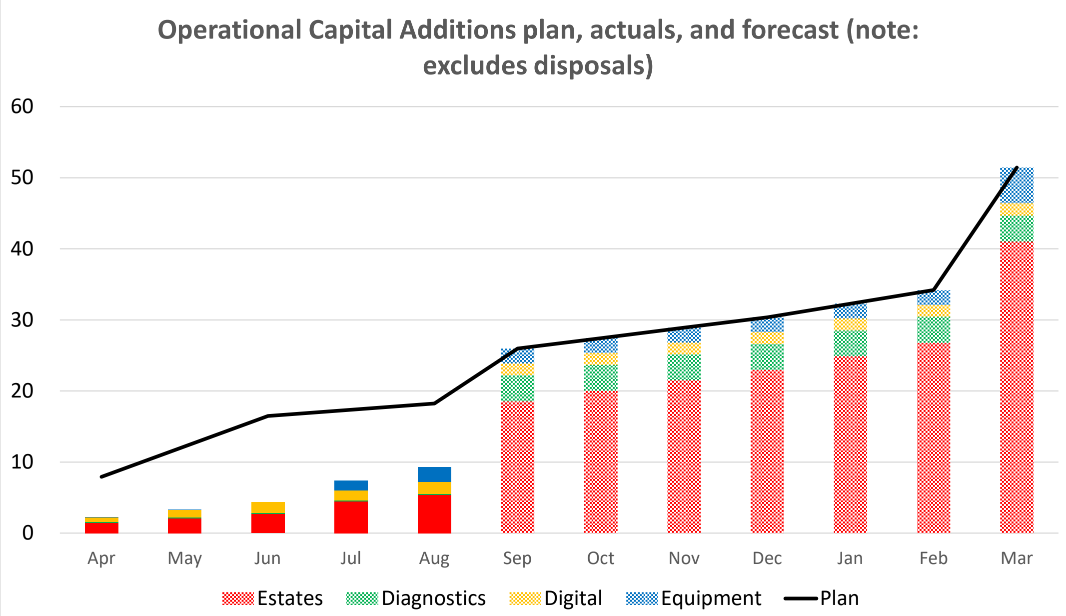
Cash is £29.2m below plan due to timing differences in pay award funding. The plan assumed an August balance consistent with 2025, whereas the 2026 AfC pay award impacted cash flow earlier, in April. Year-end cash remains forecast to be in line with plan.

The cash plan for 2026/27 indicates that cash pressures are expected to return over Q2 and Q3, and alignment to plan including cash-releasing CIPs are essential to managing the cash position for the remainder of 26/27.

Cash Forecast – monthly detail will be available in the Reading Room prior to the Board meeting.

Finance Committee will review management actions underway to manage the cash position.

Capital



Capital Expenditure £m	IN MONTH 05 Plan	Actual	Variance	YEAR TO DATE Plan	Actual	Variance	Full year Plan
Surgical Elective Centre (SEC)	-	0.10	(0.10)	-	0.62	(0.62)	22.20
Estates Safety/CIR	1.23	0.67	0.56	8.32	2.79	5.53	22.75
Estates PFI lifecycling	0.95	0.95	0.00	4.76	4.76	0.00	11.43
UEC Level 1	-	0.69	(0.69)	7.50	2.04	5.46	7.50
Helipad	0.56	(0.01)	0.57	2.82	0.01	2.80	6.75
Other Estates	0.06	(0.55)	0.61	0.21	(0.02)	0.23	1.37
Diagnostics	-	0.06	(0.06)	3.65	1.84	1.81	3.65
Equipment	0.14	0.73	(0.60)	0.60	2.69	(2.09)	1.77
Digital	0.12	0.40	(0.28)	0.41	2.13	(1.72)	1.75
Divisional Priorities	-	0.00	(0.00)	-	0.00	(0.00)	0.44
Contingency/(Oversubscription)	-	-	-	-	-	-	-
Gross Capital Expenditure	**3.06**	**3.04**	**0.02**	**28.26**	**16.85**	**11.40**	**79.62**
Sales, disposals, and other deductions	-	(0.06)	0.06	-	(0.11)	0.11	(9.70)
Nat Capital Expenditure	**3.06**	**2.98**	**0.08**	**28.26**	**16.74**	**11.52**	**69.92**

Capital Expenditure - by funding source £m	IN MONTH 05 Plan	Actual	Variance	YEAR TO DATE Plan	Actual	Variance	Full year Plan
Operational Capital	0.88	1.88	(1.00)	18.23	9.19	9.04	41.74
National Funding PDC	0.58	0.13	0.46	2.04	0.46	1.58	9.00
Other Capital Expenditure (G&D, PFI)	1.60	0.97	0.63	7.99	7.09	0.90	19.18
Net Capital Expenditure	**3.06**	**2.98**	**0.08**	**28.26**	**16.74**	**11.52**	**69.92**
Add back sales, disposals, and other deductions	-	0.06	(0.06)	-	0.11	(0.11)	9.70
Gross Capital Expenditure	**3.06**	**3.04**	**0.02**	**28.26**	**16.85**	**11.40**	**79.62**

Key Headlines

Gross capital expenditure to August was £16.85m, which is £11.40m (40%) below plan.

Operational capital expenditure was £9.91m, which is £9.04m (50%) below plan.

Main Reasons for the YTD Underspend

Most the YTD underspend has been due to delays in HRB approvals, which have postponed work on several major schemes. Key projects have now started with variance gap reducing but spending profiles remain behind plan.

Key affected projects include:

UEC Level 1: **£5.46m behind plan**. Delays were caused by HRB approvals, but construction is now underway with completion expected later in 2026.

Maternity Ventilation: **£2.94m behind plan** due to HRB delays and operational issues. Current phase of work is still expected in year but risk of slippage into 2027/28 if any further delays.

Other Estates Safety/CIR: **£2.59m behind plan**, primarily due to delays in approval and mobilisation of nationally funded schemes.

Areas Overspending Against Plan

Equipment expenditure is **£2.09m above plan**, due to IFRS 16 leases worth £1.64m recognised in July and August. This creates an additional capital pressure.

Digital expenditure is **£1.72m above plan**, mainly due to: £1.15m of revenue-to-capital transfers for the Secure Data Environment (SDE) programme; £0.46m of SDE investment linked to funding awards not included in the original plan.

Funding Position

During July, the Trust received confirmation of £4.91m Estates Safety funding, and £2.56m RtCS funding

Other Risks and Emerging Cost Pressures

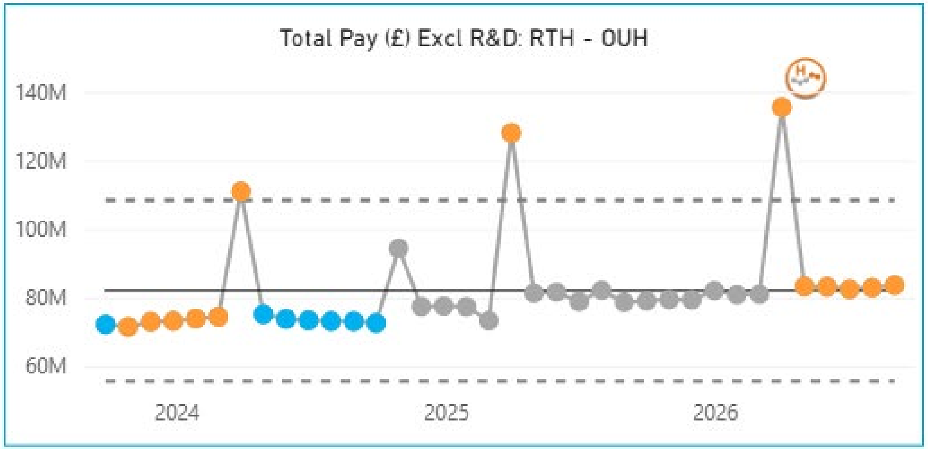
SEC programme Trust costs of £4.45m spent and committed against nil plan, including at least £3.34m for equipment & digital. The financial treatment of SEC equipment acquisitions and planned novation remains unresolved, creating uncertainty around the final impact.

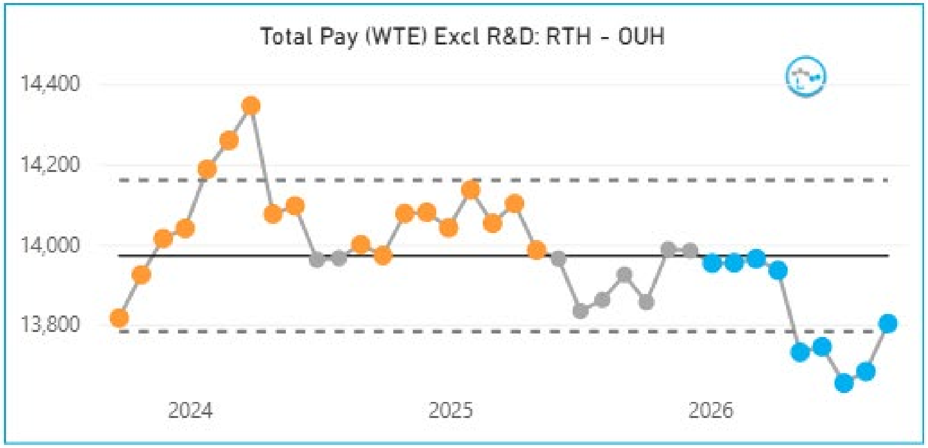
Legacy and prior-year costs totalling around **£1m** have emerged, including Cath Labs, diagnostic digital projects, estates works, and equipment purchases not included in the refreshed programme forecast.

Appendices

Appendix 1: Driver - Cost Expenditure Run-Rates

Source: Finance Ledger.

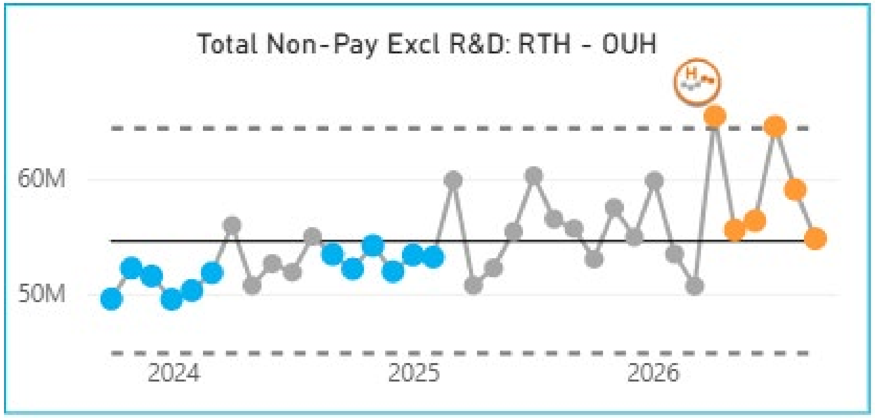




Pay Trends

Total pay was £0.5m higher in August compared to July. Excluding R&D, pay costs were £0.7m higher in August than in July.
Total substantive staffing costs were £0.5m higher in August compared to July. Excluding R&D, substantive pay increased by £0.7m. Junior doctor rotation increased pay by £0.4m and bank holiday costs were £0.2m.
Temporary staff in-month expenditure was unchanged in August (at £4.6m)..

WTEs overall increased by 113 in month at 14,122 (13,802 excluding R&D, with WTE increased by 120). Substantive staff increased by 116 WTE in August, while bank staff increased by 9 WTE and agency staff decreased by 5 WTE. Pronounced reductions in temporary staffing have been seen in prior years particularly in March 2024.



Non-Pay Trends

Total non-pay is £4.3m lower in August than in July.

Excluding R&D, non-pay costs are £4.3m lower than last month. Excluding passthrough costs that are £2.9m lower than in July, non-pay costs are £1.3m lower in August.

This is predominantly on premises and fixed plant expenditure which was £1.5m lower in August. August included a £1.4m PFI insurance credit non-recurrent benefit.

Appendix 2: Driver - Financial Sustainability, Underlying Position

Oxford University Hospitals
NHS Foundation Trust

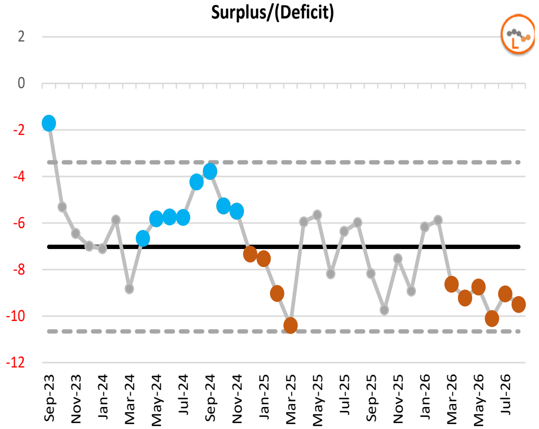
Source: Finance Ledger.

Month 5 Year to Date (£ms) Plan	Underlying	R&D	Pass through	One-off	Reported
Income	613.9	21.6	108.0	0.2	743.3
Pay	(415.0)	(15.8)	0.0	(2.2)	(428.6)
Non pay	(187.6)	(4.8)	(108.0)	(9.8)	(290.6)
Non-Opex	(44.9)	0.0	0.0	(0.1)	(44.8)
Total Plan	**(33.6)**	**1.0**	**0.0**	**(11.9)**	**(20.8)**

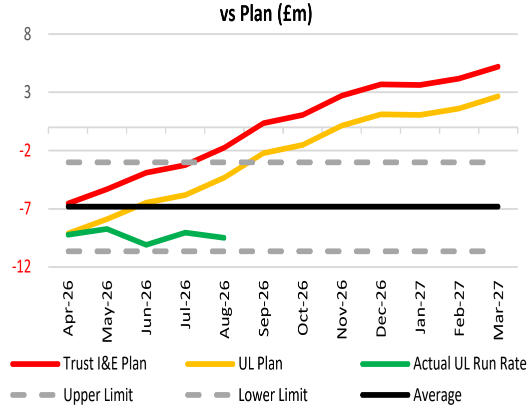
Actuals	Underlying	R&D	Pass through	One-off	Reported
Income	616.5	20.7	110.5	(1.5)	749.2
Pay	(426.0)	(15.6)	0.0	(10.7)	(430.9)
Non pay	(189.9)	(3.6)	(110.5)	(10.0)	(294.0)
Non-Opex	(47.2)	0.0	0.0	0.1	(47.3)
Total Actuals	**(46.6)**	**1.4**	**0.0**	**(22.2)**	**(23.0)**

Variance	Underlying	R&D	Pass through	One-off	Reported
Income	2.6	(0.9)	2.5	(1.8)	5.9
Pay	(11.0)	0.1	0.0	(8.6)	(2.3)
Non pay	(2.3)	1.2	(2.5)	(0.2)	(3.4)
Non-Opex	(2.3)	0.0	0.0	0.2	(2.5)
Total Variance	**(12.9)**	**0.4**	**0.0**	**(10.3)**	**(2.2)**

Income & Expenditure – Adjusted Run Rate Performance (£m) Surplus/(Deficit)



Income & Expenditure - Adjusted Run Rate Performance vs Plan (£m)



Month 5 YTD underlying performance was £46.6m, and £12.9m worse than planned, driven principally by more of the efficiency savings made being non-recurrent YTD.

One-off: The more significant non-recurrent items included in the reported financial position to date for this financial year include:

- Electricity and CHP savings (£1.8m)
- PFI deductions of (£2.2m)
- Industrial action net impact (£0.7m).
- Dropping the Flowers accrual (£0.5m).
- Non-recurrent pay savings (£10.8m)

There is an opportunity for divisions to convert non-recurrent pay savings into recurrent savings by reviewing establishments and removing posts permanently. Divisions are being given support to do this.

Strategic CIPs, while slow to mobilise, should also have a positive effect in Q4 as they will have a full year effect far greater than their in-year benefits.

However, even with these actions the Trust is likely to miss its target to reduce the underlying deficit by c£40m.

R&D:

- £0.4m better than plan year to date.
- Small mix change between pay and non-pay due to specific grants won and projects/trials delivered.

Pass through:

- Passthrough income and expenditure are above plan by £2.5m year to date, net nil impact.
- The Trust is paid 3+ months in arrears for over-performance and after suppliers have been paid.

Appendix 3: Driver - Activity Income

Oxford University Hospitals NHS Foundation Trust

Source: SLAM.

API Types updated2	API Types updated	IN MONTH 5 Budget	IN MONTH 5 Actual	IN MONTH 5 Variance	IN MONTH 5 Var %	YEAR TO DATE Budget	YEAR TO DATE Actual	YEAR TO DATE Variance	YEAR TO DATE Var %
Variable - Elective	DC	7,955	8,220	265.5	3.3%	37,078	37,623	544.9	1.5%
	EL	8,512	8,707	195.7	2.3%	42,378	45,053	2,675.2	6.3%
	ExcessBed	77	173	96.1	124.7%	385	561	176.0	45.7%
	OPFA	6,744	5,990	-753.9	-11.2%	33,720	32,982	-737.7	-2.2%
	OPPROCs	3,027	3,033	5.8	0.2%	15,134	16,091	956.9	6.3%
Variable - Elective Total		**26,314**	**26,123**	**-190.9**	**-0.7%**	**128,696**	**132,311**	**3,615.2**	**2.8%**
Variable - Other		**5,383**	**6,066**	**683.0**	**12.7%**	**25,158**	**26,730**	**1,572.3**	**6.2%**
Blended Payments	UEC	30,197	30,658	460.9	1.5%	149,989	149,733	-256.8	-0.2%
	Rad Blended	1,232	1,183	-49.6	-4.0%	6,161	6,230	68.5	1.1%
Blended Payments Total		**31,429**	**31,841**	**411.3**	**1.3%**	**156,151**	**155,962**	**-188.3**	**-0.1%**
Passthrough	Variable - Devices	4,781	5,613	831.4	17.4%	23,794	26,803	3,009.4	12.6%
	Variable - Drugs	16,874	15,424	-1,450.5	-8.6%	84,260	83,661	-598.9	-0.7%
Passthrough Total		**21,656**	**21,037**	**-619.0**	**-2.9%**	**108,053**	**110,464**	**2,410.5**	**2.2%**
Fixed	Fixed - Devices	27	27	0.0	0.0%	134	134	0.0	0.0%
	BLOCK - HCD	2,324	2,324	0.0	0.0%	11,629	11,629	0.0	0.0%
	Fixed	44,535	44,534	-0.2	0.0%	224,317	224,317	0.0	0.0%
Fixed Total		**46,885**	**46,885**	**-0.2**	**0.0%**	**236,080**	**236,080**	**0.0**	**0.0%**
Grand Total		131,668	131,952	284.1	0.2%	654,138	661,547	7,409.7	1.1%

Commissioning income: The M5 position reflects M1-4 SLAM, extrapolated forward. All contracts have been agreed for 2026/27; NHSE have now released the post pay award Tariffs, and revised contract values are now being agreed which take the pay award uplifts into account.

'Elective Variable' and 'Variable Other' activity will be paid at 100% of tariff. SEC activity was planned from M4; the underperformance relates to the non-delivery of this activity. This is still being offset to an extent by the overperformance in M1-3. The activity/income for months 4/5 has been increased for month 4 for flex to freeze income increases expected in month 4 (£1.0m), missing OP activity (£250k) and performance on non-SEC activity in month 5 (£1.35m).

Passthrough Drugs and Devices will be reimbursed in full by commissioners, as long as they have been prescribed in line with agreed commissioning policies.

UEC and Radiotherapy activity is subject to a 'Blended payment' approach in 2026-27. Activity above or below agreed plans is subject to a marginal payment or clawback of 20% of tariff for UEC, and 50% for Radiotherapy. The ledger reflects the position after the marginal rates have been applied. UEC activity is currently significantly under plan, but the marginal rate means the Trust are benefitting from the marginal rate by keeping 80% of the tariff for activity below the plan.

Appendix 4: Statement of Financial Position (SOFP)

Oxford University Hospitals
NHS Foundation Trust

Statement of Financial Position 2024/25 £ms	M12 2025	In Month 5 2026	In Mth PLAN	Variance to PLAN	Movement in month	Movement from year-end
NON-CURRENT ASSETS:						
Property, Plant and Equipment	£841.1	£829.6	£847.9	(£18.3)	(£3.0)	(£11.5)
Investments	£64.2	£64.2	£62.9	£1.3	£0.0	£0.0
Trade and Other Receivables - non current	£26.4	£29.2	£23.2	£5.9	£0.6	£2.8
Total Non Current Assets	**£931.6**	**£923.0**	**£934.0**	**(£11.1)**	**(£2.3)**	**(£8.7)**
CURRENT ASSETS:						
Inventories	£32.9	£34.0	£33.0	£1.0	£0.3	£1.2
Trade and Other Receivables - current	£90.5	£106.5	£97.7	£8.8	£11.0	£16.1
Cash	£75.9	£12.3	£41.5	(£29.2)	£2.5	(£63.6)
Total Current Assets	**£199.2**	**£152.9**	**£172.2**	**(£19.4)**	**£13.8**	**(£46.4)**
TOTAL ASSETS	**£1,130.9**	**£1,075.8**	**£1,106.3**	**(£30.4)**	**£11.4**	**(£55.0)**
CURRENT LIABILITIES						
Trade and Other Payables - current	(£219.2)	(£183.7)	(£209.1)	£25.4	(£18.0)	£35.5
Other Liabilities: Deferred Income - current	(£2.9)	(£9.8)	(£38.9)	£29.2	£4.9	(£6.9)
Other Liabilities: - current	(£0.4)	(£0.4)	(£0.3)	(£0.1)	£0.0	(£0.0)
Provisions current	(£0.8)	(£0.7)	(£0.5)	(£0.2)	£0.0	£0.1
Borrowings - current	(£11.6)	(£17.6)	(£14.2)	(£3.4)	(£1.0)	(£6.0)
Loans - current	(£1.4)	(£1.3)	(£1.7)	£0.3	(£0.0)	£0.0
Total Current Liabilities	**(£236.4)**	**(£213.6)**	**(£264.8)**	**£51.2**	**(£14.1)**	**£22.8**
NET CURRENT ASSETS/(LIABILITIES)	**(£37.2)**	**(£60.7)**	**(£92.5)**	**£31.8**	**(£0.4)**	**(£23.6)**
TOTAL ASSETS LESS CURRENT LIABILITIES	**£894.5**	**£862.2**	**£841.5**	**£20.7**	**(£2.7)**	**(£32.2)**
NON-CURRENT LIABILITIES:						
Other Liabilities: Deferred Income - non current	(£3.7)	(£3.7)	(£2.3)	(£1.4)	£0.0	£0.0
Other Liabilities: - non current	(£4.0)	(£3.9)	(£3.4)	(£0.6)	£0.0	£0.1
Provisions - non current	(£6.9)	(£6.9)	(£6.4)	(£0.5)	£0.0	£0.0
Borrowings - non current	(£399.3)	(£390.1)	(£390.7)	£0.5	£1.3	£9.2
Loans - non current	(£16.5)	(£16.0)	(£16.3)	£0.3	£0.0	£0.5
Total Non-Current Liabilities	**(£430.3)**	**(£420.6)**	**(£419.0)**	**(£1.6)**	**£1.4**	**£9.8**
ASSETS LESS LIABILITIES (Total Assets Employed)	**£464.1**	**£441.6**	**£422.5**	**£19.1**	**(£1.4)**	**(£22.5)**
TAXPAYERS EQUITY						
Public Dividend Capital	£426.8	£426.8	£396.0	£30.7	£0.0	£0.0
Retained Earnings reserve	(£138.1)	(£155.6)	(£149.3)	(£6.4)	(£0.4)	(£17.5)
Revaluation Reserve	£183.6	£178.6	£179.4	(£0.7)	(£1.0)	(£5.0)
Other Reserves	£1.7	£1.7	£1.7	£0.0	£0.0	£0.0
Merger Reserve	£0.0	£0.0	£4.5	(£4.5)	£0.0	£0.0
FV Assets Reserve	(£9.9)	(£9.9)	(£9.9)	£0.0	£0.0	£0.0
Total	**£464.1**	**£441.6**	**£422.5**	**£19.1**	**(£1.4)**	**(£22.5)**

Balance Sheet

- PPE has reduced YTD due to additions being lower than depreciation and amortisation
- A PFI debtor has been recognised at a larger amount than was anticipated at the time the plan was produced
- Receivables are higher than plan due to some balances outstanding with a specific NHS organisation that are expected to be received in September
- Cash is below plan – see earlier slide
- Trade and other payables are lower than plan due to timing of month end supplier BACS runs