

BEST USE OF RESOURCES – CAPITAL

Capital is £2.65m behind the M5 forecast, driven mainly by timing and delivery slippage. Current projection indicates £14.3m underspend risk.

M5 spend is £2.87m; delays in CT delivery, fire-scheme phasing and strategic feasibility work are deferring planned investment.

Month 5 Position

Workstream	Scheme	Sum of M5 FYF	YTD Actual	Variance to FYF
Digital	2026/27 Digital Scheme	£131,000	£133,468	£2,468
	Additional Digital Schemes	£24,000	£23,230	-£770
	CAP2425 Cardiac PACS	£6,000	£5,692	-£308
	Digital rev to cap transfer	£0	-£1,852	-£1,852
	Externally Funded Constitutional Sche	-£7,000	£34,589	£41,589
	LIMS	-£30,000	-£30,179	-£179
	LIMS Pathology	-£8,000	-£7,980	£20
Digital Total		£116,000	£156,968	£40,968
Equipment	Equipment Schemes	£338,000	£271,791	-£66,209
	Externally Funded Constitutional Sche	£35,000	£35,479	£479
	LINACS WRH Replacement	£17,000	£8,147	-£8,853
Equipment Total		£390,000	£315,417	-£74,583
Other	Contingency Shcheme	£3,000	-£131	-£3,131
	Donated Equipment Schemes	£0	£157	£157
	IFRIC 12 and other contingency	£179,000	£295,431	£116,431
	Lease Additions	£764,000	£626,457	-£137,543
	Lease Modifications	£314,000	£308,000	-£6,000
	P&W Scheme Funded by Charity	£1,000	£1,228	£228
	Other Total	£1,261,000	£1,231,142	-£29,858
P&W	2025/26 P&W Scheme	£443,000	£149,731	-£293,269
	2026/27 P&W Scheme	£22,000	£39,953	£17,953
	Externally Funded Constitutional Sche	£27,000	£27,491	£491
	Internally funded Fire Scheme	-£23,000	-£5,831	£17,169
	National Funding Fire Scheme	£1,761,000	£801,279	-£959,721
	P&W Backlog Maintenance	-£6,000	-£38,211	-£32,211
	P&W Total	£2,224,000	£974,411	-£1,249,589
Strategic	2025/26 Strategic Scheme	£1,127,000	£86,464	-£1,040,536
	Acute Service Review	£5,000	£5,626	£626
	B/F Strategic Scheme	£88,000	£316	-£87,684
	Externally Funded Constitutional Sche	£270,000	£60,979	-£209,021
	National Diagnostics - Cath lab	£35,000	£37,302	£2,302
Strategic Total		£1,525,000	£190,687	-£1,334,313
Grand Total		£5,516,000	£2,868,625	-£2,647,375

FY Projected Position

Workstream	Full year Plan 2026/27 £000's Externally	Sum of Total Spend at Month 5 £000's	Updated Position £000's	Difference £000's
Digital	4,275	130	4,389	114
Equipment	2,950	326	800	- 2,150
Equipment Replacement Works	6,077	43	5,070	- 1,007
P&W	5,339	931	6,758	1,419
Strategic	18,535	203	5,710	- 12,825
Contingency	6	-	154	- 160
Lease Additions	1,540	1,041	1,831	291
Donated	-	6	6	6
Totals	41,722	2,869	27,410	- 14,312

Understanding the performance

M5 position – Spend is £2.87m; actual capital costs are £2.647m below the expected M5 position.

- **Digital — £41k variance:** External patient-flow spend has started; forecasts now include higher spend in M6–M8.
- **Equipment — (£75k) variance:** The ALX washer disinfecter was not delivered in M5 as expected.
- **Other — (£30k) variance:** Various cell pathology lease-equipment items were not delivered in August as expected.
- **Property and works — (£1.2m) variance:** ALX fire-scheme spend was reprofiled; the final valuation for the completed boiler-house roof remains outstanding.
- **Strategic — (£1.3m) variance:** The Oncology CT was not delivered and installation has not begun; CED feasibility work is delayed following an increase in scope.

Projected position – The projection indicates that the capital plan is under committed by £14.3m, primarily related to externally funded schemes which require further development.

- **External funding** — Bids for Patient flow, Alex ED Expansion EEMAC, Worcestershire CDC3 and Stroke unit Development are assumed to be received in full. MRI Scanner at WRH for £1.5m cannot be delivered this year, no spend is shown against this scheme, but funding is assumed to be taken.
- **Lease Remeasurement** — Future lease remeasurements expected for CHEC and County Hall not included.

Actions (SMART)

In Month Position Action — Rephase forecasts to delivery milestones and confirm revised dates and ownership for each delayed scheme.

FY Projected Position Action — Rephase forecasts to delivery milestones and confirm revised dates and ownership for each delayed scheme. Review 2027/28 priorities to identify eligible internally schemes which can be brought forward to mitigate.

Risks

Delivery risk — Continued slippage could create year-end underspend and defer priority replacements

Funding risk — The programme may not provide sufficient headroom for urgent maintenance and replacement schemes.

Underspend risk — The projection indicates that the capital plan is under committed by £14.3m. £12.0m of this relates to forecast underspends on external schemes which cannot be managed through brokerage across financial years.

BEST USE OF RESOURCES – CASH

Cash remains dependent on external support after Q2 deficit funding was withdrawn

Month 5 cash balance was £5.037m, including £7.032m Provider Revenue Support; £11.5m was requested for September.

Cash Position and Support

£5.037m

Month 5 closing cash

£7.032m

Provider Revenue Support included in the balance

£11.5m

September support request submitted

Daily monitoring prioritises payroll and manages agreed creditor payments.

Understanding the performance

Liquidity control — Cash is monitored daily, including agreed debtors and creditors, to prioritise payroll and protect essential supplier payments.

Forecast basis — The 26 March 2026 plan assumes CPIP delivery from April and receipt of the full £42.2m Deficit Support Funding.

Funding assumption — NHSE withdrew Q2 funding following the YTD deficit; Q3 and Q4 remain in forecast on the assumption that performance returns to plan.

Q2 replacement — Provider Revenue Support of £3.516m was received in July and £7.032m in August.

September request — £11.5m was submitted on 14 August, with the decision expected on 11 September; an October application will be needed if the award is insufficient.

Actions (SMART)

Liquidity Priority

Secure liquidity while reducing support dependency — confirm the September award, maintain daily cash control and link future support requirements to recovery-plan and CPIP delivery.

Risks

Liquidity risk — CPIP slippage or further withheld funding would require additional Provider Revenue Support.

Supplier risk — Delayed payment may increase queries and workload, place accounts on stop, add legal charges and interest at 8% above Bank Rate, and worsen commercial terms or prices.

Domain Sub-domain	Metric description	Reported unit	Reported value	Framework score	Rank
Finance, productivity and innovation					
Finance, productivity and innovation domain segment	Finance, productivity and innovation domain segment	Segment	2	~	~
Finance, productivity and innovation domain score	Finance, productivity and innovation domain score	Score	~	2.25	44
Finance	Combined finance	Score	~	4	~
Finance	Planned surplus/deficit	%	-5.49%	4	123
Finance	Variance to plan year-to-date	%	-1.06%	4	105
Innovation	Percentage of clinical trials set up within 90 days	%	100%	1	1
Innovation	Overall Data Quality Maturity Index Score (%)	%	96.20%	1.45	14
Productivity	Relative cost difference (National Cost Collection Index)	Score	103.49	2.56	90

Framework Score

Each metric receives a score between 1 and 4 (with 1.00 being the highest performance rating), in line with 1 of 4 basic models:

- **target and spread:** a defined target or benchmark is set and every organisation achieving that level scores 1.00. Remaining organisations are evenly scored between 2.00 and 4.00 based on their relative performance
- **banded scores:** specific criteria are defined and converted to a performance band, for example a score of 1.00 would apply to an organisation achieving between 80% and 100%, a score of 2.00 would apply to an organisation achieving between 60% and 79.9%, etc
- **floor and spread:** a defined lower acceptable limit is set and every organisation failing to achieve that limit scores 4.00. Remaining organisations are evenly scored between 1.00 and 3.00 based on their relative performance
- **even spread:** there is no defined performance threshold; organisations are ranked evenly between 1.00 and 4.00 based on their relative performance

Rank

There are 134 Acute Trusts with an overall segment score in the framework. However, not all measures apply to every Trust, so rank comparisons are not always based on all 134 organisations.