

Oxford University Hospitals NHS Foundation Trust

Request for Provider Revenue Support PDC in November 2025

Introduction:

The Trust financial plan for 2025/26 is for a £2.0m I&E surplus (adjusted financial performance surplus including deficit support funding). The Trust's repayment of debt including PFIs, delivery of £35m of cash-releasing CIPs and servicing of the capital programme, results in a year-end cash position of £14.7m on 31 March 2026.

Modelling of the cash plan included in the 24th April plan submission showed that, in the most-likely case, £20m of cash support was likely to be required to manage the cash position.

As at M5, the Trust has reported a £9.9m YTD deficit, which is favourable compared with the M5 planned position of £10.1m YTD deficit. A full re-forecast is underway, the M5 PFR reports a forecast underlying I&E deficit of £69.7m.

This request is for working capital cash support of £11.3m to enable the Trust to manage its supplier payments until delivery of the I&E and cash releasing savings targets allows the Trust to maintain its own position. The requirement for cash support was included in the cash plan at a level of £20m, so this is a planned request.

Cash Flow Forecast:

The full daily cash flow forecast for the next 13 weeks has been included alongside this narrative document, splitting out revenue and capital cashflows.

The cash forecast hits the Trust's minimum cash balance of £3m towards the end of November 2025.

A screenshot of the Trust's bank account from 2 October is attached at Appendix 1. This ties to the balance for 1 October in the cash forecast template.

Factors Driving the Need for Revenue Support PDC:

The Trust ended 2024/25 with a £6.8m reported deficit (adjusted financial performance deficit including deficit support funding), but an underlying deficit of £72.0m following adjustments for deficit support and non-recurrent efficiencies and other items, and an exit average run rate of £6.0m underlying deficit per month.

Examples of the non-recurrent efficiencies in M5 year to date have been PFI rebates, VAT benefits, GRNI policy review change, valuation gains on investment property portfolio and increased bank interest received due to holding higher than planned cash balances in August and September.

The plan for a £2.0m surplus, per the M5 forecast now represents an underlying deficit of £69.7m for the full year.

Efficiencies are broadly on plan, but are currently being achieved mainly through one-off, non-recurrent items. While these improve the Trust's Income and Expenditure performance and are classified as 'cash-releasing,' their impact on the cash balance has not yet fully materialised.

The Trust's plan was for cash to be positive by the year end (£14.7m) but that assumed receipt of £20m PDC cash support in-year so this request for cash support is not unplanned.

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However, as mentioned above the year-to-date efficiencies achieved to date have been mainly non-cash releasing, with the assumption that the cash impacts would benefit the Trust from October onwards, which is already modelled in this way in the Trust's cash plan. This is why a £20m PDC cash support assumption was included in the cash plan to show the delay on cash impacting efficiencies. In the absence of the receipt of the £20m of planned PDC cash support the cash position has been managed for the past 6 months through careful supplier payment scheduling, but this has led to an increase in aged creditors of £30m for the Trust, resulting in this request for working capital cash support of £11.3m.

Board Approval:

Evidence of discussion in advance of application – minutes from 10th September 2025 public and confidential board meetings:

Public Board on 10 September 2025

TB25/09/15 Finance Report M4 [TB2025.83]

The Chief Finance Officer reported that the Trust had been on plan in Month 4 and was expected to remain so in Month 5, though the current position included more non-recurrent funding than anticipated. The underlying position included £6m deficit support funding. The Board noted that the prominence given to this funding in the oversight framework might mean that consideration should be given to accepting a larger deficit without reliance on this support.

The Board noted the intention to circulate a revised estimate of the underlying position for circulation and that data collection was being undertaken in line with new guidance. This guidance also highlighted the importance of all organisations understanding and improving their underlying position.

Mr Dorsett noted that the new 10-year NHS Plan would require resource shifts, which would be more challenging for organisations facing significant financial pressures.

The Acting CEO noted ongoing work to review non-pay expenditure which had been identified as the largest area of variance. A programme was being developed to better understand processes related to non-pass-through drugs. Analysis was underway to determine whether further improvement action was best targeted at service level or by tightening controls, such as expanding Purchase Orders (PO) requirements and reviewing exemptions. Proposals were expected to be brought to the October meeting of the Integrated Assurance Committee. It was also agreed that a further update on CIP delivery would be provided to the Committee.

The Board noted the report.

Confidential Board on 10 September 2025

TBC25/09/05 Cash Forecast Update [TBC2025.56]

The Chief Finance Officer introduced the routine cash update, noting that this reflected a relatively positive position. A £10m deficit position had been forecast for the end of August but the actual position had closed at £38m. It was highlighted that this was the first 13-week forecast in which a negative cash position was not projected at any point.

BOB had not yet reclaimed any funding but the Board noted that it might choose to do so in September.

The Board also noted that decision would be required on whether to apply for the one form of cash support for which the Trust was eligible. This support was intended for organisations with low cash reserves relative to their size and offered a top-up equivalent to four days of operating expenditure, although it came with several caveats. The amount available could be as little as £8m. It had been confirmed that accepting this support was not associated with negative reputational effects.

Mr Dorsett explained that applying whilst the Trust was on plan was likely to make the process more straightforward and noted that the decision to do so would require Board-level approval.

The Board noted this update on the cash position and the fact that a Board decision to make an application for cash support might be needed within a relatively short timeframe.

In September the potential need for an application was discussed at both Public and Confidential Board as documented in the meeting minutes above.

On 8th October 2025 through the Trust's Integrated Assurance Committee, final approval for the application including the requested amount was sought and received. The documentation of the information presented and decision to approve the application is provided below and in Appendix 4.

The PowerPoint presentation slides in Appendix 4, including the written commentary were made available in advance in the Reading Room for the Integrated Assurance Committee.

The signed CEO and Chair letter confirms that a Chair's Action from the Integrated Assurance Committee was taken to approve the submission of this cash support application of £11.3m for the Trust.

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Mitigating factors being undertaken by the Trust:

The Trust is actively pursuing the necessary mitigations that would allow management of the base scenario without the need to receive external cash support in Quarter 3. These include:

Enhanced planning, review and governance arrangements

- Divisions are developing financial rectification plans to address the underlying financial deficit run rate, until these are developed, in order to support cash management, recruitment to posts, discretionary non-clinical non pay and new business cases are all being restricted.
- A weekly Cash Committee is in place with an explicit responsibility to review and plan short-term operational liquidity and cash position.
- A monthly Strategic Cash Committee has been in place since 2024/25 looking at more medium-term cash opportunities.
- The review and authorisation of cash payment runs is conducted by the Deputy Director of Finance.
- The Deputy Director of Finance currently monitors short- and medium-term cash forecasts, the former daily, via daily emails in the morning.
- We have implemented further oversight arrangements, through monthly reporting of 13 week cash forecasts to Trust Board or IAC to ensure Board, CFO, Director of Finance and NED overview of the Trust's cash position.

Receivables Management:

The invoiced income position as at 31 August 2025 is as follows:

	Current	0-30	31-60	61-90	91-120	121-150	Over 150	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Sales Ledger NHS	4.5	1.8	0.9	0.2	0.5	0.5	2.4	10.8
Sales Ledger Non-NHS	3.8	3.2	1.1	0.4	0.3	0.9	5.1	14.8
Private patients / Overseas visitors	0.4	0.4	0.5	0.2	0.2	0.3	7.4	9.4
Total Sales Ledger	8.7	5.3	2.6	0.9	1.0	1.7	14.9	35.0

The Trust engages a range of debt collection activities depending on type of debt and its age. As well as in-house specialists within the accounts receivable team who focus on particular areas of debt, the AR manager holds regular aged debt meetings with the team, reviewing debt at invoice level to ensure appropriate debt collection activities are taking place, and any necessary escalation to senior colleagues, or also with counterparts at other organisations.

The Trust employs a debt collection agency to help resolve debts if internal efforts have been unsuccessful. The debt collection agency can help track down individuals or organisations and employs several increasing levels of action to recover the debt.

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For overseas patients, the Trust employs a specialist debt collection agency who can perform international traces and tailor their approach depending on the circumstances and country the patient may be from. In addition, the Trust has engaged the service of a specialist debt collector to manage the Trust's private patient debt, in addition to having an inhouse team managing relationships with insurers.

The Trust's commercial director is actively involved in negotiating settlement of aged debt with private health insurance companies.

All income accruals are expected to be converted into cash with focus on reducing the aged debtors as quickly and systematically as possible, including implementation of process improvements if appropriate following understanding of why the debt was not paid on time.

Weekly monitoring and resolution of both NHS and non-NHS aged debtors is done through the weekly Operating Cash Committee as well as operational meetings within the Account Receivables team.

Payables Position:

The invoiced expenditure position as at 31 August 2025 is as follows:

	Current	0-30	31-60	61-90	91-120	121-150	Over 150	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Purchase Ledger	19.4	28.5	6.1	3.1	0.9	0.9	1.4	60.3

The Trust engages a number of cash management activities with regards to suppliers.

Where the Trust has a balance on both receivables and payables with another significant entity, the net position is carefully monitored to ensure cash flows between both organisations. The Trust ensures that where a balance is owed to us, it is pursued ahead of making payments, or an agreement is reached in respect of timing of equivalent balances.

The Trust prioritises payments to clinical suppliers, utilising full credit terms, and not paying any invoices that are in dispute.

The Trust times its larger supplier payment runs immediately following receipt of commissioning income on the 1st and 15th of each month, and cycles payments to suppliers, with a focus on ensuring smaller entities aren't in a position of having cash withheld unnecessarily.

Better Payment Practice Code (BPPC) performance data:

The Better Payment Practice Code (BPPC) performance for the Trust to 31 August 2025 is as follows:

	M5 YTD Number	M5 YTD £'000
Non NHS		
Total bills paid in the year	74,660	497,009

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Total bills paid within target	21,808	299,517
Percentage of bills paid within target	29.2%	60.3%
NHS		
Total bills paid in the year	1,738	19,439
Total bills paid within target	833	8,821
Percentage of bills paid within target	47.9%	45.4%
Total		
Total bills paid in the year	76,398	516,448
Total bills paid within target	22,641	308,338
Percentage of bills paid within target	29.6%	59.7%

Due to the Trust utilising full payment terms, typically 30 days, plus the 2 day BACS payment clearance, a fair proportion of the Trust's creditor payments fail the BPPC target criteria.

Performance against NHS suppliers is less than Non NHS because there are more counterparties with NHS with which the Trust has a receivable balance. As per the above statement, this is monitored carefully to ensure cash flows around the system.

Cash Recovery Plan:

Throughout 2023/24, 2024/25 and into 2025/26 the Trust has implemented a range of cash recovery actions that have reduced, and shifted, the possibility of requiring cash support – based on initial work which originally indicated that support could be required as early as Q2 2023/24.

This work has continued to delay the requirement for cash support, the plan for 2025/26 originally showed a requirement for cash support in months 5, 6 and 8 totalling £20m.

The cashflow template shows that the Trust's cash balance falls below the £3m minimum balance in December and January due to the full unwinding of the Trust's aged creditors of £30m in November. To avoid falling below this minimum balance, the Trust will carefully manage supplier payments in conjunction with aged debtor collection activities to avoid the need for further cash support in those months.

The Trust is continuing to identify further mitigations, as detailed above, to continue to reduce the amount of cash support further in 2025/26.

As part of those efforts the Trust's financial plan for 2025/26 includes a £99m (5.6% of total operating expenditure) efficiency target including 575 WTE for substantive staff and a further 100 WTEs for temporary staffing.

A summary table of the efficiency plan is included at Appendix 2.

The M5 YTD efficiency report has been included in Appendix 3.

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Capital Funding and Expenditure:

The Trust can confirm that none of the Revenue Support PDC being requested will be used for capital purposes.

The Trust submitted the latest and current version of the capital plan to NHSE on 30 April 2025.

The submitted Gross Capital Expenditure plan for 2025/6 is £91.94m. This includes £34m expenditure against the Operating Capital allocation, including the impact of IFRS 16, 'Right of Use' Assets, and netting off disposals.

	£'000
Self-funded (ICS funding via depreciation)	16,250
Disposals	(14,800)
Right of Use Assets	32,550
Operating Capital allocation	34,000
 National Bids (PDC)	 23,100
 PFI charges on UK GAAP basis	 5,590
 Including PFI capital (IFRIC12)	 12,654
Including grants, donations and peppercorn leases	1,796
 Remove disposals as excluded from Gross CapEx	 14,800
 Gross Capital Expenditure	 91,940

Above are the details of the Trust's planned capital expenditure in 25/26 and forecast outturn at present remains aligned with plan as at M5.

The operating capital allocation comprises:

1. £16.25m of self-funded expenditure, of which Estates £7.5m (including £4.73m for SEC - Surgical Elective Centre), Medical Equipment £7.82m (including £4.59m for on-balance sheet Theatres equipment for SEC), Digital £0.9m;
2. £32.5m due to the impact of leases/MSAs, of which £21m is SEC main build, £10.65m for an Imaging equipment replacement contract, £0.9m for other leases.
3. (£14.8m) [ie negative] due to the disposal of owned assets, of which £8.7m relates to SEC assets transferred to leasing contract, £3.1m for Imaging equipment related to the new lease contract, £0.3m laptops

Amount of capital expenditure in 25/26 to be funded internally by the Trust is £16.25m (per above table).

Amount of any capital PDC to be obtained from DHSC in 25/26 is £23.1m for the National bids underway.



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Amount of Capital PDC approved by DHSC in 25/26 so far is £13.467m of which £3.554m received to date. All relates to the National PDC bids made by the Trust.

Regional Contact:

Sent for review to both [REDACTED] and [REDACTED] at NHSE – South East regional team

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Appendix 1: Screenshot of bank balance at 2 October 2025 – confirming 1st Oct close balance £91,429k (“Last night’s cleared”)

GBS RE OX U H NHSFT 10009329 60-70-80

GBP 91,477,669.82

Cleared balance ⓘ

GBP 91,477,669.82

Uncleared balance ⓘ



Financial Services
Compensation Scheme

Any eligible deposits you hold with us are protected by the Financial Services Compensation Scheme (FSCS). Please read the FSCS Information Sheet and list of exclusions, which can be found here: [FSCS Information Sheet and Exclusions List](#) ⓘ

For further information about the compensation provided by the FSCS, refer to the FSCS website at www.FSCS.org.uk ⓘ

> [More account information](#)

^ [Fewer balances](#)

Balance information		Forward balance information	
Available funds			
GBP -		Day 1 forward	Day 1 (including amount due to clear)
		GBP 91,429,022.40	GBP 91,429,022.40
Current uncleared	Current cleared	Day 2 forward	Day 2 (including amount due to clear)
GBP 91,477,669.82	GBP 91,477,669.82	GBP 91,429,022.40	GBP 91,429,022.40
Start of the day uncleared	Start of the day cleared	Day 3 forward	Day 3 (including amount due to clear)
GBP 91,476,513.73	GBP 91,476,513.73	GBP 91,429,022.40	GBP 91,429,022.40
(START OF THE DAY BALANCES AS OF 02-OCT-2025)			
Last night's uncleared	Last night's cleared		
GBP 91,429,022.40	GBP 91,429,022.40		
(LAST NIGHT BALANCES AS OF 01-OCT-2025)			

Appendix 2: Efficiency Plan for 2025/26

	CIP 2025/26 5.6%	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income	£8.0	£0.7	£0.7	£1.4	£0.7	£0.7	£1.0	£0.5	£0.5	£0.5	£0.5	£0.5	£0.5
Pay	£46.0	£1.1	£1.7	£2.3	£2.9	£3.4	£3.9	£4.5	£5.0	£5.3	£5.3	£5.3	£5.3
Staff	£39.0	£0.9	£1.3	£1.7	£2.4	£2.8	£3.3	£3.8	£4.3	£4.6	£4.7	£4.7	£4.6
Bank	£3.9	£0.1	£0.2	£0.2	£0.3	£0.3	£0.4	£0.4	£0.4	£0.4	£0.4	£0.4	£0.4
Agency	£3.1	£0.1	£0.2	£0.3	£0.3	£0.3	£0.3	£0.3	£0.3	£0.3	£0.3	£0.3	£0.3
Non-Pay	£40.3	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4	£3.4
Non-Operating Expenses	£4.8	£0.0	£0.0	£0.0	£0.0	£0.0	£2.8	£0.0	£0.0	£0.0	£0.0	£0.0	£2.0
Total	£99.0	£5.1	£5.7	£7.0	£7.0	£7.5	£11.0	£8.4	£8.8	£9.1	£9.2	£9.2	£11.2

Appendix 3: M5 YTD Efficiency Report

Division	Plan 2025/26 (£m)	YTD Plan (£m)	Identified 2025/26 (£m)	Percentage Identified 2025/26	Forecast 2025/26 (£m)	Percentage Forecast 2025/26	Delivered YTD (£m)	Variance to Plan YTD (£m)	Percentage Delivered
CSS	19.4	6.8	14.4	74%	10.8	56%	3.0	-3.8	44%
MRC	15.7	4.9	9.8	63%	9.8	63%	2.6	-2.4	52%
NOTSSCAN	21.6	6.9	16.6	77%	13.8	64%	5.2	-1.7	75%
SUWON	20.6	7.0	15.3	74%	5.1	25%	4.7	-2.3	67%
Corporate	8.1	3.0	21.5	265%	4.8	59%	2.3	-0.7	77%
Education	1.2	0.5	0.0	0%	0.0	0%	0.0	-0.5	0%
Estates	7.0	2.9	5.1	73%	4.7	67%	2.4	-0.6	81%
Operational Services	0.6	0.2	0.5	82%	0.5	82%	0.2	0.0	121%
Operating Expenses	4.8	0.0	3.6	75%	2.5	52%	1.1	1.1	0%
Central			22.2	0%	47.0	0%	5.2	5.2	0%
TOTAL CASH RELEASING	99.0	32.2	109.0	110%	99.0	100%	26.7	-5.5	83%
TOTAL NON-CASH RELEASING	0.0	0.0	5.3	0%			5.3	5.3	0%
TOTAL SAVINGS	99.0	32.2	114.3	115%	99.0	100%	32.0	-0.2	99%

Progress to Date

110% (£109.0m) of the total £99.0m cash-releasing target has been identified. Receiving the deficit support funding from NHSE on a quarterly basis was conditional on the Trust's efficiency programme being fully identified by the end of Q1 and now, a new requirement has been added that efficiency plans must be fully developed by the end of August, the Trust achieved this target.

We are working with divisions to review pipelines and are looking to accelerate the delivery of schemes that are scheduled for later in the year. Additional non-recurrent savings opportunities are also being identified to close the shortfall.

Total cash-releasing savings reported as delivered in Month 5 amounted to £26.7m against a target of £32.2m (83%). Clinical divisions are £10.2m worse than plan, corporate divisions and Estates are £1.7m worse than plan, offset by £6.3m of central savings. The Trust is still on plan even though only 83% of savings have been delivered, this will become more difficult to maintain if efficiency delivery does not continue to pick up. £5.3m of non-cash releasing savings were also reported at M5 to NHSE.

Productivity



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The Trust's Implied Productivity Growth compared to last year is +4.3%, which puts the trust 1.4% above the national average, and 0.8% above the average across the Trust's peer group. (Latest available data as at March 2025).



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Appendix 4: Information presented to Board through the Integrated Assurance Committee on 8th October 2025 to seek approval for this application for cash support

See attached pdf of the presentation slides