

SOUTH EASTERN HEALTH & SOCIAL CARE TRUST

Minutes of a meeting of the South Eastern HSC Trust

Finance & Performance Committee held on

Monday 19 May 2025 at 11.00am

in the Boardroom, Trust Headquarters, Ulster Hospital and via Teams

Present:	Mr R Havlin	Non-Executive Director (Chairman)
	Mrs S Henderson	Non-Executive Director
	Ms S McCauley	Non-Executive Director
	Mr N McKinley	Non-Executive Director
In Attendance:	Ms W Thompson	Director of Finance & Estates
	Mrs H Moore	Director of Planning, Performance & Informatics
	Mrs E Hannaway	Asst Dir of Performance & Improvement
	Mrs J Dunlop	Asst Dir Financial Management
	Ms L McWilliams	Director of Strategic Performance, Strategic Performance & Planning Group (item 5 only)
	Miss C Hughes	Personal Assistant (Minutes)
Apologies:	Mr K Donaghy	Non-Executive Director

1. Introductions

Mr Havlin welcomed everyone to the meeting and noted that apologies had also been received from Ms R Coulter, Chief Executive, and Mr J Patton, Trust Chairman.

2. Declaration of Conflict of Interest

All present confirmed that they had no conflict of interest with any of the items on the agenda.

3. Minutes of the Previous Meeting – 24 February 2025

The minutes of the previous meeting held on 24 February 2025 had been circulated with papers for the meeting. The minutes were confirmed as an accurate record of the meeting.

4. Matters Arising from the Previous Meeting

Matters arising, which were not include on the Agenda, were noted as follows:-

Action

- Performance Presentation : Support & Intervention Framework Governance Process: Mrs Hannaway confirmed that future reports will include information on the regional position.

5. **Performance Presentation : Strategic Outcomes Framework (SOF) and System Oversight Measures (SOMs)**

Mr Havlin welcomed Ms McWilliams to the meeting. During a detailed presentation, Ms McWilliams highlighted that there is a move away from the previous Service Delivery Plan to the new Strategic Outcomes Framework (SOF); System Oversight Measures (SOMs) and Support & Intervention Framework (SIF). The new processes are still being developed and finalised. These three suites of information will form the integrated care system. She outlined the basic functions of each area as follows:-

- SOF will focus on the long term health inequalities and a better start to life.
- SoM will review performance (efficiency; productivity; safety; quality; workforce; access and finance) and be provided in a dashboard which will enable Trusts' to view their regional position at a glance.
- SIF will be a high level forum to discuss expectations and detail areas which DoH/SPPG feel are within a Trust's ability to address. Meetings will involve DoH; SPPG and Trust Chief Executive/Chair.

Ms McWilliams outlined the ongoing work with Mrs Moore, Mrs Hannaway and the Team to develop reports on activity and how ministerial targets can be incorporated. The introduction of encompass will help make information comparable across all Trusts but will require some amendments to previous categorisations. The first SOM report is expected at the end of Quarter 1 although it will not be a full report as both Western and Northern Trusts have just gone live with encompass and therefore their information will not yet be available. It may be some time before reports are able to include all the information as encompass information is built in Trusts which have just gone live. The experience and knowledge gained in South Eastern Trust, who went live first, has been appreciated in the development of reports/dashboards. Ms McWilliams noted that as much work as possible will be undertaken within DoH/SPPG to prepare information in order to release resources at Trust level.

In relation to escalation of items at SIF, Ms McWilliams outlined current issues, eg Unscheduled Care, and indicated that clear actions to address concerns, within available

resources, will be required in order to de-escalate items. There will be issues which are common to all Trusts and relative expectations will be noted.

Ms McWilliams indicated that the new reporting systems should assist in streamlining the Ground Clearing/Accountability meetings for Chief Executives and Chairs with DoH. There could now be a duplication of work across these two meetings and therefore the title and focus of Ground Clearing/Accountability meetings may change.

During discussion Ms McWilliams expanded on the information captured on encompass and, as two Trusts have only just gone live with the system, they would not have the depth of information which is available within South Eastern Trust and the two Trusts which have gone live in the intervening period. Trust Teams are aware of dialogue and plans for reporting.

In response to a query regarding the preventative health measures, Ms McWilliams outlined the work undertaken in partnership with Councils; Public Health Agency and area partnership boards. The aim is to maximise existing resources to help people live better and for every child to have a better start in life. Mrs Moore also noted the work of Integrated Care Partnership Forum in this area.

A query was raised regarding recent funding announcements and Ms McWilliams acknowledged the significant financial challenge facing Trusts. There has been an announcement of three pots of funding which are not necessarily all new funding. An amount of £50m has been allocated to address longest waits, ie patients waiting over four years for treatment. Waiting List funding (£215m allocation) would in the past only have addressed patients with cancer or time critical illnesses and this funding will provide capacity for long waiting patients. Additional funding of £80m has been provided to build capacity in the system by training/employing new staff over the next two – five years. A collaborative approach will be taken to provide robust reporting of allocated funding to PTEB, which is attended by the Permanent Secretary and all Chief Executives.

In response to a query regarding information to be presented at Trust Board, Mrs Moore advised that there will be two reports presented – a full year report on 2024/25 as per the previous reporting mechanism and a new 2025 report which will give an oversight of the new process SOF; SOM and SIF. Mrs Hannaway indicated that this is a very early overview as Q1 is not yet complete but will give a

flavour of future reports information/layout. Practical examples of target achievement and background will be outlined eg Cancer 14 day target will have a current percentage against target and also a note of the level of patients treated at this time in both 2024 and 2025. This link to the outturn in previous year compared to current year should give an indicator of performance. She commented that a lot of work has been undertaken in the background to provide this level of information and it is a continually evolving process. Mr McKinley expressed some concern about supporting local teams to strike the right balance in adopting the new reporting arrangements. He added that the amount of effort SET staff were currently putting into the SOF process will deliver little, if anything, in year and suggested this was potentially distracting busy SET teams from focusing on the more pressing issue of doing more service delivery more efficiently within stringent financial constraints this year.

Action

Mr Havlin thanked Ms McWilliams for an informative update and she left the meeting.

6. Review of Terms of Reference

A draft Terms of Reference (ToR) had been circulated with papers for the meeting. During brief review it was noted that additional information is required to address SOF, SOM and SIF changes; an update on Capital Business Case information will be included and general amendments (he/she would be changed to they). Mrs Moore and Ms Thompson undertook to provide an updated ToR at the next meeting.

HM/WT

7. Finance and Performance Committee Draft Programme of Work

A draft Programme of Work for the Finance and Performance Committee had been circulated with papers for the meeting. During review of the Programme of Work it was suggested that Training to be delivered during the year should be added.

In response to a query regarding the timing of budget information in the Programme of Work, Ms Thompson advised that financial information timings are variable, for example at this point in time the Trust has not yet received an allocation letter or savings plan target. Whilst it is possible to make assumptions the official letters have not yet been received. However it is hoped that this position will improve if the Health Service moves to a three year planning cycle. She noted that whilst the aspiration would be for the

Committee to have a view on the allocation of funding, unfortunately the resources received are almost all already committed to pay/services and there is no potential to redirect funds to longer term plans/strategies. Ring-fenced funding is restricted to specific areas and this can sometime be counter-strategic to how the Trust would like to utilise this expenditure. For example, Children's Services have been carrying out an intervention called "edge of care" which has resulted in fewer children being placed in Children's Homes. Whilst they would like to invest further resource into this work, it is not possible to do so whilst funding is required to maintain Children's Homes. Ms Thompson noted that Hospital At Home would be another example of how funding is required for this strategy to remove corridor beds but resources are not available. Mrs Moore outlined discussion at a recent EMT Development Day when priorities for each Directorate were discussed and the main themes were moving care closer to home ie better dementia care at home rather than inpatient care, and Hospital at Home to prevent admission to hospital.

In response to a query regarding if the Annual Accounts should be presented to the Committee, Ms Thompson indicated that this review is carried out at Audit Committee. If there is a financial issue and the Accounts are not showing a breakeven position, the issue would be discussed at this Committee. Following discussion it was agreed that the role of this Committee is to receive assurance that action is being taken to remain in financial balance and to monitor progress against that plan. Ms Thompson undertook to update the wording of the Terms of Reference.

8. Proposed Capital Allocation 2025/26

A copy of the Capital Allocation 2025/26 had been circulated with papers for the meeting. Ms Thompson noted that the allocation this year is lower than in previous years. The Finance and Estates Teams collaborate to assess priorities for all Directorates and develop a Capital Plan which is considered and approved by the Executive Management Team. The master capital plan is designed to allocate funding across all sites and Directorates. Some schemes require funding across a number of years and this commitment is a first call on the next year's allocation. The Estates Team work to ensure that the strategic plan is appropriate for Directorate requirements and they carry out space utilisation reviews to ensure best usage of funds. In previous years DoH have provided Invest to Save funds which the Trust was successful in applying for to address sustainability issues eg LED lighting; replacement steam boiler; replacement of windows, etc. One issue which was

at an early stage was the potential for a wind farm in Downpatrick but currently there is no Invest to Save funding available this year and therefore work on this project is halted.

Ms Thompson noted that in previous years, a number of Business Cases would have been approved via this Committee but the Trust's delegated limit has been increased (£10m for Hospital Schemes; £5m for Non-Hospital Schemes) and therefore these have reduced. Business Cases which have a revenue consequence require SPPG and DoH approval and this can be slow to receive. For example the Community Assessment & Treatment Unit (CATU) at Thompson House has a revenue consequence which the Trust is struggling to receive SPPG support.

In response to a query regarding the replacement equipment listed in Appendix B, Ms Thompson advised that the majority of the equipment is replacements for surgical items which have reached the end of their life cycle. She noted that EMT have also approved a new system for the purchase of Medical Devices to ensure appropriate contracts are in place. The challenges of introducing new equipment which designing a new system to track servicing requirements was noted.

Ms Thompson confirmed that the Car Parking allocation relates to the implementation of an automatic number plate recognition system to control car parking on Trust sites when legislation comes into place to have free parking for staff and visitors. This will ensure that spaces are available for patients/visitors and not abused by staff/commuters. Mr Jeff Thompson, Assistant Director of Support Services, has attended Health Committee to detail issues associated with free car parking.

9. Financial Governance Review

A Briefing Paper, Letter and Report on the Financial Governance Reviews of Acute and Social Trusts had been circulated with papers for the meeting. Ms Thompson noted that since the issue of this letter and Summary Report, there has been a change in Permanent Secretary. At a meeting with DoH colleagues, the letter was discussed and Trusts were advised that a response is not expected. This report has been superseded by DoH reviews.

During discussion Mrs Henderson noted that comfort should be taken from the Financial Governance Report as it indicated that there is strong financial governance.

In response to a query regarding productivity benefits outlined in the letter, Ms Thompson noted that DoH have established a Workstream to review a shift of activity to the Provider who carries out the role in the most efficient manner.

Discussion took place regarding the implementation of encompass and a query regarding staff redundancies/ achievement of benefits rationalisation. Ms Thompson advised that some staff (approximately 20 staff) were redeployed to vacant posts within the Trust – there were no redundancies. Savings have been achieved via the reduction in software licences; moving some licences to access only; reduction in the use of printed forms, and a reduction in record retrieval from storage. Savings are tracked on a monthly basis. Currently encompass costs are provided by the central Business Services Organisation Team but over the next six months work will be undertaken to identify Business As Usual requirements eg training for new staff; improvements/ amendments to the system; My Care system maintenance, etc.

10. Any Other Business

2025/26 General Update

Ms Thompson outlined discussion at the regional Financial Summit, held on 28 April 2025, which was attended by the Health Minister; Permanent Secretary and Trusts' Chief Executives and senior staff. The significant financial challenge facing the Health Service was discussed and the urgency of savings achievement was noted.

Ms Thompson advised that the Trusts have a cumulative £260m savings target to achieve and South Eastern Trust's share is £50m. It is assumed that the Trust will be able to achieve £30m of savings - £12m of recurrent savings from 2024/25 and £18m of new savings as outlined in the submitted Contingency Plan. The level of confidence in achieving these savings is currently variable.

In comparison to the region, South Eastern Trust is an outlier due to a number of reasons, including:-

- The full year effect of 2024/25 savings is lower than other Trusts. The estimated £12m - £14m is significantly lower than other Trusts as they obtained more savings from the cessation of Off Contract Agency usage and the suspension of Social Worker Agency usage.
- The Trust has a higher efficiency index and therefore our ability to save more is reduced.

- The Trust's new estate has resulted in the Inpatient Ward Block and Acute Services Block having a greater capacity for corridor beds than other Trusts with older hospital sites.
- South Eastern Trust's Emergency Department is the only one with rising attendances whilst others have experienced a reduction.

Ms Thompson indicated that if expected to achieve the £50m of savings, the Trust will have to review high impact measures including cessation of recycling Home Care and Nursing/Residential Care Home places; and a moratorium on recruitment. Actions are being taken by EMT to address the financial challenge including the commencement of a Delivering Value Oversight Board (chaired by Chief Executive). This Board will have five Sub-Groups – Agency Reduction Oversight Group; Community Care Financial Oversight Group; General Pay Review; Operational Support Costs Review Group and General Non-Pay Review Group. Savings targets will be attributed to these Sub-Groups and achievement monitored via the Delivering Value Oversight Board. These plans will be included in the Trust Board Finance Report.

During discussion, Mr McKinley recognised the difficult position regarding savings and he enquired in the long term if we could consider the strategic priorities within the Corporate Plan and the focus on spending aligned to these. Miss McCauley concurred and noted the difficulty there is with a one year budget and the need for significant savings. She recognised that with a circa £600m of health deficit, this cannot be sustained through short term non-recurrent funding. Consideration should be given to a long term financial /scenario plan for savings and Ms Thompson noted that a 3 – 5 year budget plan would be required to achieve this aim.

11. Date of Next Meeting

It was agreed that the next meeting would take place on 23 June 2025 at 11.00am in the Boardroom, Trust Headquarters, Ulster Hospital.