

Finance Report

Month 9 December 2025



Executive Summary

The Trust is reporting a deficit of £10.9m as at end of Month 9 and is forecasting a year-end deficit of £33.7m.

This is a movement from Month 7 reported position of a deficit of £14.5m due solely to confirmation received of the allocation of the 2025/26 pay award, which falls short of the amount required of £19.2m.

The Department have instructed Trusts to pay the full back-dated pay award and as a result our deficit has increased by the shortfall in funding.

Underlying Expenditure Trends

Month 9 performance showed an underlying broadly stable trend, with no unexpected peaks or troughs. Whilst good progress has been made in reducing costs in some areas eg nursing flexible spend and care home enhanced rates, we have also seen increases in overall demand for both these areas.

Summary of Directorate Positions

NB: In the following table, columns 1-3 show variances (budget vs actual). A negative figure represents an underspend against budget, with a positive figure indicating an overspend.

The last column represents spend per Directorate.

	(SURPLUS)/ DEFICIT YEAR TO DATE DECEMBER 25			FORECAST	SPEND YEAR TO DATE DECEMBER 25
	SALARIES & WAGES	GOODS & SERVICES	TOTAL VARIANCE	FORECAST POSITION 24-25	TOTAL SPEND PER DIRECTORATE
	£'000	£'000	£'000	£'000	£'000
ADULT & PRISON SERVICES	5,607	6,580	12,187	8,676	138,493
CHILDRENS SERVICES	3,447	6,875	10,322	8,760	80,143
ENCOMPASS	0	0	0	0	1,868
PRIMARY CARE & OLDER PEOPLE	(1,410)	20,799	19,389	21,604	258,861
FINANCE & ESTATES	367	6,191	6,558	7,363	42,388
MEDICAL DIRECTOR & RISK	158	604	762	801	3,146
SURGERY, ELECTIVE, MATERNITY & PAEDS	7,255	19,403	26,658	6,976	160,833
PLANNING, IT & PERF MGT	(394)	(97)	(491)	(386)	14,227
TRANSFORMATION/OTHER RINGFENCED	0	0	0	0	2,649
COVID	0	0	0	0	2,117
DIRECTOR OF NURSING & USER EXPERIENCE	640	1,014	1,654	(367)	47,238
UNSCHEDULED CARE, MEDICINE & CANCER	17,169	(4,419)	12,750	13,910	156,125
NO MORE SILOS	0	0	0	0	5,583
PEOPLE & ORG DEVELOPMENT	820	235	1,055	1,332	7,969
CHIEF EXEC & PR	31	(10)	21	26	395
TOTAL	33,690	57,175	90,865	68,694	922,035
COST PRESSURES/SAVINGS/INCOME ANTICIPATED				(34,996)	
YEAR END CLOSING POSITION - DEFICIT				33,698	

Statutory Financial Performance Targets

RAG status

Manage within allocated Revenue Resource Limit (RRL) / Achieve financial break-even

The Trust is forecasting a year end deficit of £33.7m. This is made up of the following:

	Month 9 £m
Forecast Underlying Position	63.1
Additional funding received	(5.0)
Low/Medium Savings	(27.3)
Phase 2 Savings	(2.0)
Deficit Funding Received	(14.3)
Shortfall in pay award	<u>19.2</u>
Remaining forecast deficit	33.7

The only movement from last month is the confirmation regarding the shortfall in pay funding.

Statutory financial performance targets

RAG status

Manage within allocated Capital Resource Limit (CRL)

Current CRL is £19.6m at Month 9 and forecast breakeven (£17.6m Month 7, small retraction on imaging diagnostics).

EMT approved an updated position on 6 January to reallocate projects that have slipped in year. There is a current general capital over allocation of £287k. SET have bid to DoH for additional capital which will offset the overspend (as at 19 December).

Spend year to date, December 25, totals £5.26m. Profiled spend to end of March, following discussions with services, totals an additional £14.34m.

Other Financial Performance Targets

RAG status

1. Achieve in year savings targets

The Trust's savings plans are progressing largely in line with plans, with over-achievements in some areas compensating for under-delivery in others.

Those savings schemes identified to commence deliver in Quarter 4 are starting to deliver out – specifically around enhanced rates for nursing staff, admin agency controls and small elements of grip and control in respect of non-pay spend.

Further detail on progress on savings is provided on Page 8.

2. Recurrent break-even position

We continue to forecast strong performance on the recurrent element of 2025/26 savings, and plans for 2026/27 are already beginning to be developed.

The Draft Budget for NI for 2026/27 presents a very significant challenge for the health system. The indicative figures, if approved, would lead to a savings target for this organisation far in excess of anything that we have ever been able to deliver within one financial year.



Other Financial Performance Targets

RAG status

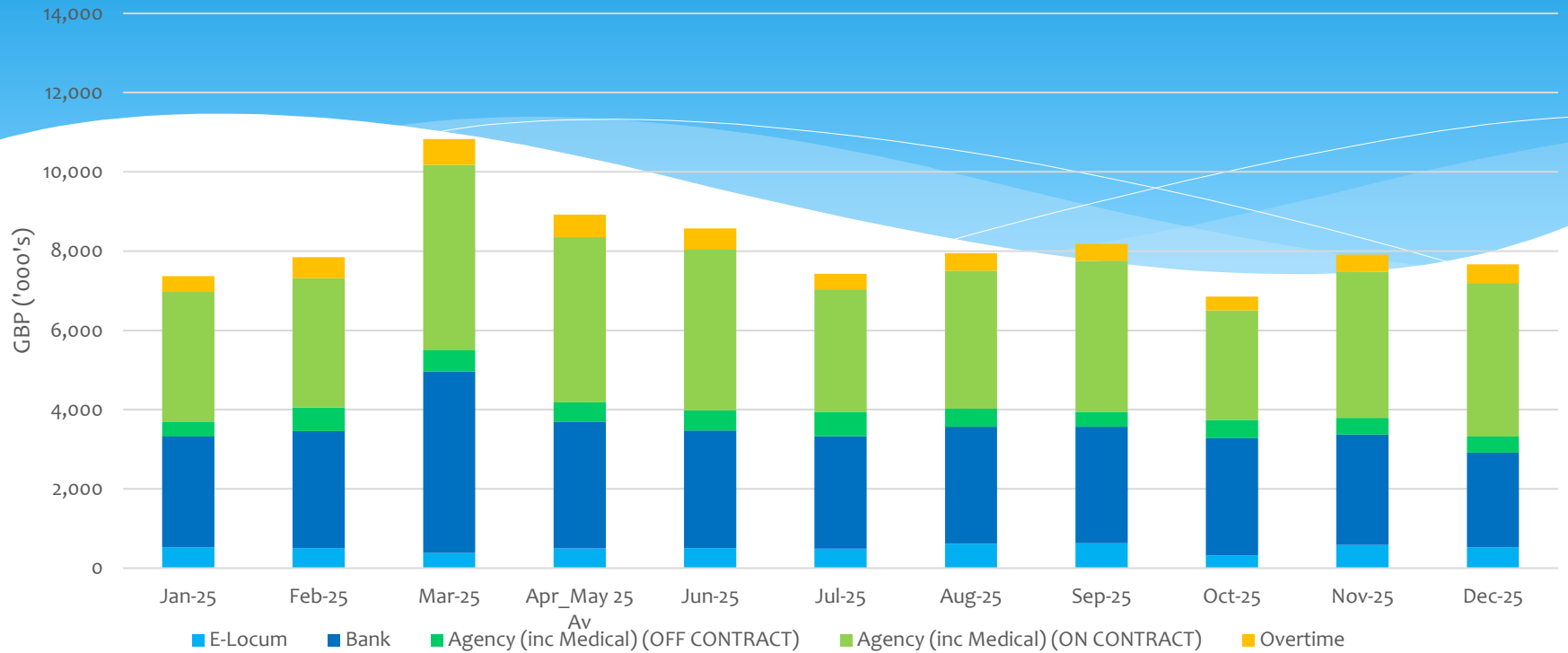
3. Prompt Payment Target - 95% of suppliers within 30 days

The Trust paid 97.7% of our suppliers within 30 days in December 2025.

2025/26 Low/Medium Impact Savings Plans – Main Areas

	Forecast 25/26 £m
Community Services	4.75
Workforce Controls	4.84
Nursing	1.42
Medical	1.19
Goods & Procurement	1.49
Estates & Energy	0.15
Pharmacy	4.37
Services – Other	1.15
Corporate – Other	3.78
Income (including FYE for funding)	1.13
Additional schemes identified for Q4	<u>5.0</u>
Total Savings Plan	29.27
Achieved to end Dec 25	19.63
% Achieved	67.1%

S&W - Flexible Staffing Costs - Trust 24-25 to 25-26



The graph illustrates the trend in flexible payroll costs for a rolling period of twelve months. (Figures have been adjusted to remove anomalies created by 4 and 5 week months.)

Underlying Assumptions

- Funding will be received as per indicative and assumed list from SPPG
- Full agreed savings will be achieved
- All vaccine programs will be fully funded
- All agreed levels of Waiting List Initiative work will be funded.
- All PHA agreed funding will forthcoming
- Agreed funding will be received for 2025/26 pay award.