South Eastern Health and Social Care Trust

Finance Report

Month 11 February 2026

South Eastern Health and Social Care Trust

Executive Summary

The Trust is reporting a breakeven position year to date and also forecasting breakeven at year end. This movement from our Month 10 deficit position of £33.7m is wholly due to the receipt of the balance of outstanding pay award funding for 2025/26 of £19.2m along with non recurrent deficit funding of £14.5m.

This funding has been made available due to receipt of a one-off reserve claim of £400m to protect public services in Northern Ireland, with Department of Health being allocated £185.4m. This is repayable over the next three financial years.

Underlying Expenditure Trends

In Month 11, the 2025/26 pay award was processed for both Agenda for Change & Medical & Dental Staff. This explains increased costs across all areas of Salaries & Wages, and is in line with funding received to cover these payments. With the exception of this, performance continued to show a fairly stable trend, with no unexpected peaks or troughs .Pressures continue to be felt across a range of services, with level of non designated beds, unfunded care home costs and high cost placements driving large overspends across a number of operational 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 FEBRUARY 26			FORECAST	SPEND YEAR TO DATE FEBRUARY 26
	SALARIES & WAGES	GOODS & SERVICES	TOTAL VARIANCE	FORECAST POSITION 25-26	TOTAL SPEND PER DIRECTORATE
	£'000	£'000	£'000	£'000	£'000
ADULT & PRISON SERVICES	6,402	7,952	14,354	8,718	172,745
CHILDRENS SERVICES	4,489	7,943	12,432	8,800	100,480
ENCOMPASS	0	0	0	0	2,328
PRIMARY CARE & OLDER PEOPLE	(2,273)	24,317	22,044	21,406	319,420
FINANCE & ESTATES	234	7,882	8,116	7,454	52,601
MEDICAL DIRECTOR & RISK	168	708	876	832	3,875
SURGERY, ELECTIVE, MATERNITY & PAEDS	7,726	14,129	21,855	7,102	204,566
PLANNING, IT & PERF MGT	(467)	(152)	(619)	(404)	17,810
TRANSFORMATION/OTHER RINGFENCED	0	0	0	0	3,661
COVID	0	0	0	0	2,411
DIRECTOR OF NURSING & USER EXPERIENCE	(522)	670	148	(405)	58,542
UNSCHEDULED CARE, MEDICINE & CANCER	20,117	(4,948)	15,169	14,497	195,828
NO MORE SILOS	0	0	0	0	6,826
PEOPLE & ORG DEVELOPMENT	566	294	860	1,007	9,874
CHIEF EXEC & PR	41	(14)	27	27	500
TOTAL	36,481	58,781	95,262	69,034	1,151,467
COST PRESSURES/SAVINGS/INCOME ANTICIPATED				(69,034)	
YEAR END CLOSING POSITION - DEFICIT				0	

Statutory Financial Performance Targets	RAG status
Manage within allocated Revenue Resource Limit (RRL) / Achieve financial break-even	

The Trust is currently forecasting a year end breakeven position. This is made up of the following

	Month 11 £m
Remaining forecast deficit @ M9	33.7
Non Recurrent Deficit Funding	14.5
Balance of 25/26 Pay Award Funding	19.2
Trust Forecast Position	**0.0**

The movement from last month is the receipt of the shortfall in pay funding along with non recurrent deficit funding.

South Eastern Health and Social Care Trust

Statutory financial performance targets	RAG status
Manage within allocated Capital Resource Limit (CRL)	

Current CRL is £24.722m at Month 11 and forecast is breakeven (£24.052m Month 10). In Month 11 small additional allocations were provided for ICT Technical Debt, Elective Care and Research and Development.

There continues to be small re-allocations of capital funding to manage the overall position.

Spend for the period ended February 2026 totalled £12.448m (Month 10 £7.65m). Profiled spend to end of March, following discussions with services, totals a further £12.274m to ensure a breakeven position.

Other Financial Performance Targets	RAG status
1. Achieve in year savings targets	

The Trust has made strong progress on savings, with the majority of savings delivered being recurrent in nature.

We are currently estimating a full year effect of savings of around £34m, with some non-recurrent measures being replaced with a larger full year effect of other schemes.

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

2. Recurrent break-even position	

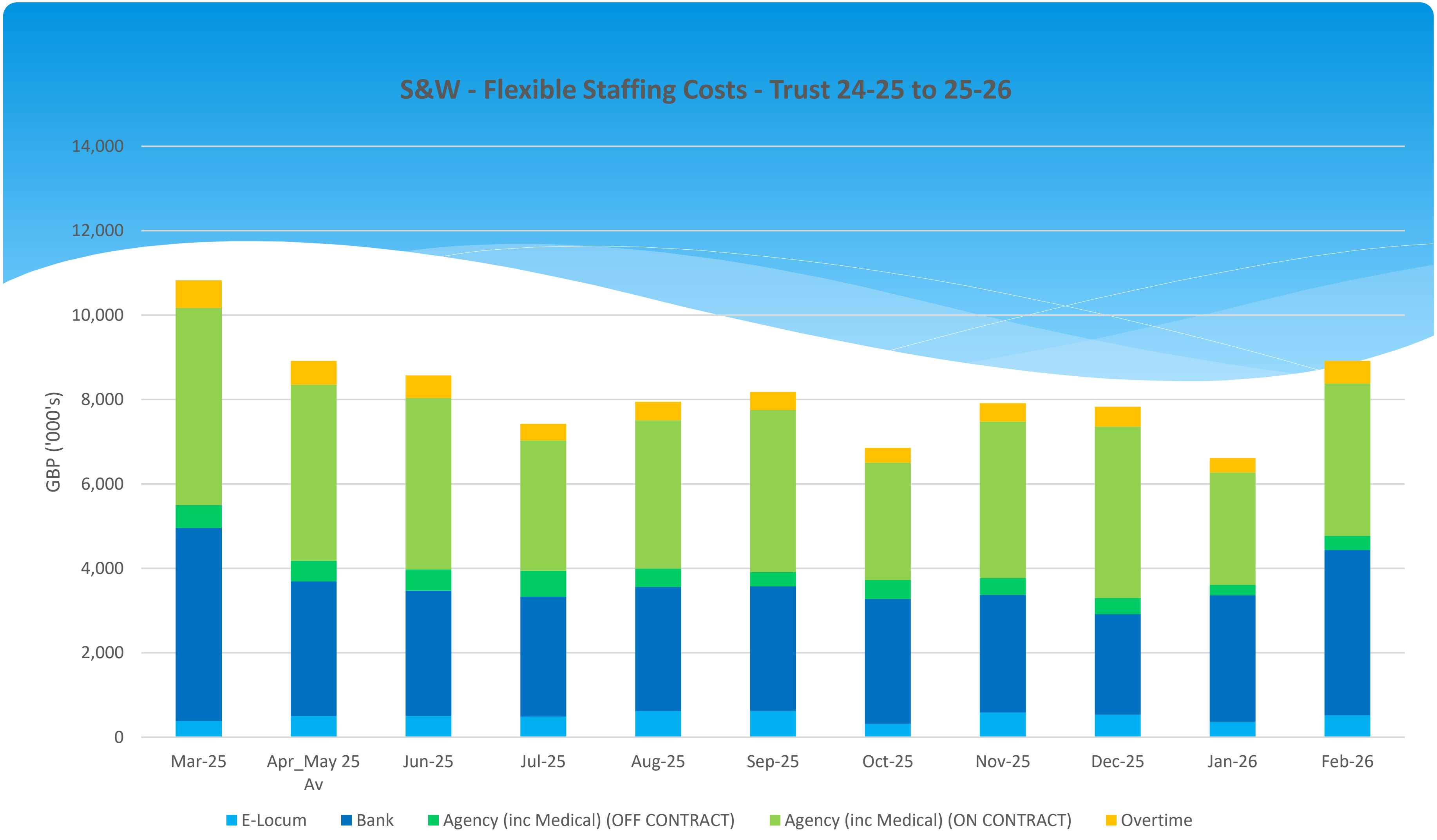
Work continues on the planning for the 2026/27 financial year. In the absence of an agreed budget all planning is currently based on draft scenarios. As previously highlighted the current draft NI Budget represents an extremely challenging position for the entire HSC system.

The current focus of the Trust is to build on the good progress made in 2025/26 on recurrent savings measures, and to continue to push for all possible additional routes to deliver savings with low/medium impact on services. As in 25/26, this work is heavily weighted on what further efficiencies can be derived from reducing our reliance on temporary workforce, as well as a number of non-pay areas.

Other Financial Performance Targets	RAG status
3. Prompt Payment Target - 95% of suppliers within 30 days	
98.5% of suppliers were paid within the 30 day target.	

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	5.0
Total Savings Plan	**29.27**
Achieved to end Feb 26	26.45
% Achieved	**90.0%**



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.) Figures in February include backpay for 2025/26 pay award for Trust paid staff.

Underlying Assumptions

At this stage of the year the majority of the key assumptions have been realised.

- Year-end processes will not result in any material unplanned impacts on the forecast year-end position.