Northern Health and Social Care Trust Board Meeting in Public – Cover Sheet

Subject:	**Trust Board Financial Position Report – July 2025**	**Date of Meeting: 28th August 2025**
Prepared By:	Financial Management	
Approved By:	Stevie Lennon	
Presented By:	Stevie Lennon	

Purpose		
To provide an update to Trust Board on the Financial Outturn of the Trust as at Period 4 (July 2025).	**Approval**	
	Assurance	X
	Update	
	Noting	

Strategic Objectives				
Build Northern Partnerships and Integrate Care	***Continue to improve Outcomes & Experience***	***Deliver value by optimising Resources***	***Nurture our People, Enable our Talent & Build Our Teams***	***Improve population Health & address health & social care inequalities***
		X		

Risk – please note if links to any principal, corporate or divisional risk		
28	Principle Risk	Failure to break-even

Committees/groups where this item has been presented before
N/A

Acronyms

BSO: Business Services Organisation
DoH: Department of Health
PHA: Public Health Authority
SPPG: Strategic Planning & Performance Group
FSS: NHSCT Financial Support Services
ARSS: BSO Accounts Receivable Shared Services
FAS: NHSCT Financial Accounting Services
MORE: Medicines Optimisation Regional Efficiency
NIMDTA: Northern Ireland Medical & Dental Training Agency
SFMG: System Financial Management Group
PPE: Personal Protective Equipment
FYE: Full Year Effect
WTE: Whole Time Equivellent
FSL: Funded Staff Level
DLS: Directorate of Legal Services
OCP: Office of Care & Protection
HRPTS: Human Resources, Payroll & Travel System
EJO: Enforecement of Judgement Office

Executive Summary

The Forecast for Month 4 is based on the current assessment of the Financial Plan including savings that are deliverable. There remains, therefore, a deficit of £18.1m, plans are to be developed as part of the regional workstreams from the System Financial Management Group to target this remaing gap – this includes MORE savings for 25/26.

We provide compassionate care with our community, in our community

Trust Board Reference Number:

Northern Health and Social Care Trust

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TRUST BOARD

FINANCIAL POSITION REPORT – July 2025

Prepared & Issued by Finance Department

Contents

Section 1: Financial Performance Targets 2025/26

Financial Performance Targets	RAG STATUS
1. Agree in-year break-even financial plan agreed with SPPG and DoH	**R**
The Trust has worked with SPPG to produce an outline draft Financial Plan as set out in section 2. A Plan was submitted in February 25 with a DEFICIT of £41.1m. Further analysis and measures reduced this by a further £6.5m in April 25. In June the SPPG identified deficit funding of up to £12.9m but asked for an additional £3.6m of savings – which the Trust has accepted. This leaves a DEFICIT of £18.1m. Further savings needed to bridge this gap will be part of the SFMG workstreams and will emerge through the Financial Year.	
2. Achieve in-year break-even outturn within allocated Revenue Resource Limit (RRL)	**R**
At Mth 4 in 2025/26 there is a forecast DEFICIT of £18.1m	
3. Achieve 2025/26 Savings Target	**G**
The total Phase 1 savings target for 2025/26 is £22.9m. This is set out in section 4. The Trust is expecting to achieve these savings – **and these are green**. This excludes Phase 2 savings to reduce DEFICIT to B/E – these are reliant on SFMG to deliver and are not part of this RAG assessment.	
4. Reductions to Agency Spend **a) Cease all off Framework Social Work Agency 01/04/23 and all Social Work Agency from 01/07/23** **b) Cease all off Framework Nurse Agency Spend by 15th August 2023**	**G**
The cessation of Off Framework Nursing & Healthcare Agency and all of Social Work Agency has commenced and is being demonstrated in reports. See section 5a.	
5. Prompt Payment Target - 95% of suppliers within 30 days	**G**
Trust performance measure indicates that for July 2025 95.52% of invoices have been paid per prompt payment target.	

Section 2: Financial Plan 2025/26

The Trust submitted a Financial Plan, including achievable Low to Moderate Savings and High/Catastrophic Scenarios to DoH in February 2026. This set out a deficit (excluding High/Catastrophic scanarios) of £41.1m forecast for 2025/26. This included expected pressures and unavoidable growth in 2025/26. This deficit includes achievement of £6.45m of Contingency non-recurrent savings and £6.30m of new 2025/26 recurrent savings.

Following further analysis, Trust measures and indicative allocation confirmation from SPPG the Trust wrote to DoH in Arpil 25 and this deficit was further reduced by £6.53m of cost avoidance and management measures.

In June 2025 the Director of Finance of SPPG wrote to the Trust setting out further planning assumptions for 2025/26. This included an additional request of £3.57m in-year contingency and recovery savings and notification of up to £12.9.m of non-recurrent deficit support funding. Following additional review of pressures and delivery of the overall savings achieved the Trust has accepted that these additional savings are deliverable in 2025/26. This would leave a deficit in-year of £18.10m.

The totality of the savings and cost management both recurrent and non-recurrent in 2025/26 to get to this outturn would be £22.85m [in addition to the £23.38m cumulatively achieved recurrently by 31st March 2025].

The remaining £18.1m deficit will require additional savings which will rely on the work of the System Financial Management Goup and it's workstreams. Greater clarity on what savings can be delivered through these workstreams will emerge as we progress through the Financial Year.

Summary of the current positon on the Financial Plan is set out in table 1 below:

Table 1: 2025/26 Draft Financial Plan

	£000
Gross Forecast Deficit 2025/26 at February 2025	53,883
Less Recurrent 2025/26 Savings Planned	(6,302)
Less Non-Recurrent 2025/26 Contingency Savings	(6,450)
2025/26 Net Deficit Reported at February 2025	**41,131**

Less Measures identified in April 2025	(6,533)
2025/26 Net Deficit Report at April 2025	**34,598**
Less Further Savings & Measures – June 25	(3,566)
Less Deficit Support Funding	(12,931)
2025/26 Net Deficit at July 25 – dependent on SFMG Savings	**18,101**

Section 3: Financial Position at July 2025

The Trust has received RRL from SPPG, PHA and NIMDTA. Further assumed income both from indicative allocations from SPPG but also assumptions based on prior year allocations and other policy committed costs that notification has yet to be received (i.e. National Insurance increase in 2025/26) have been included.

The Income and Expenditure position at July 2025 is:

Table 2: 2025/26 Month 4 (July 2025) Income & Expenditure

	Actual Expenditure (Mth 4) £'000	Forecast Expenditure 2025/26 £'000
Pay Expenditure	249,575	750,747
Net Non-Pay Expenditure	154,219	468,564
Total Expenditure	403,794	1,221,829
Total RRL	397,761	1,203,729
(Surplus) / Deficit at July 2025	6,033	18,100
% (Surplus)/Deficit against RRL	**1.54%**	**1.53%**

The forecast is based on is set out in Table 3 below and includes an analysis of the main over/underspends by Division. It excludes estimates for 2025/26 Pay Award.

In Year Position

The Year to date expenditure position per the Trust Monitoring Returns is £403.8 million.

Recurrent Position

The recurrent position is set out in the draft Financial Plan of 2025/26 is to be confirmed following confirmation of allocations on FYE basis.

Division Financial Position at July 2025

Table 3: 2025/26 Projected Outturn by Division

Division/Directorate	Budget £'000	Expenditure £'000	Mth 4 Variance £'000	Projected Outturn March 2026 £'000
Medicine & Emergency Medicine (MEM)	48,314	51,811	3,497	
Surgical & Clinical Services (SCS)	61,329	61,933	604	
Community Care (CC)	80,897	83,781	2,884	
Children & Young People (CYP)	35,634	35,814	180	
Mental Health, Learning Disability & Psychology (MHLDPS)	89,736	88,756	(980)	
Nursing, Paediatrics, Women & Corporate Services (NPWCS)	37,774	37,910	136	
Medical & Governance (M&G)	8,346	7,858	(488)	
Strategic Planning, Performance & ICT (SPPICT)	5,031	4,946	(85)	
Infrastructure	6,920	6,762	(158)	
Corporate Overheads	6,027	6,027		
Finance	4,490	4,483	(7)	
Operations Department	914	895	(19)	
Human Resources, OD & Corp Comms (HROD)	2,677	2,622	(55)	
Chief Executive & Trust Board	242	231	(11)	**£18.1m DEFICIT**
Corporate/Cost Pressures (including Covid, WLI, Corp Deficit and deficit funding)	9,430	9,965	535	
Totals	**397,761**	**403,794**	**6,034**	

This position includes a number of accruals, estimates.

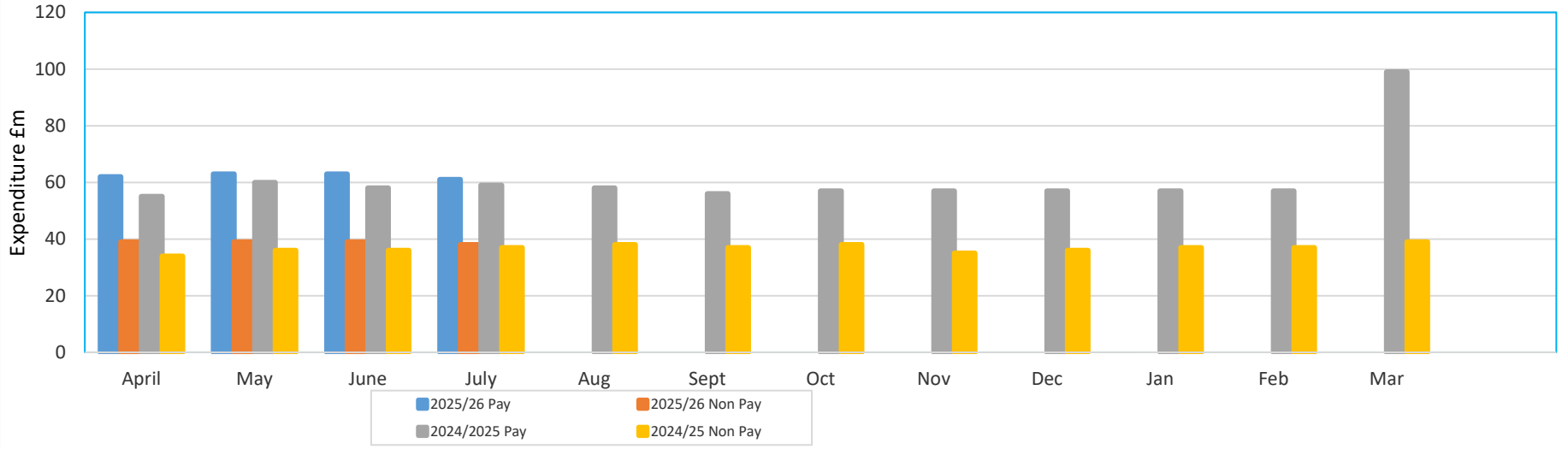
Key Drivers of Variances are:

- Medicine & Emergency Medicine – The projected position is a deficit of £10.49 m projected. This deficit continues to be one of the overall key areas of financial risk to the Trust. The most significant deficits are in Medical and Nursing. Medical, as a result of agency premium on agency doctors, covering vacant posts and gaps in rotas. Nursing, as a result of extended Emergency Department (ED) footprint and Enhanced Care, across a range of wards.
- Surgical & Clinical Services – The projected position is a deficit of £1.8 m. Key Deficits still remain within Surgery, Anaesthetics and Radiology – this is mostly all with respect to medical and nursing staff. Cost drivers within medical and nursing being: Utilisation of nursing above budgeted hours and agency premium, on vacant posts. The position is net of Quarter 1 WLI funding of £1,102 k, for Radiology, which is non-recurring.
- Community Care – the forecast is a deficit of £8.6m. The biggest issues in this Division remain 1:1's / Bespokes and Intermediate Care (Residential Homes, Community Hospitals and IS Beds) and Contingency beds, there is also an overspend on Independent Sector (IS) Domiciliary Care and Direct Payments. However offset against all of this is an underspend in In House (IH) Domiciliary Care – due to vacancies. As with the Acute Divisions there is an overspend in Nursing Staff – this is both due to utilisation of hours above budget and also premium paid to Nurse Agency staff.
- Children & young People – the forecast is a deficit of £0.5m. There continues to be pressures within Corporate Parenting mainly driven by increased activity resulting in cost pressures on Children's expenditure, but this is being off-set by surpluses in pay driven by vacant posts in other areas in particular Child & Adolescent Mental Health Services (CAMHS). Staffing within Children with Disabilities continues to be problematic. The Division continues to strive towards savings targets for FY24/25 made more challenging by the increase in activity numbers.
- Mental Health, LD & PS - the forecast is a surplus of £2.9m. While outturn was a surplus there are still some concerning deficit areas including the continued nursing pressures in Acute Inpatients (including in Inver 4), Bespoke 1:1 packages and discharges/resettlements from Holywell (although SPPG Indicative Allocations accrued have eased this pressure). There are also a number of vacant posts in the Community Mental Health, Community LD and Clinical Psychology Services which are also abating the over-spends.
- Nursing, PWCS – the forecast is a deficit of £0.4m. While outturn is forecasting a slight deficit only there are still some areas of concern remaining within medics requiring the use of locums in order to deliver care and B2 catering and domestics pay. Underspends in other areas e.g. women's services, maternity nursing and a surplus from National Living Wage for Band 2s are offsetting these areas of overspend. Currently at this early stage in the new financial year, most savings are forecasted to meet the target.

- Other Directorates – The other Directorates including Corporate costs are forecasting an underspend of £0.9m. Within this there are surpluses in Medicine & Governance and Pharmacy Services in particular and HR, SPPICT and Capital & Infrastructure. Indicative Waiting List funding for 2025/26 is assumed to be £12.9m.

The profile of the expenditure in the Trust on Pay and Non-Pay cumulatively to Month 12 for 2023/24 and 2024/25 is set out below in Chart 1.

Chart 1: Spend Profile 2024/25 and 2025/26



Notes: The pay segment is impacted by the number of weeks which fall within the reporting

Section 4: Savings Target 2025/26

In 2024/25 the Trust achieved £23.2m of recurrent savings. For 2025/26 the savings are in two phases. Phase 1 are savings that the Trust is currently working to deliver – these total £22.9m and if fully achieved as planned will leave the Trust with a deficit of £18.1m. The summary of the Phase 1 savings are in Table 4 below.

The savings for the £18.1m are part of phase 2 and while the Trust will endeavour to continue to identify further non-recurrent contingency, cost containment and savings opportunities as well as continuing with the MORE Plan – the majority of these phase 2 savings will be covered by the work of the SFMG workstreams – greater clarity on what is deliverable from those workstreams will emerge as we move through the Financial Year.

Table 4: Phase 1 Savings Plans 2025/26

Scheme	2025/26 Savings Per Plan £'000	Forecast 2025/26 Achieved at July 25 £'000	Forecast Savings Yet to Start £'000	Total Forecast Variance v Plan £'000	RAG Rating
Clinical Fellow	51	0	51	0	
Reduced Medical Costs in MEM	163	163	0	0	
Medical Workforce Reform	976	976	0	0	
Intermediate Care Reform	500	0	0	0	
Domiciliary Care - Reduce Contingency Beds	700	700	0	0	
Enhanced Care	700	700	0	0	
Sustainability	217	217	0	0	
Medical Imaging	100	0	100	0	
Nurse Stabilisation	1,120	1,120	0	0	
Corporate Services Efficiencies	104	0	104	0	
Cease use of Foster Care Agencies	302	0	302	0	
Children's Order Article Spend	129	0	129	0	
Absence Measures	40	0	40	0	
Other Non-Pay & Cost Containment Measures	1,534	1,534	0	0	
Multi-Disciplinary Agency Savings and Other Payroll Efficiencies	1,312	1,312	0	0	
Over-achievement of 24/25 MORE Savings	163	163	0	0	
Over-achievement of 24/25 Savings	1,415	1,415	0	0	
Cost Containments and Cost Avoidance – identified April 25 submission	6,333	6,333	0	0	
Service Development Slippage, Technical Adjustments & holding non-urgent spend and Pharmacy Rebates – Non-Recurrent Contingencies	6,992	6,992	0	0	
Grand Total	**22,851**	**21,625**	**1,226**	**0**	

Green: Savings have commenced. Amber: Savings are yet to start or are not expected to fully deliver. Red: Savings are not expected to deliver.

Section 5: Flexible Staffing Costs as at 31st July 2025

The Trust continues to have a high level of spend on Flexible Staffing. A significant proportion of the Trust's expenditure is on Agencies and on off Framework Agencies. There is now regional focus on reducing Agency spend and in particular reducing off Framework spend, this has commenced in Social Worker and Nursing Agency staff.

This section of the report is therefore split into a) Monitoring the targets set for Agency across Social Work and Nursing Agency and b) presenting the position on overall flexible staffing and c) Total Trust WTE including estimated flexible staffing WTE against FSL.

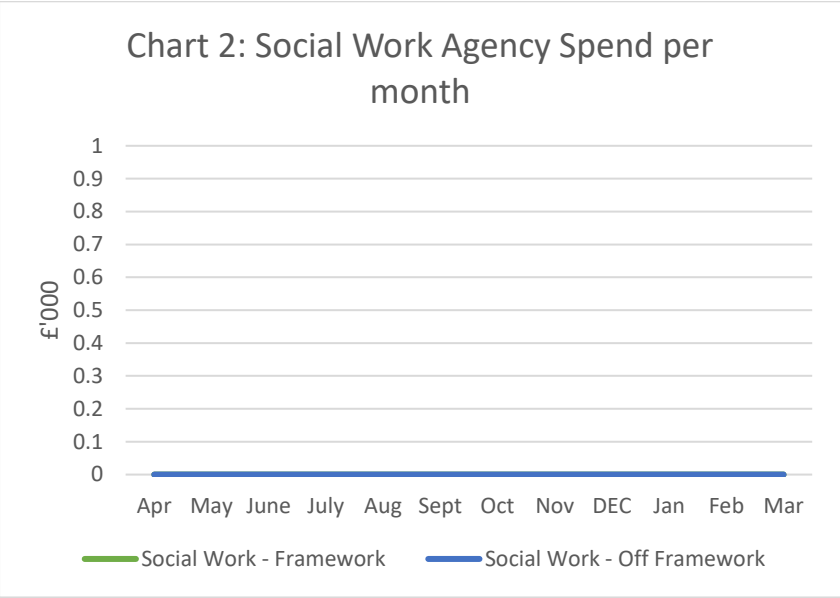
a) Regional Initiatives for Agency Staffing

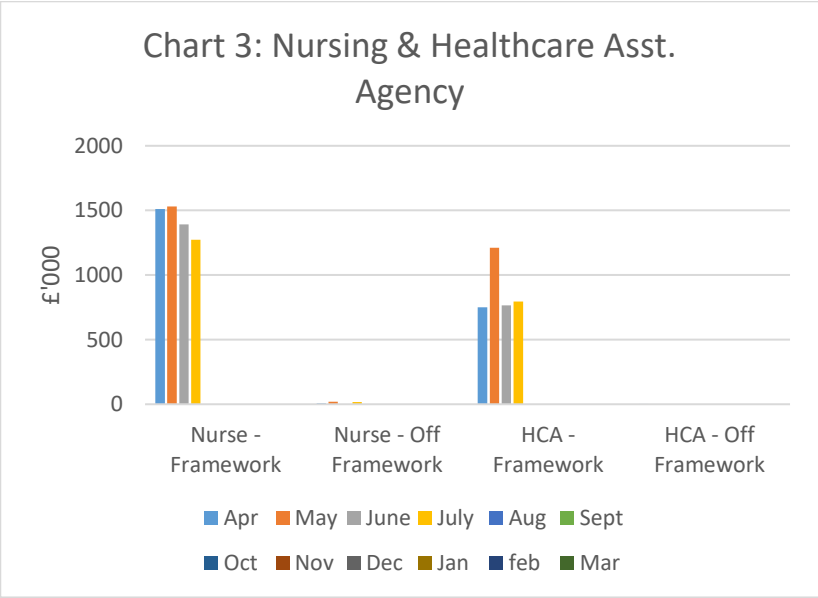
As part of the Regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

- Social Worker: From the 1st of April 2023 all off framework social worker agency utilisation ceased across Health & Social Care (HSC) including NHSCT;
- Social Worker: By the 1st of July 2023 all Social Worker Agency utilisation is due to cease across the HSC [except in exceptional situations which will be defined by the escalation process being worked up by the social worker task and finish group];
- Nursing: By the 15th August 2023 there should be no further off-framework Nursing Agency utilisation across the HSC

Social Work Agency, there are some issues with coding of invoices – these appear in month and are then investigated and recharged to correct professional heading the following month. However YTD at July 2025 there has been no Social Work Agency Spend in 2025/26.

Nursing & Nursing Health Care Assistants Agency (HCA), All off framework spend should have ceased completely by 2024/25, except for deviation approved regional for 1 service in Complex Health in Community Care. From the charts you can see that off-framework spend is extremely low – 99.2% of all Nursing and 99.99% of all Nursing Health Care Assistant Agency expenditure is now delivered through Framework Agencies.





Non Contract Agency Spend

Overall the total Agency spend at 31st July 2025 was £23.3m, of this 28% (£6.5m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 79% of the total Agency spend. Medical Agencies represent 82% of the total off-framework spend. Only 44.8% (32.5% in 24/25) of all Medical Agency spend and 32.2% (26.9% in 24/25) of all Radiographer Agency spend is spend with Framework Agencies

The Divisions with the biggest Off-Framework expenditure are MEM (Medical Agencies), SCS (Medical & Radiographer Agencies), MHLDCW (Medical Agencies) and NPWCS (Medical & Ancillary Staff Agencies). The spend in these Divisions on off-Framework Agencies is £5.9m cumulatively at July 25.

The new Multi-Disciplinary Framework for Agencies is effective from June 2025 – over a phased basis. This will be the next tranche in the reduction of Agency spend – with a focus on moving away from off-framework Agencies in the first phase.

Table 4: Cumulative Agency Spend July 2025 by Director and Family Group

Directorate	Contract £'000	Non Contract £'000	Total £'000
Medicine & EM	7,979	2,643	10,622
Surgical & Clinical Services	2,626	1,731	4,357
Community Care	949	44	993
Children & Young People	655	68	723
Mental Health, LD & CWD	2,179	554	2,733
Nursing, Paeds, Women & CS	1,466	1,008	2,474
Medical & Governance	117	11	128
SPP&ICT	60	45	105
Infrastructure & Capital	42	20	62
Finance	46	17	63
Operations Department	4	0	4
HR	19	4	23
Other Corporate	611	372	983
TOTAL	**16,753**	**6,517**	**23,270**

Family Group		Contract £'000	Non-Contract £'000	Total £'000	Contract %
Admin & Clerical		1,140	116	1,256	90.8
AHP		77	112	189	40.7
Ancillary		1,158	505	1,663	69.6
Health Care Support		2,995	1	2,996	100
Medical		4,346	5,354	9,700	44.8
Nursing & Midwifery		5,707	43	5,750	99.2
Other		11	15	26	39.2
P&T (mto)		101	72	173	58.5
Pathology		47	0	47	100
Pharmacy		26	6	32	79.7
Radiography		130	274	404	32.2
Social Care		1,015	19	1,034	98.2
TOTAL		**16,753**	**6,517**	**23,270**	**72.0**

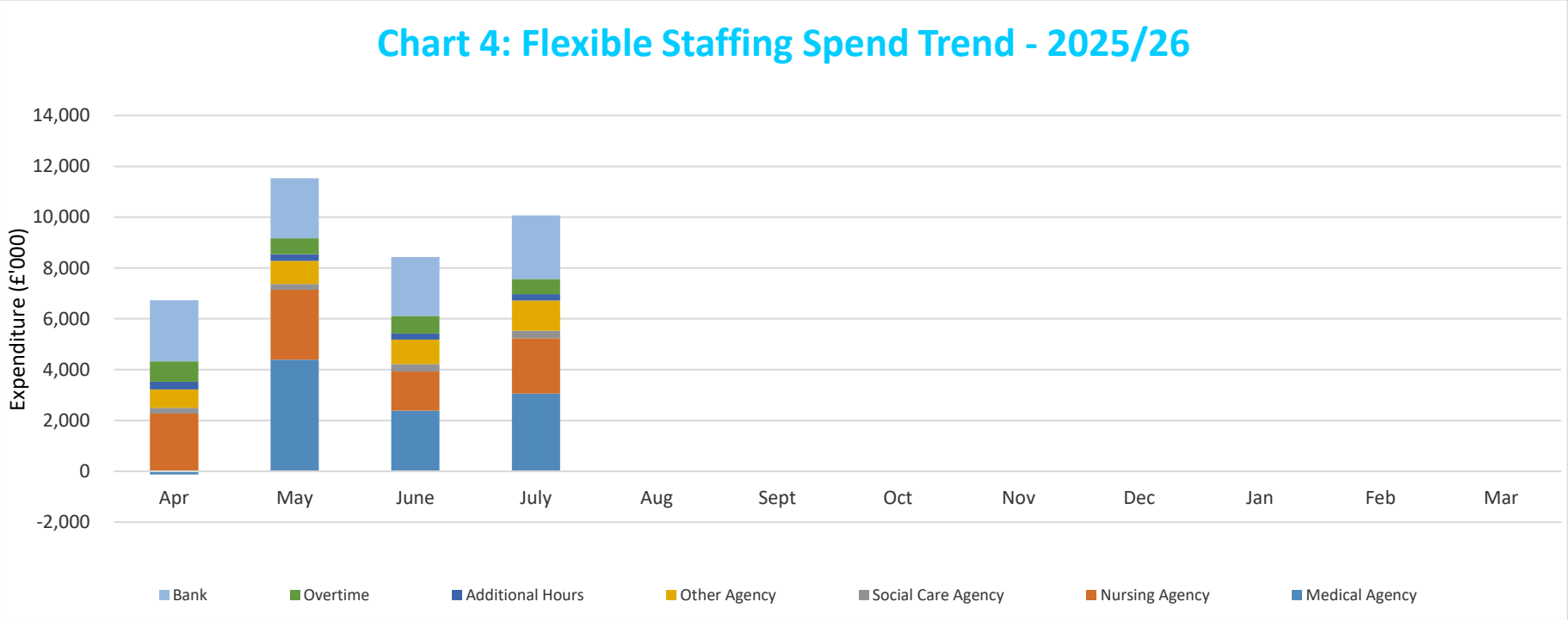
b) Total Spend on Flexible Staffing

The total spend in these areas is summarised below:

Table 5: Flexible Spend at July 2025

Division/Directorate	Cum to July 2025						Cum to July 24 £000's	Movement	
	Agency Locum £000's	Agency Other £000's	Bank £000's	Overtime £000's	Add hrs £000's	Totals £000's		£000's	%
Medicine & Emergency Medicine	5,060	5,562	1,122	309	67	12,120	11,684	436	4
Surgical & Clinical Services	2,573	1,784	863	651	157	6,028	6,257	(229)	(4)
Community Care		993	3,136	431	199	4,759	4,868	(109)	(2)
Children & Young People		724	921	651	76	2,372	2,205	167	8
Mental Health, LD & CWD	876	1,840	1,749	290	73	4,828	4,718	110	2
Medical & Governance		128	3	22	26	179	174	5	3
Nursing, Paeds, Women's & Corp Serv.	820	1,654	1,585	211	422	4,692	4,157	535	13
Others	372	884	230	145	35	1,666	523	1,143	219
TOTALS	**9,701**	**13,569**	**9,609**	**2,710**	**1,055**	**36,643**	**34,586**	**2,057**	**6**

Note that July 2024 was before the application of the 24/25 pay award – this was circa 5.5% for AFC staff.



This report includes both ACTUAL invoices on the system and accruals included in the financial position where it is anticipated that they might be missing. There is no reporting on month 1 – therefore July actual includes accruals not posted in April which is why there is an increase in spend in July v April.

Expenditure on Flexible nursing is £15.3m cumulative to July 2025. However the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £8.7m cumulative at July 2025.

Total flexible staffing expenditure is 14.7% of the total payroll costs at July 2025.

c) Funded Staff Establishments

The Trust has a funded level of staffing posts, which is continually being updated for both recurrent and non-recurrent service developments.

The budgetary process monitors the contracted hours for staff appointed and on our payroll against the budgeted level; this is in line with the Trust's Standing Financial Instructions. An adjustment has been made to account for Domiciliary Care staff who work above contracted hours. In addition, where there is a need to avail of medical and non-medical agency cover (for vacancies, sickness, and maternity), this expenditure is indicatively adjusted to provide an estimated level of WTE. Other backfill flexibility is sourced from bank, overtime and additional hours and this expenditure has also been adjusted to provide an indicative WTE.

Table 6: FSL against Indicative total WTE

Category	Total FSL (WTE) (including Non recurrent)	Staff on Payroll		Agency Indicative (WTE)	Flexible Backfill Indicative (WTE)	Total Indicative Staff (WTE)	Variance (WTE)
		Perm (WTE)	Temp (WTE)				
Admin & Clerical	1,877	1,664	75	93	26	1,858	(19)
Estates	187	166	3	2	9	180	(7)
Medical & Dental	782	656	21	163	19	859	77
Nursing Registered	3,117	2,931	59	238	195	3,423	306
Nursing – HCA	808	680	4	200	118	1,002	194
Professional/Technical	1,744	1,596	61	62	67	1,786	42
Social Work	994	944	30	0	99	1,073	79
Social Care	1,878	1,418	38	77	347	1,860	2
Support Services	987	795	18	123	78	1,016	29
TOTALS	**12,374**	**10,850**	**309**	**960**	**958**	**13,077**	**703**

Currently the Trust has in the region an additional 703 WTE staff over the funded staffing level; that equates to a staffing level of 5.7% above FSL. The majority of this additional staff is in Nursing Staff.

Whilst maternity and sickness backfill will account for the majority of this, there will be a small number of staff who have been appointed as a result of:

- Career breaks or peripatetic appointments.
- Advancement appointment where funding has not yet been received from the Commissioner but is confirmed (timing delay).
- Additional staffing in respect of encompass.

Section 6: Prompt Payment

The Late Payment of Commercial Debts Regulations 2002 (updated 2013) allows commercial organisations to levy both interest and penalty charges on invoices that are deemed overdue for payment. The measure is generally payment is to be made within 30 days of receipt of the invoice or the delivery of the goods or services.

To negate the impact of this potential late payment liability, the Trust endeavours to settle all outstanding invoices within the required period and currently the Trust performance measure indicates that for July 2025 almost 95.52% of invoices have been paid.

Section 7: Debtors Position – July 2025

Northern Trust Debtor Balance

Active cases are subject to ongoing recovery actions through the issue of 3 Dunning letters after which cases under £5k are referred to Small Claims Court. DLS are engaged in respect of higher value debt recovery and where possible the Trust will secure debt against property though the application of an Order Charging Land.

Credit control for social care payments is managed by the Financial Support Services team. The Accounts Receivable Shared Services (ARSS) team in BSO provide a credit control function for all other Trust debtors, with performance overseen by the Financial Accounting team. Payroll overpayment recovery is managed in the first instance by Payroll Shared Services but falls to the Trust when staff have left or refuse a repayment plan.

Category	At Mar24		At Mar25		At July 25		
	£'000s	No of Invoices	£'000s	No of Invoices	£'000s	No of Invoices	
Independent Homes	16,278	4,389	19,493	4,782	20,512	4,842	
Direct Payments	170	115	158	109	136	98	
Dom Care			15	1	9	1	
Staff Related Debt	669	2,948	536	2,725	536	2,497	
Commercial	271	140	312	130	186	113	
Health Centre / GP Charges	216	129	453	174	322	167	
Inter NHS/Government Bodies	283	123	516	131	859	198	
Private Patients	168	87	195	147	188	102	
Client Meals / Services	58	102	102	120	6	121	
Other	22	3	21	24	25	25	
Total	**18,135**	**8,036**	**21,801**	**8,343**	**22,779**	**8,164**	
Debt related to social care payments					**20,657**	**4,941**	**5,090**
ARSS debt					**2,122**	**3,223**	

Key points to note:

Debt Related to Social Care Payments:-

The following amounts are included in the Independent Home Debt £000s:-

- Current Mth and Dunning Period 5,935
- Suppressions 1,172
- DLS cases 4,367
- OCP Referrals 3,415
- EJO cases 4

- Property Dunning Suppression 1,519
- Deceased 2,044
- Other 2,201

Independent Homes invoice recovery. Total percentage of invoices paid July 25: -

- In month invoices 91%
- 30-day invoices 38%
- 60-day invoices 17%
- 90-day invoices 20%

Additional Independent Home information

There are currently 226 Independent Home, debt cases, referred to DLS.
Payments received July 25 £317k, cumulative **April 25 – July 25 £1,114k** in respect of DLS cases.

Table below details payment summary: -

	July 25 - £000's	Cum April 25 – July 25 £000's
Debt Fully Paid	153	636
Debt Partially Paid	138	387
Payment Plan	26	91
Total	**317**	**1,114**

FSS has an additional temporary part-time resource within the credit control team focusing on recovery of debt relating to deceased clients. Payments received **April 25 – July 25 inclusive £205k**

Write-offs and Pending Write-offs

- Independent Homes DLS write-offs completed 25/26 financial year
  - Pre April 25 – 2 clients £17k
  - April 25 - £0.8k (part payment)

- Independent Homes Trust write-offs completed 25/26 financial year – To date none

- Independent Homes 3 client pending write-off approval £12.2 (DLS cases)
  - April 25 – 1 client £2.3k
  - June 25 – 2 clients £9.9k

  The April 25 write-off has reduced due to a receipt of monies from EJO. This will be reviewed next month to determine if there will be any further payments and if a payment plan may be considered.

- Independent Homes (Non DLS cases) 12 clients pending write-off approval £19.3k
  - April 25 – 3 clients £1.4k
  - May 25 – 6 clients £7.4k
  - June 25 – 3 clients £10.5k

  The June 25 write-off has reduced due to a final payment made from the clients PPP a/c towards the debt.

Direct Payments

Direct Payment debt is currently part of the FSS internal dunning process.

ARSS Debt:

- Inter NHS and Government Bodies – 94% of this debt is less than 90 days old with no anticipated issues with collecting this debt. £664k is due from BSO for staff recharges invoiced July 2025;
- Staff Related Debt – 87.5% relates to salary/travel overpayments with 30% (£139k) on repayment plans with the remaining 12.5% relating to Staff Accommodation debt, of which, 49% is less than 90 days. DLS is currently reviewing £114k (11 cases) relating to salary overpayments;
- Commercial – 55% of the debt is less than 90 days old;
- Health Centre/GP Charges –The ongoing dispute with GPs in respect of the annual increase continues to impact this debt position although some accounts are now being cleared due to amalgamation of practices. The Trust is in discussion with the

GPs to resolve this issue and legal proceedings have been put on hold until end of September 2025 following an update from SMT. The Estates department is currently reviewing the area schedules for the current year. 46% of the debt is less than 90 days old;

- Private Patients – £37k (20%) of this debt relates to the Access to Healthcare pilot. Seven invoices are being actively progressed by DLS with four invoices totalling £25k determined as unrecoverable and will be written off; and
- Overall ARSS debt – The overall debt position continues to decrease which is due to effective debt management by FAS which includes regular meetings with ARSS and DLS. Repayment plans are in place for 8% of the total value of debt, accounting for 68% of the total number of invoices. FAS continue to focus on engaging with debtors to set up suitable repayment plans to reduce the risk of debt becoming statute barred.

Section 8: Covid Cost Implications

Covid costs continue to reduce year on year. For 2025/26 the most significant expected Covid cost is PPE.

Current levels of funding have not been agreed with SPPG or PHA and therefore these estimates of funding available are indicative and subject to change.

Table 8: Outturn Covid Expenditure at July 2025

Classification	Expenditure at July 25 £'000	Projected Expenditure £000's
Lab Testing	100	690
Long Covid	19	150
PPE Consumables & FIT Testing	640	1,920
Vaccinations	57	170
Total	**816**	**2,930**
Indicative Funding	**816**	**2,930**
Variance	**0**	**0**

Discussions are on-going with SPPG on the estimated 2025/26 Covid Requirement. It is likely that Long Covid will move to a Regional Service from the last quarter of 2025/26.

Section 9: Key Assumptions and Risks

A number of financial assumptions and risks were made in relation to the Financial Plan for 2024/25 and also with regard to the overall financial position.

- The Financial Plan and this forecast are based on a number of expenditure and income assumptions all of which continue to be reviewed internally and with SPPG.
- The Trust is forecasting and therefore assuming full delivery of £22.9m of Phase 1 savings and cost avoidance for 2025/26. These continue to be monitored through Delivering Value.
- There remains a deficit of £18.1m after Phase 1 savings. The majority of these Phase 2 savings are to be covered from the SFMG workstreams – what is actually deliverable will emerge as we move through the Financial Year. Non-delivery of these savings would present a risk to Statutory Break-even.
- The Trust continues to experience a shortfall in the recruitment and retention of mainly medical and nursing staff. As a result, there is a reliance on high cost off contract agency appointments. This continues to be a financial pressure, which will impact into 2025/26. A range of Trust and Regional initiatives are underway to mitigate these pressures including the management of the new Regional Frameworks, recruitment drives and reviews of agency and locum utilisation, including a medical scrutiny committee and Trust Agency Utilisation Group. The Trust continues to review, monitor and drive down costs where applicable.
- Cost pressures continue to be raised by providers in the Independent Sector with regard to the impact of the National Minimum Wage in Social settings, and other inflationary pressures i.e. within Nursing and Residential Care settings and with Domiciliary Care providers. The Trust continues to liaise with Providers to quantify and contain this pressure, but National Living Wage (NLW) uplifts have been applied to Nursing & Residential, Community & Voluntary and Supported Living Providers.
- A number of job evaluations are pending and will if successful impact on both the Trust recurrent position and the provision of arrears. From 2022/23 it has been agreed regionally that the PSNI holiday and sickness accrual will now be recognised in the Trust Accounts as a provision.
- The HRPTS (Payroll) has a range of outstanding issues, which impact on our current position. It is understood that the Payroll system requires a number of ‘fixes’ in order that these issues are corrected and fit for purpose. The Trust continues to liaise with the BSO Customer Forum to drive these issues forward. Accruals are being carried with respect to these issues.
- There are a number of accruals and estimates within this forecast which continue to be monitored and discussed with Divisoions. There are a number of Income Assumptons that continue to be monitored with SPPG.

Our Vision

To deliver excellent integrated services in partnership with our community

If you would like to give feedback on
any of our services please contact:
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