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Northern Health and Social Care Trust

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

Subject:	**Trust Board Financial Position Report – May 2025**	**Date of Meeting: 26th June 2025**	
Prepared By:	Financial Management Team		
Approved By:	Owen Harkin, Director of Finance/Deputy Chief Executive		
Presented By:	Owen Harkin, Director of Finance/Deputy Chief Executive		
Purpose			
To provide an update to Trust Board on the Financial Outturn of the Trust as at Period 2 (May 2025).		**Approval**	
		Assurance	✓
		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***
		✓		

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 2 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: TB165/14/I

Northern Health and Social Care Trust

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TRUST BOARD

FINANCIAL POSITION REPORT – May 2026

Prepared & Issued by Finance Department

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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 2 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	**A**
Trust performance measure indicates that for May 2025 93.08% 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 June 25 – dependent on SFMG Savings	**18,101**

Section 3: Financial Position at May 2025

The Trust has not as yet received an allocation letter from SPPG and therefore this forecast is based on 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).

The Income and Expenditure position at May 2025 is:

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

	Actual Expenditure (Mth 2) £'000	Forecast Expenditure 2025/26 £'000
Pay Expenditure	124,340	745,652
Net Non-Pay Expenditure	80,289	482,429
Total Expenditure	204,629	1,228,081
Total Income	201,612	1,209,981
(Surplus) / Deficit at May 2025	3,017	18,100
% (Surplus)/Deficit against RRL	**1.5%**	**1.5%**

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 £204.6 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 May 2025

Table 3: 2025/26 Projected Outturn by Division

Division/Directorate	Budget £'000	Expenditure £'000	Mth 2 Variance £'000	Projected Outturn March 2026 £'000
Medicine & Emergency Medicine (MEM)	23,830	25,446	1,616	
Surgical & Clinical Services (SCS)	30,585	30,726	141	
Community Care (CC)	40,032	41,483	1,451	
Children & Young People (CYP)	17,797	17,904	107	
Mental Health, Learning Disability & CW (MHLDCWB)	44,591	44,205	(386)	
Nursing, Paediatrics, Women & Corporate Services (NPWCS)	18,723	18,778	55	
Medical & Governance (M&G)	4,193	3,949	(244)	
Strategic Planning, Performance & ICT (SPPICT)	2,108	2,066	(42)	
Infrastructure	2,995	2,928	(67)	
Corporate Overheads	3,013	3,013	0	
Finance	2,249	2,246	(3)	
Operations Department	457	447	(10)	
Human Resources, OD & Corp Comms (HROD)	1,323	1,300	(23)	
Chief Executive & Trust Board	121	116	(5)	**£18.1M DEFICIT**
Corporate/Cost Pressures (including Covid, WLI, Corp Deficit and deficit funding)	9,596	10,022	426	
Totals	**201,612**	**204,629**	**3,016**	

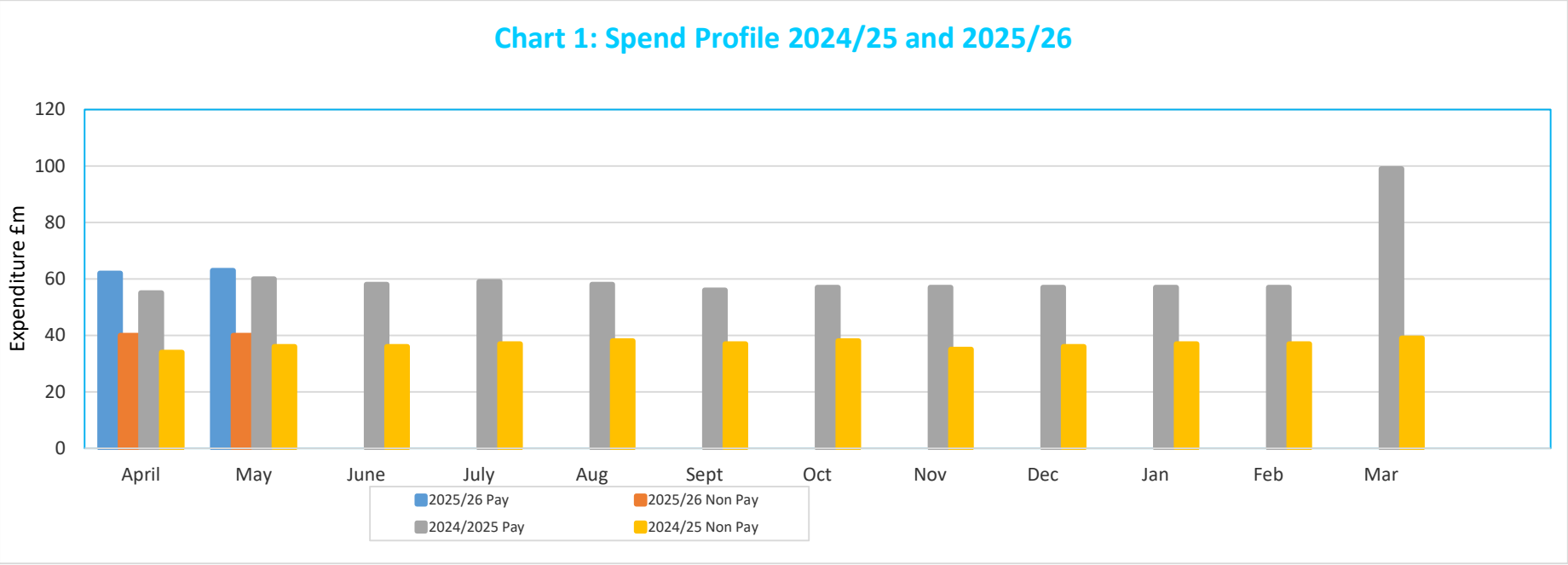
This position includes a number of accruals, estimates.

Key Drivers of Variances are:

- Medicine & Emergency Medicine – The projected position is a deficit of £9.7 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 £0.85 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 £573 k, for Radiology, which is non-recurring.
- Community Care – the forecast is a deficit of £8.7m. The biggest issues in this Division remain 1:1's / Bespokes and Intermediate Care 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 £0.6m. 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 & CW - the forecast is a surplus of £2.3m. 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 £0.3m. 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 and maternity nursing and other areas where there are vacant posts 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 overspend of £0.2m. 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.



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 May 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	500	0	
Domiciliary Care - Reduce Contingency Beds	700	0	700	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**	**20,925**	**1,926**	**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 May 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.

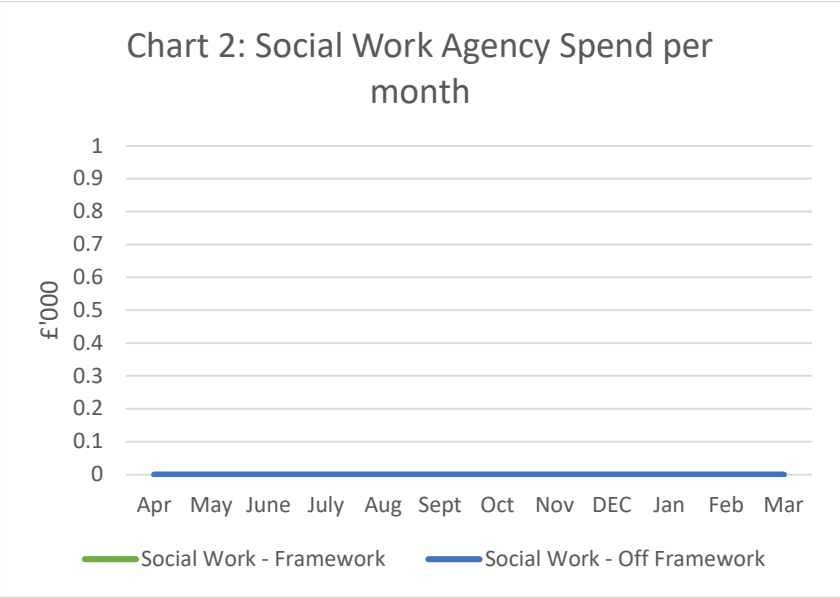
a) Regional Initiatives for Agency Staffing

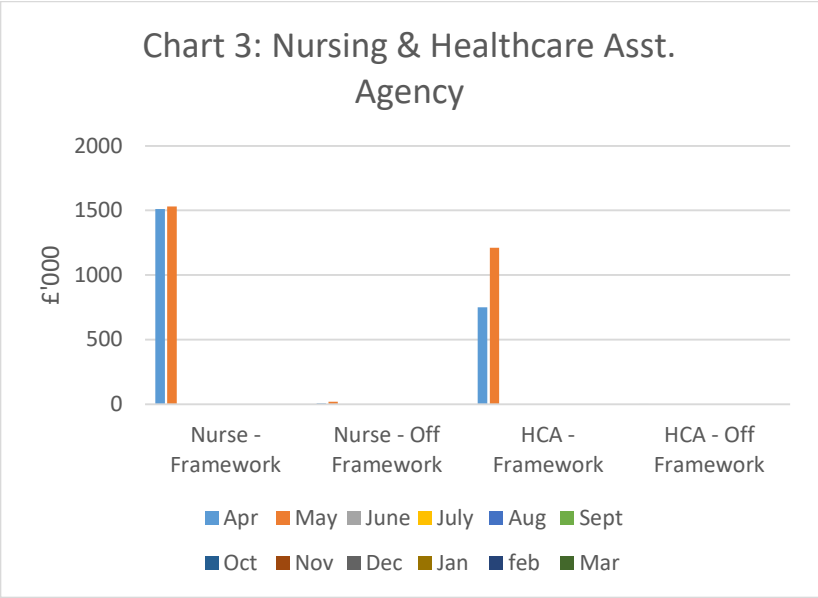
As part of the Regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

- 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 May 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 99.98% 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 May 2025 was £11.4m, of this 27% (£3.1m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 82% of the total Agency spend. Medical Agencies represent 81% of the total off-framework spend. Only 41.6% (32.5% in 24/25) of all Medical Agency spend and 13.4% (26.9% in 24/25) of all Radiographer Agency spend is Framework spend.

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 outturn spend in these Divisions is on off-Framework Agencies is £18.4m.

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 May 2025 by Director and Family Group

Directorate	Contract £'000	Non Contract £'000	Total £'000
Medicine & EM	3,480	1,113	4,593
Surgical & Clinical Services	1,227	879	2,106
Community Care	589	23	612
Children & Young People	236	25	261
Mental Health, LD & CWD	1,213	281	1,494
Nursing, Paeds, Women & CS	574	478	1,052
Medical & Governance	51	7	58
SPP&ICT	33	22	55
Infrastructure & Capital	20	10	30
Finance	22	18	40
Operations Department	2	0	2
HR	8	0	8
Other Corporate	841	218	1,059
TOTAL	**8,296**	**3,074**	**11,370**

Family Group		Contract £'000	Non-Contract £'000	Total £'000	Contract %
Admin & Clerical		491	61	552	88.9
AHP		49	37	86	57.1
Ancillary		435	238	673	64.7
Health Care Support		1,960	1	1,961	100
Medical		1,771	2,485	4,256	41.6
Nursing & Midwifery		3,043	26	3,069	99.2
Other		4	7	11	32.9
P&T (mto)		46	34	80	57.5
Pathology		20	0	20	100
Pharmacy		12	7	19	64.6
Radiography		26	171	197	13.4
Social Care		439	7	446	98.5
TOTAL		**8,296**	**3,074**	**11,370**	**73.0**

b) Total Spend on Flexible Staffing

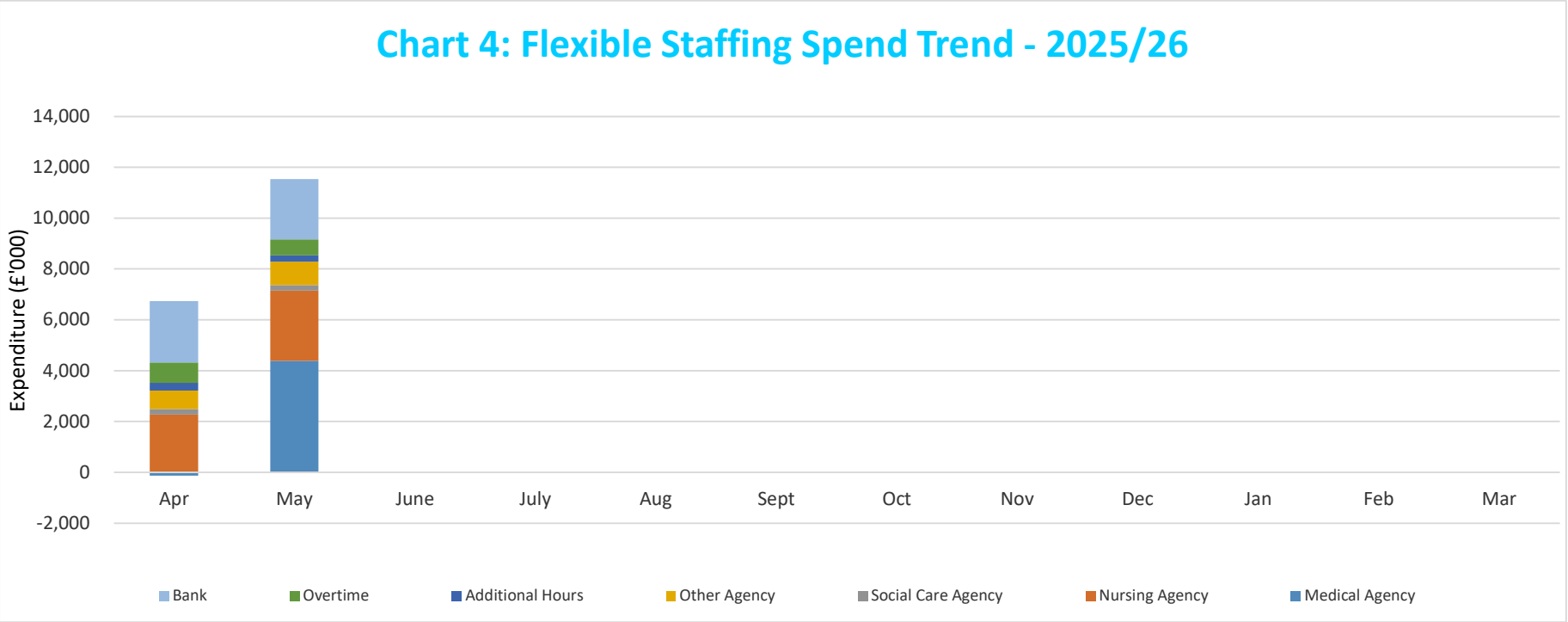
The total spend in these areas is summarised below:

Table 5: Flexible Spend at May 2025

Division/Directorate	Cum to May 2025						Cum to May 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	2,019	2,574	573	160	35	5,361	5,894	(533)	(9)
Surgical & Clinical Services	1,189	917	445	354	83	2,988	3,175	(187)	(6)
Community Care	0	611	1,565	213	111	2,500	2,381	119	5
Children & Young People	0	261	425	355	38	1,079	1,013	66	7
Mental Health, LD & CWD	440	1,054	900	141	38	2,573	2,310	263	11
Medical & Governance	-	58	(19)	12	14	65	1,161	(1,096)	(94)

Nursing, Paeds, Women's & Corp Serv.	389	663	793	106	220	2,171	1,013	1,158	114
Others	219	976	100	87	19	1,403	(688)	2,091	209
TOTALS	**4,256**	**7,114**	**4,783**	**1,428**	**558**	**18,140**	**16,260**	**1,880**	**12**

Note that May 24 spend was prior to the 2024/25 pay award application – since then there has also been a 2025/26 Pay Award and uplift to Employer's National Insurance. The percentage increase in respect of these 3 is circa 12.3%



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 May actual includes accruals not posted in April which is why there is an increase in spend in May v April.

Expenditure on Flexible nursing is £8.4m cumulative to May 2025. However the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £5.0m cumulative at May 2025.

Total flexible staffing expenditure is 14.7% of the total payroll costs at May 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	1,880	1,659	78	86	29	1,849	(31)
Estates	181	166	2	2	11	181	0
Medical & Dental	781	632	21	178	17	848	67
Nursing Registered	3,132	2,915	63	263	201	3,442	310
Nursing – HCA	812	675	5	194	123	997	185
Professional/Technical	1,741	1,603	68	60	70	1,801	60
Social Work	1,007	944	24	0	100	1,068	61
Social Care	1,856	1,411	42	67	341	1,861	5
Support Services	987	791	19	101	80	991	4
TOTALS	**12,377**	**10,796**	**322**	**948**	**972**	**13,038**	**661**

Currently the Trust has in the region an additional 661 WTE staff over the funded staffing level; that equates to a staffing level of 5.3% 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 May 2025 almost 93.08% of invoices have been paid.

Section 7: Debtors Position – May 2025

Northern Trust Debtor Balance

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

Credit control for social care payments is managed by the FSS team. ARSS, BSO, provide a credit control function for all other Trust debtors, with performance overseen by the FAS team. Payroll overpayment recovery is managed in the first instance by PSSC but falls to the Trust when staff have left or refuse a repayment plan.

Category	At Mar24		At Mar25		At May 25		
	£'000s	No of Invoices	£'000s	No of Invoices	£'000s	No of Invoices	
Independent Homes	16,278	4,389	19,493	4,782	20,538	4,785	
Direct Payments	170	115	158	109	146	93	
Dom Care			15	1	15	1	
Staff Related Debt	669	2,948	536	2,725	503	2,435	
Commercial	271	140	312	130	307	130	
Health Centre / GP Charges	216	129	453	174	211	147	
Inter NHS/Government Bodies	283	123	516	131	4280	84	
Private Patients	168	87	195	147	211	105	
Client Meals / Services	58	102	102	120	101	142	
Other	22	3	21	24	25	24	
Total	**18,135**	**8,036**	**21,801**	**8,343**	**26,337**	**7,946**	
Debt related to social care payments					**20,699**	**4,879**	**5,090**
ARSS debt					**5,638**	**3,067**	

Key points to note:

Debt Related to Social Care Payments:-

Key points to note:

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

- Current Mth and Dunning Period 6,212

- Suppressions 1,192
- DLS cases 4,340
- OCP Referrals 3,345
- EJO cases 4
- Property Dunning Suppression 1,430
- Deceased 1,859
- Other 2,156

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

- In month invoices 91%
- 30 day invoices 43%
- 60 day invoices 25%
- 90 day invoices 11%

Additional Independent Home information

There are currently 219 Independent Home, debt cases, referred to DLS.
Payments received May 25 £498k, cumulative **April 25 – May 25 £662k** in respect of DLS cases. Table below details payment summary:-

	May 25 - £000's	Cum April 25 – May 25 £000's
Debt Fully Paid	339	424
Debt Partially Paid	140	194
Payment Plan	19	44
Total	**498**	**662**

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 inclusive £53k.** *(May 25 recoupment not analysed and will be provided in the June 25 report)*

Write-offs and Pending Write-offs

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

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

- Independent Homes 3 clients pending write-off approval £20k – (DLS cases)
  - Pre April 25 - 2 clients £17k
  - April 25 – 1 client £3k

- Independent Homes (Non DLS cases) 9 clients pending write-off approval £8k
  - April 25 – 3 clients £1k
  - May 25 – 6 clients £7k

Direct Payments

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

ARSS Debt:

- Inter NHS and Government Bodies – 74% of this debt is less than 90 days old and includes one invoice to SPPG of £4m with no anticipated issues with collecting this debt;
- Staff Related Debt –86% of this debt relates to salary/travel overpayments with 29% (£146k) now on repayment plans. Staff Accommodation debt of £70k accounts for the remaining 14% of staff related debt, of which 50% is less than 90 days. DLS are currently reviewing £152k (15 cases) relating to salary overpayments. There is an overall 6% decrease in staff related debt when compared to March 2025 which is due to timely monitoring and progressing of actions within applicable timeframes;
- Commercial – 65% 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. There are now only 4 practices withholding service charge totalling £112k. SSAR are now issuing legal letters to these 4 practices. Estates are currently reviewing the area schedules for the current year. 38% of the debt is less than 90 days old;

- Private Patients – £37k (17%) of this debt relates to the Access to Healthcare pilot. Five invoices are being actively progressed by DLS with three invoices totalling £25k determined as unrecoverable and will be written off. FAS is working with the Private Patient's Officer to improve the information provided to FAS iro invoicing and to improve recovery of overseas private patient debt:
- Overall ARSS debt – The overall debt position has decreased by 24% since March 2025 (excluding invoice to SPPG). Repayment plans are in place for 11% of the total value of debt, accounting for 69% of the total number of invoices. FAS continually 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 May 2025

Classification	Expenditure at May 25 £'000	Projected Expenditure £000's
Lab Testing	14	691
Long Covid	7	152
PPE Consumables & FIT Testing	385	2,433
Vaccinations	28	170
Total	**434**	**3,446**
Indicative Funding	**434**	**3,446**
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 middle 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.

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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