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

Subject:	**Trust Board Financial Position Report – March 2026**	**Date of Meeting: 28th May 2026**	
Prepared By:	Financial Management		
Approved By:	Labhaoise Boyle, Interim Assistant Director of Financial Management		
Presented By:	Stevie Lennon, Interim Director of Finance		
Purpose			
To provide an update to Trust Board on the Financial Outturn of the Trust as at Period 12 (March 26).		**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 Equivalent
FSL: Funded Staff Level
DLS: Directorate of Legal Services
OCP: Office of Care & Protection
HRPTS: Human Resources, Payroll & Travel System
EJO: Enforcement of Judgement Office

Executive Summary

Given the 25/26 Pay Award (paid Feb 26) and Corporate Deficit (£6.6m) were fully resourced by the DOH, the Trust has been able to deliver an unaudited financial surplus at March 26 of £72.5k

This funding to allow this break-even position is from the UK Treasury Reserve Claim release to the NI Executive. This is non-recurrent funding in-year only that needs to be repaid. Whilst this funding covers the 2025/26 financial year only and allows for a breakeven position, it does not address the underlying financial fundamentals and growing pressures.

Financial Position

Key deficits remain in MEM (£11.5m) and CC (£9.6m), while MHLDPS is under-spent there continues to be a financial pressure on High-Cost Placements across all programmes of Care. Net

deficits in Divisions resourced by savings, SPPG deficit funding and Trust allocation from UK Treasury Reserve Claim.

Savings
Total savings plan was for £33.6m, with the full £33.6m of this being delivered.

Flexible Staffing
Total Agency Spend to March 26 was £71.3m of which 26.1% was off framework. Total Flexible staffing costs year-to-date are £112.8m which is £0.1m below 24/25.

Northern Health and Social Care Trust

INVESTORS IN PEOPLE®
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TRUST BOARD

FINANCIAL POSITION REPORT – March 2026

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	G
The Trust had previously been reporting a deficit, excluding the Pay Award, is £6.6m. This is after all approved savings have been assumed as achieved and all identified pressures, including growth, have been included. In addition, the 2025/26 Pay Award (including Independent Sector uplifts) is estimated to cost £29.5m, with confirmed funding of £10.0m – leading a Pay Award deficit of £19.5m. This left a total deficit of £26.1m. Following UK Treasury approval of a Reserve Claim, additional funding has been allocated by the DoH to fully resource this deficit in-year only. As such the Trust has delivered an unaudited financial position surplus of £72.5k	
2. Achieve in-year break-even outturn within allocated Revenue Resource Limit (RRL)	G
At Mth 12, following allocation of UK Treasury Reserve funding the Trust has delivered an unaudited financial surplus of £72.5k	
3. Achieve 2025/26 Savings Target	G
The total savings that have been identified by the Trust in 2025/26 is £33.6m. These savings are set out in section 4. The Trust has achieved these savings as at March 25 – **and these are green**.	
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 March 94.49% of invoices have been paid per prompt payment target.	

Section 2: Financial Plan 2025/26

The Trust has worked with DoH and SPPG on the 2025/26 Financial Plan since February 2025, developing and agreeing savings plans which were approved by key stakeholders. Ministerial approval left a deficit of £7.3m excluding the Pay Award, later reduced to £6.6m due to additional income. The Pay Award deficit was £19.5m for the Trust. Combined, this left the Trust forecasting a deficit at 2025/26 year-end of £26.1m.

UK Treasury has released to the Executive additional funding from the reserve claim. This is non-recurrent funding in-year only that needs to be repaid. The DoH has allocated out its share of that to the Trust to fully resource this £26.1m deficit – leaving the Trust to forecast break-even for 2025/26. This funding covers the 2025/26 financial year only but does not change the underlying financial fundamentals.

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

Table 1: 2025/26 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	
Less Further Savings & Measures – June 25	(3,566)
Less Deficit Support Funding	(12,931)
2025/26 Net Deficit at July 25	**18,101**
Less Further Savings & Measures – October 25	(10,764)
2025/26 Net deficit following October 25 submissions	**7,337**
Additional Income from SPPG not previously in estimates	(754)
Total Non-Pay Award Deficit	**6,583**
Pay Award Deficit	19,491
Total Forecast Deficit – 2025/26	**26,074**
Share of UK Treasury Reserve Claim	**(26,074)**
REVISED FORECAST 2025/26	**0**

Section 3: Financial Position at March 2026

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 have been included.

The Income and Expenditure position at March 2026 is:

Table 2: 2025/26 Month 12 (March 2026) Income & Expenditure

	Actual Expenditure (Mth 12) £'000
Pay Expenditure	771,127
Net Non-Pay Expenditure	485,668
Total Expenditure	1,256,795
Total RRL	1,256,868
(Surplus) / Deficit at March 26	(73)
% (Surplus)/Deficit against RRL	**0%**

The unaudited outturn at 31 March 2026 is set out in Table 3 below and includes an analysis of the main over/underspends by Division.

Also included in Corporate Cost/Pressures are other central costs such as Waiting List Initiative (WLI), PPE, Surestart as well as Service Developments not yet commenced.

In Year Position

The Year-to-date expenditure position per the Trust Monitoring Returns is £1.27 billion.

Recurrent Position

The recurrent estimated deficit at the end of 2026/27 is £8m. This is before 2026/27 growth, indicative funding and savings retractions set by DoH.

Division Financial Position at March 2026

Table 3: 2025/26 Outturn by Division

Division/Directorate	Budget £'000	Expenditure £'000	Mth 12 Variance £'000	Outturn March 2026 £'000
Medicine & Emergency Medicine (MEM)	149,682	161,222	11,540	
Surgical & Clinical Services (SCS)	190,937	191,765	828	
Community Care (CC)	250,724	260,372	9,648	
Children & Young People (CYP)	109,591	110,689	1,098	
Mental Health, Learning Disability & Psychology (MHLDPS)	277,588	276,197	-1,391	
Nursing, Paediatrics, Women & Corporate Services (NPWCS)	116,935	117,817	882	
Medical & Governance (M&G)	27,092	25,197	-1,895	
Strategic Planning, Performance & ICT (SPPICT)	17,267	16,233	-1,034	
Infrastructure	25,011	25,206	195	
Corporate Overheads	18,189	18,126	-63	
Finance	14,279	14,273	-6	
Operations Department	3,065	2,958	-107	
Human Resources, OD & Corp Comms (HROD)	8,351	7,992	-359	
Chief Executive & Trust Board	826	800	-26	
Corporate/Cost Pressures (including Covid, WLI, Corp Deficit and deficit funding)	47,331	27,948	-19,383	**Break-even**
Totals	**1,256,868**	**1,256,795**	**-73**	

This position includes a number of accruals, estimates.

Key Drivers of Variances are:

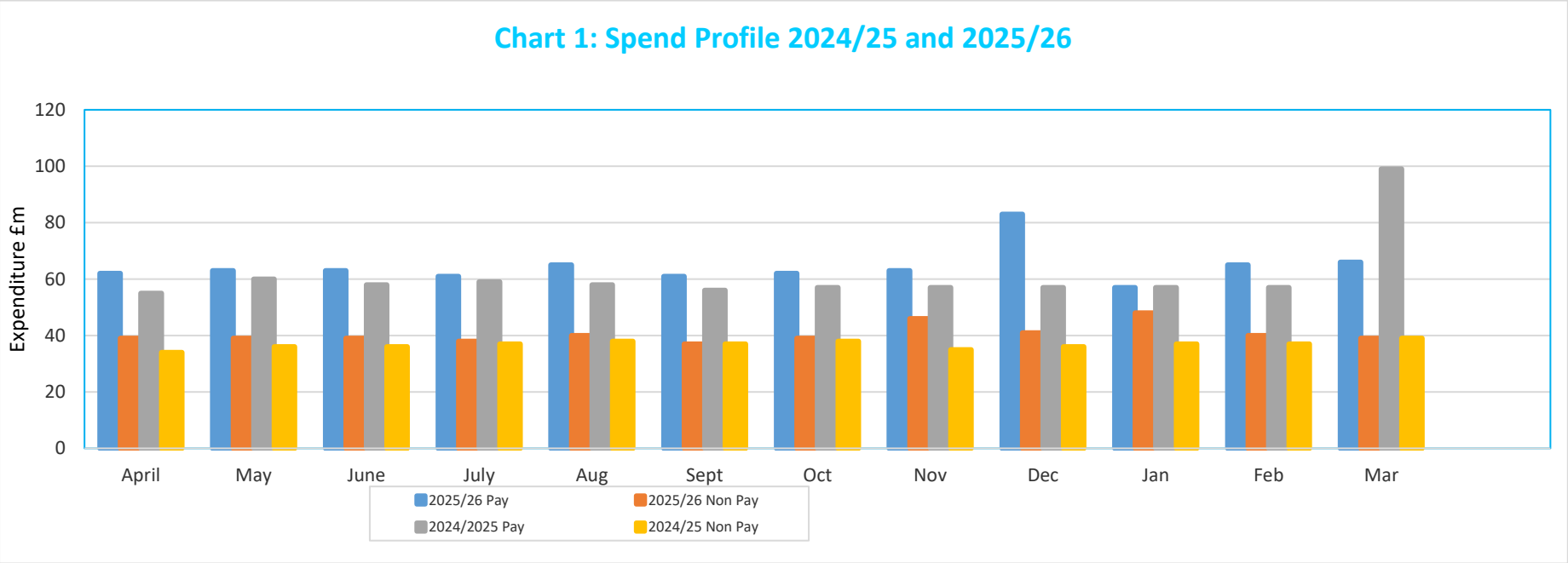
- Medicine & Emergency Medicine – The outturn position is a deficit of £11.5m. This deficit continues to be one of the overall key areas of financial risk to the Trust. The most significant deficits are in Medical and Nursing. Medical, because of agency

premium on agency doctors, covering vacant posts and gaps in rotas. Nursing, because of extended Emergency Department (ED) footprint and Enhanced Care, across a range of wards.

- Surgical & Clinical Services – The outturn position is £0.82m overspend. Key Deficits 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. This is offset by vacant posts throughout the Division.
  Community Care – the outturn position is a deficit of £9.6m. 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 premium paid to Nurse Agency staff.
- Children & young People – the forecast is a deficit of £1.1m. 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 offset 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 was unable to deliver savings targets made challenging by the increase in activity numbers. The Division also has 2 new Children with High-Cost Placement packages making cost containment problematic.
- Mental Health, LD & PS - the outturn is a surplus of £1.4m. While outturn is 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, High-Cost Placements and discharges/resettlements from Holywell (although SPPG Allocations have eased this pressure). There are also several vacant posts in the Community Mental Health, Community LD and Clinical Psychology Services which are also abating the over-spends.
- Nursing, PWCS – the outturn is a deficit of £0.88m. While outturn is a deficit only there are still some areas of concern remaining within medics requiring the use of locums 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.
- Other Directorates – The other Directorates including corporate costs are forecasting an underspend of £3.2m. Within this there are surpluses in Medicine & Governance and Pharmacy Services and HR, SPPICT and Capital & Infrastructure. Funding for 2025/26 WLI was £25.1m including funding for long waits.

- The Deficit funding from SPPG and savings retracted are offsetting the net Divisional deficits.

The profile of the expenditure in the Trust on Pay and Non-Pay cumulatively to Month 12 for 2024/25 and 2025/26 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

For 2025/26 the identified Savings Plan, following the March 26 update, for the year is £33.6m

Table 4: Phase 1 Savings Plans 2025/26

Scheme	2025/26 Savings Per Plan £'000	Forecast 2025/26 Achieved at March 26 £'000	Forecast Savings Yet to Start £'000	Total Forecast Variance v Plan £'000	RAG Rating
Clinical Fellow	51	16	0	(35)	
Reduced Medical Costs in MEM	163	163	0	0	
Medical Workforce Reform	1,241	1,241	0	0	
Intermediate Care Reform	500	0	0	(500)	
Domiciliary Care - Reduce Contingency Beds	700	0	0	(700)	
Enhanced Care	875	875	0	0	
Sustainability	217	217	0	0	
Medical Imaging	100	0	0	(100)	
Nurse Stabilisation	2,291	2,291	0	0	
Corporate Services Efficiencies	104	57	0	(47)	
Cease use of Foster Care Agencies	302	0	0	(302)	
Children's Order Article Spend	129	0	0	(129)	
Absence Measures	40	40	0	0	
Other Non-Pay & Cost Containment Measures	1,534	1,534	0	0	
Multi-Disciplinary Agency Savings and Other Payroll Efficiencies	3,449	3,449	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	8,365	8,365	0	0	
Service Development Slippage, Technical Adjustments & holding non-urgent spend and Pharmacy Rebates – Non-Recurrent Contingencies	10,290	12,103	0	1,813	
2025/26 MORE Savings	1,600	1,600	0	0	
Catering & Car Parking Income	85	85	0	0	
Grand Total	**33,614**	**33,614**	**0**	**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 March 2026

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 reducing off Framework spend; this has commenced with 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.

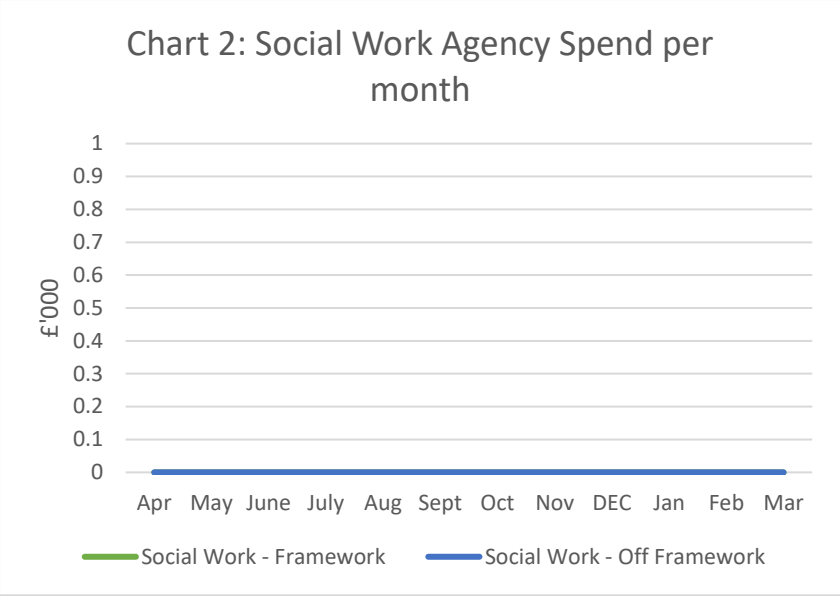
a) Regional Initiatives for Agency Staffing

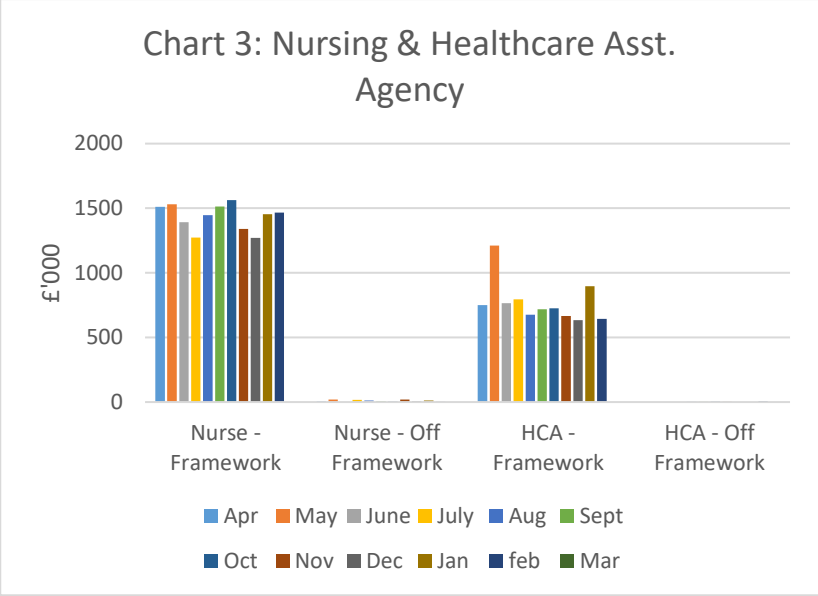
As part of the regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

- 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 of 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 March 26 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, this deviation is to cease from mid-January 26, after this point all spend will be from framework agencies. From the charts you can see that off-framework spend is extremely low – 99.35% of all Nursing and 99.61% 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 March 2026 was £71.3m, of this 26.2% (£18.6m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 78% of the total Agency spend. Medical Agencies represent 92% of the total off framework spend. Only 39.8% (32.5% in 24/25) of all Medical Agency spend and 56.2% (25.6% 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 £15.79m cumulatively at March 26.

The new Multi-Disciplinary Framework for Agencies is effective from June 2025. 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. There are only a very limited number of off-framework agencies still in place, it was planned that these will all have ceased by the 31st of March 2026.

The new Medical & Dental Framework is operational from March 26, with a transition phase currently in place for the next 3 months.

Table 4: Cumulative Agency Spend March 2026 by Director and Family Group

Directorate	Contract £'000	Non-Contract £'000	Total £'000
Medicine & EM	23,049	7,121	30,170
Surgical & Clinical Services	7,578	5,313	12,891
Community Care	3,011	129	3,140
Children & Young People	2,426	85	2,511
Mental Health, LD & CWD	6,522	1,635	8,157
Nursing, Paeds, Women & CS	5,829	1,727	7,556
Medical & Governance	343	7	350
SPP&ICT	264	26	290
Infrastructure & Capital	305	10	315
Finance	204	9	213
Operations Department	16		16
HR	59		59
Other Corporate	3,049	2,595	5,644
TOTAL	**52,655**	**18,657**	**71,312**

Family Group	Contract £'000	Non-Contract £'000	Total £'000	Contract %
Admin & Clerical	4,343	66	4,409	98.5
AHP	309	175	484	63.8
Ancillary	5,586	371	5,957	93.8
Health Care Support	9,152	36	9,188	99.6
Medical	11,359	17,182	28,541	39.8
Nursing & Midwifery	17,060	112	17,172	99.4
Other	137	10	147	93.3
P&T (mto)	281	174	455	61.7
Pathology	251		251	100
Pharmacy	38	7	45	85.4
Radiography	637	497	1,134	56.2
Social Care	3,502	24	3,529	99.3
TOTAL	**52,655**	**18,654**	**71,312**	

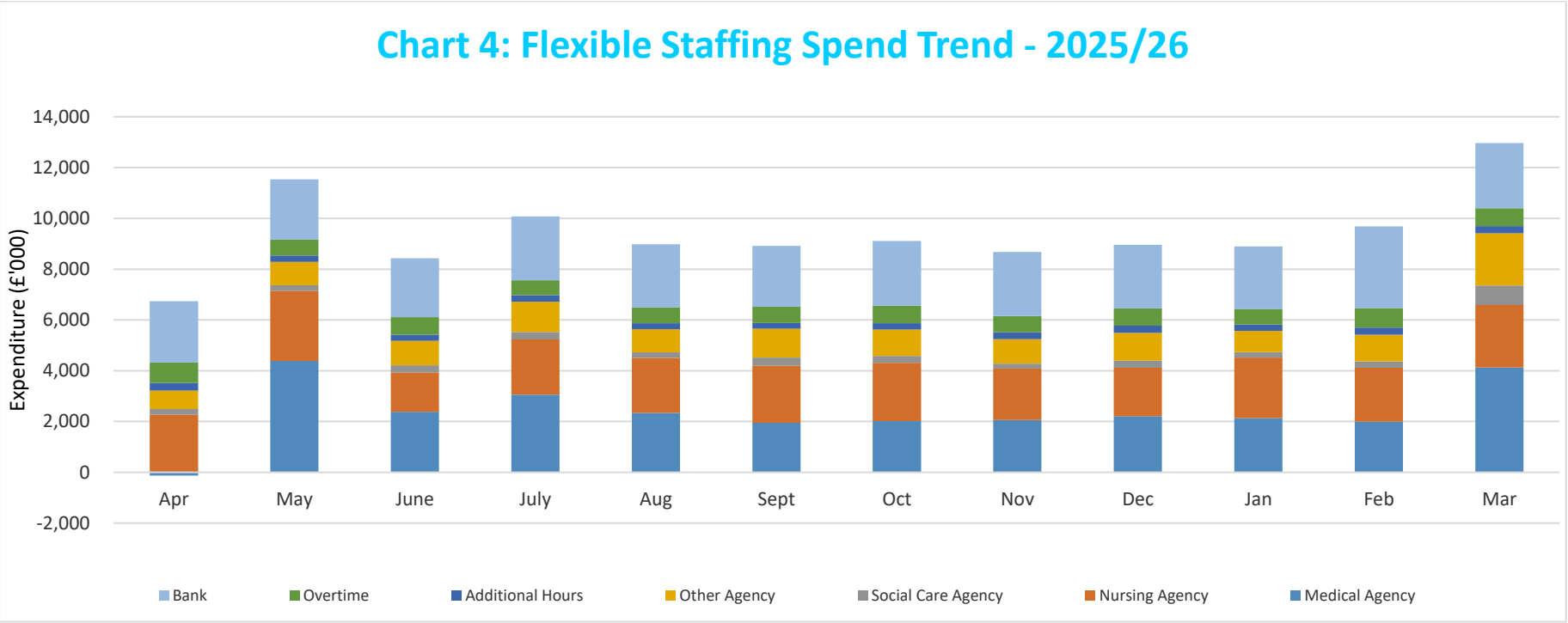
b) Total Spend on Flexible Staffing

The total spend in these areas is summarised below:

Table 5: Flexible Spend at March 2026

Division/Directorate	Cum to March 2026						Cum to Mar 25 £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	13,562	16,608	4,175	970	205	35,520	34,834	686	2%
Surgical & Clinical Services	7,595	5,296	2,712	1,866	437	17,906	18,663	(757)	(4%)
Community Care		3,141	10,037	1,463	639	15,280	16,111	(831)	(5%)
Children & Young People		2,511	2,753	1,834	235	7,333	6,787	546	8%
Mental Health, LD & CWD	2,575	5,566	5,335	886	202	14,564	15,936	(1,372)	(9%)
Medical & Governance		350	57	63	83	553	641	(88)	(14%)
Nursing, Paeds, Women's & Corp Serv.	2,214	5,341	4,568	596	1,259	13,978	13,264	714	5%
Others	2,595	3,957	663	399	77	7,691	6,770	921	14%
TOTALS	**28,541**	**42,770**	**30,300**	**8,077**	**3,137**	**112,825**	**113,006**	**(181)**	**0%**

Spend has reduced by £181K against 2025/26, in real-terms this is a much larger reduction as there was a pay award actioned in 2025/26.



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 £47.1m cumulative to March 2026. However, the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £26.4m cumulative to March 2026.

Total flexible staffing expenditure is c.14.6% of the total payroll costs.

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	1,903	1,646	76	106	26	1,854	-49
Estates	180	165	3	4	9	181	1
Medical & Dental	784	692	27	158	16	893	109
Nursing Registered	3,133	3,040	52	237	197	3,526	393
Nursing – HCA	802	649	5	197	131	982	180
Professional/Technical	1,769	1,615	86	57	63	1,821	52
Social Work	1,002	976	28	0	93	1,097	95
Social Care	1,905	1,421	31	85	347	1,884	-21
Support Services	988	803	15	144	78	1,040	52
TOTALS	**12,466**	**11,007**	**323**	**988**	**960**	**13,278**	**812**

Currently the Trust has in the region an additional 812 WTE staff over the funded staffing level; that equates to a staffing level of 6.5% above FSL. Much 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 because 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 March 2026 almost 94.49% of invoices have been paid.

Section 7: Debtors Position – March 2026

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 Mar 24		At Mar 25		At Mar 26	
	£'000s	No of Invoices	£'000s	No of Invoices	£'000s	No of Invoices
Independent Homes	16,278	4,389	19,493	4,782	23,045	4,897
Direct Payments	170	115	158	109	198	109
Dom Care			15	1		
Social Care Debt	**16,448**	**4,504**	**19,666**	**4,892**	**23,243**	**5,006**
Staff Related Debt	669	2,948	536	2,725	582	1,982
Commercial	271	140	312	130	245	124
Health Centre / GP Charges	216	129	453	174	261	147
Inter NHS/Government Bodies	283	123	516	131	311	128
Private Patients	168	87	195	147	147	98
Client Meals / Services	58	102	102	120	-19	65
Other	22	3	21	24	23	9
ARSS Debt	**1,687**	**3,532**	**2,135**	**3,451**	**1,550**	**2,553**
Total	**18,135**	**8,036**	**21,801**	**8,343**	**24,793**	**7,559**

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 6,463
- DLS cases 4,397

- OCP Referrals 3,095
- EJO cases 4
- Property Dunning Suppression 1,487
- Deceased 2,652
- Other 4,947

Independent Homes invoice recovery. Total percentage of invoices paid Mar 26: -

- In month invoices 91%
- 30-day invoices 49%
- 60-day invoices 27%
- 90-day invoices 16%

Additional Independent Home information

There are currently 213 debt cases, clients residing Independent Homes, referred to DLS.
Payments received Mar 26 £389k, cumulative **April 25 – Mar 26 £2,783k** in respect of DLS cases.

Table below details payment summary: -

	Mar 26 - £000's	Cum April 25 – Mar 26 £000's
Debt Fully Paid	267	1,714
Debt Partially Paid	108	829
Payment Plan	14	240
Total	**389**	**2,783**

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 – Mar 26 inclusive £1,150k**.

Write-offs Completed

Total Independent Homes 25/26 write-offs £83.3k. See below for breakdown.

Independent Homes DLS write-offs completed 25/26 financial year
- Pre-April 25 - £17k 2 clients
- Mar 26 - £33.4k 6 clients

Independent Homes Trust write-offs completed 25/26 financial year
- Feb 26 - £15k 20 clients
- Mar 26 - £17.9k 3 clients

DLS Write off - *April 25 write-off reduced due to receipt of monies from EJO. Also, June 25 debt reduced due to DLA benefits received.*

Trust Write off - June 25 write-off 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.

Direct Payment write-offs completed 25/26 financial year
- Mar 26 - £28.4k 22 clients

ARSS Debt:
- Inter NHS and Government Bodies – 75% of this debt remains less than 90 days old with 4 invoices totalling £7K greater than 1 year old. There is no anticipated issues with collecting this debt;

- Staff Related Debt – 88% relates to salary/travel overpayments with the remaining 12% relating to Staff Accommodation debt, of which, 57% is less than 90 days. £177k (30%) is currently being repaid through repayment plans, while DLS is currently reviewing £134k (13 cases) relating to salary overpayments;
- Commercial – 85% of the debt is less than 90 days old;
- Health Centre/GP Charges – Currently 7 Health Centres are continuing to dispute the service charges - £173k. The ongoing dispute with GPs in respect of the annual increase continues to impact this debt position. FAS await an update on the Trust's discussions with the GPs. 95% of the debt excluding HSC escalated is less than 90 days old;
- Private Patients – Seven invoices (£63k) are being actively progressed by DLS; and
- Overall ARSS debt – Repayment plans are in place for 13% of the total value of debt, accounting for 69% 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.

Table 8: Outturn Covid Expenditure at March 2026

Classification	**Expenditure at March 26 £'000**
Lab Testing	685
Long Covid	85
PPE Consumables & FIT Testing	1,759
Vaccinations	163
Total	**2,692**
Funding	**2,692**
Variance	**0**

Some additional Testing and PPE costs have been incurred during the 2025/26 Winter period; these costs were charged to Winter Plan and are not included above.

Section 9: Key Assumptions and Risks

A number of financial assumptions and risks were made in relation to the Financial Plan for 2025/26 and also with regard to the overall financial position.

- 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 2026/27. 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.
- Several 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 few '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.
- The Trust continues to experience pressures in ED and Acute settings with respect to DTA and end of Acutes. There continues to remain a capacity issue in the Care Home and IS Homecare sectors. All of these could have an impact on 2026/27 costs.
- There continues to be high acuity in Care Homes placements, and this is leading to an increased number of High-Cost Placements which is continuing to put pressure on costs.
- While 2025/26 outturn was a small surplus, this was achieved due to Treasury Reserve funding – there remains an underlying recurrent deficit of circa. £8m, before application of additional savings targets that will be given to the Trust by the DoH.

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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Northern Health and Social Care Trust

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