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

Subject:	Savings Plans 2026/27	**Date of Meeting: 22 October 2026**	
Prepared By:	Stevie Lennon, Interim Executive Director of Finance		
Approved By:	Stevie Lennon, Interim Executive Director of Finance		
Presented By:	Stevie Lennon, Interim Executive Director of Finance		
Purpose			
Approval of further schemes – 2026/27 Savings Plans		**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	Principal Risk – Failure to Break-even	

Committees/groups where this item has been presented before

Acronyms

Executive Summary

The Trust's savings target for 2026/27 is £53.8m. This comprises £45.8m, equivalent to 4% of total budget, plus an underlying deficit of £8.0m carried forward from previous years. The combined target represents approximately 4.7% of total budget.

The Trust developed a savings plan of £50.0m, which was approved by SPPG and the Minister, leaving a gap of £3.8m against the target. Trust Board approved implementation of these schemes on 27 August 2026.

Following further engagement with SPPG to identify opportunities to address the remaining gap, two additional schemes were presented to the Minister. SPPG has informed the Trust that both schemes have been approved by SPPG and the Minister. These are set out below.

1. <u>Intermediate Care Expenditure Review - £750,000</u>

   Review expenditure across community hospital provision, residential home placements and ad hoc bed usage to identify the actions required to bring expenditure back within budget.

   The review will cover flexible staffing expenditure, including bank, agency and additional hours, alongside absence levels. It will also examine ad hoc bed days that have not been charged and consider whether capacity across the three bed options should be realigned to match available resources.

2. Further Reduction in Flexible Staffing and Additional Vacancy Control - £1,413,000

   The proposed scheme is based on a further 10% reduction in overtime, additional hours and bank expenditure from September 2026, or further vacancy control measures, including the withdrawal of appointments identified as at risk. These measures could result in some reduction in services as they are implemented.

   There is a high risk to delivery, particularly as this scheme would be implemented alongside existing vacancy controls and agency savings measures. The review would form part of a diagnostic exercise undertaken with an experienced external review partner.

Engagement and Consultation

The paper identifies no requirement for an Equality Impact Assessment (EQIA) or public consultation for these schemes. However, the proposals include potential changes to capacity and service delivery, and the requirement for engagement and any future consultation remains relevant as the specific actions are developed.

Given the limited time available, there has not been an opportunity to engage with stakeholders. The position set out in the original Savings Document, attached to this paper, on engagement and assessing the requirement for future consultation continues to apply.

Delivery Risk and Remaining Gap

As with the wider savings plan, these additional schemes will be challenging to deliver. There is a risk that the full savings will not be achieved within 2026/27 because of the shortened timescale and the potential impact of the measures on service delivery.

The two schemes total £2.16m, bringing the total planned savings for 2026/27 to £52.16m. This leaves a remaining gap of £1.64m against the £53.8m target, which is still unaddressed in the Financial Plan.

Trust Board Action

Trust Board is asked, having considered the proposed schemes and the associated delivery and service risks set out above, to approve implementation of the additional £2.163m of savings for 2026/27.