

From the Director of Finance
Brigitte Worth

By email

Catherine Teggart
Director of Finance
SHSCT

By email



Strategic Planning and Performance Group
12-22 Linenhall Street
BELFAST
BT2 8BS

Tel: 028 9536 8419

Email: brigitte.worth@hscni.net

Date: 23rd July 2025

Dear Catherine

FORMAL NOTIFICATION OF 2025/26 ALLOCATION

Following receipt of the SPPG's allocation for 2025/26, this letter formalises the 2025/26 opening allocation for your Trust. This builds on the draft allocation letter sent to you in January and the subsequent updates received in May and June. As you are aware our teams have continued to be in regular contact over this period and I would therefore anticipate that this will be in line with your expectations.

The principles shared in the draft correspondence in January still apply and the schedule in Annex 1 provides final indicative allocations for your Trusts, with any recent changes highlighted.

There are a number of additional areas that I wish to draw your attention to:

- FYE of 2025/26 spend. You should avoid, where possible, the creation of a FYE tail of expenditure in 2025/26. Given that we expect the financial context to remain challenging going forward funding for such tails should not be anticipated unless expressly advised.
- RCCE – BDL – Trusts should not assume any revenue funding for BDL schemes.
- IFRS16 – again Trusts should not assume revenue funding. Replacement of existing leases should have revenue savings available to Trusts. Revenue affordability of leases for additional assets will need to be assessed in the usual way.
- NIC – funding for pressures arising from Trust NIC increases will be allocated following Trusts' review of funding required provided that this remains within the planning envelope as is currently expected to be the case.


- High Cost Drugs – Monitoring of actual and forecast spend has been included in the monthly Monitoring Return, with any adjustment that may be possible based on; regional review of the MMR, detailed reports routinely shared and the Trust's overall financial position.
- Trust Savings Targets - monitoring of savings target will be through MMR, and will include non recurrent 2024/25 savings to be repeated, and new 2025/26 savings. Further refinements to this reporting may be required as the work of SFMG develops.

You will be aware of the significant discussions regarding the challenges of the 2025/26 Budget settlement and the additional savings delivery target for your Trust recently communicated to you, in the context of working toward a breakeven position for HSC (excluding the cost of any 2025/26 pay awards). The reduced deficit funding allocated with Annex 1 reflects this.

Looking forward beyond the financial challenges for 2025/26, it is imperative that we also revisit our formal recovery planning in the autumn when it is anticipated that there will be greater clarity on the extent to which 2025/26 savings measures, including the outworkings of SFMG, will impact on future years.

I hope this information is helpful to formalise the position regarding opening allocations for the Trust. Our teams will continue with open dialogue and the SPPG Finance team will be able to answer any residual queries.

Regards,



BRIGITTE WORTH

**cc: Ciara McKillop
Louise McMahon
Lisa McWilliams
Paul Cavanagh
Tracey McCaig
SPPG AD Finance**

Annex 1 – Final indicative allocations 2025/26

ANNEX 1: SHSCT

updated since May '25

	CYE £	FYE £	Comments / Dependencies
Opening FYE Commitments - SPPG	974,172,102	974,172,102	
FYE 22/23 - No More Silos	841,501	841,501	Phone First - subject to implementation of regional 111
Endoscopy Capacity Building (subject to change by Regional Endoscopy Reform and Modernisation Group)	92,924	92,924	
Childrens - SUASC/YP - Placements / support	13,260	13,260	
No More Silos Phone First	6,425	6,425	Phone First - subject to implementation of regional 111
Growth - Consultant Growth to meet demand	1,000,000	1,000,000	
Growth - Unscheduled care	3,501,630	3,501,630	
Growth - Domiciliary Care	1,500,000	1,500,000	
Growth - Children - LAC	1,193,000	1,193,000	
Growth - Stroke	400,000	400,000	
Provision of drug therapies for patients with HIV	50,000	50,000	
MHS CAMHS Youth Justice Agency Regional Co-ordinator	29,559		NR only
Drugs & Therapies ILD	30,000	30,000	
HCD - Infrastructure Neurology MS	25,000	25,000	
LAC Education Workers	78,068		NR only
Cancer Strategy AP 8. Implement HPV testing in the cervical screening programme.	164,436	164,436	
Cancer Strategy AP 15. Develop new pathways and diagnostic services. Rapid Diagnostic Centres	500,000	500,000	
Arts in Health Initiative	49,000	49,000	
FYE - Additional 24/25 Pay Pressure for 2025/26 - Agency	1,054,000	1,054,000	
Subtotal - indicatives	10,528,803	10,421,176	

Deficit Funding	21,191,000	21,191,000	
Working Time Directive	2,300,000	2,300,000	
Employers NIC	0	0	TBC
Recurrent reclassification from FHS GMS to Commissioning Services in relation to Learning Disabled Enhanced Service - Southern Trust HE1/25/239107	24,799	24,799	
Unscheduled Care Growth Funds	2,000,000	2,000,000	
Non Pay Inflation	3,807,656	3,807,656	
Non Pay Inflation - IS	1,042,416	1,042,416	
NLW	7,782,172	7,782,172	
NIC - 3rd parties - IS	4,597,582	4,597,582	
RCCE	0		TBC
High Cost Drugs	3,292,000	3,292,000	Trust estimate adjusted for MORE. Please submit 25/26 forecast.
Waiting List	0	0	TBC
Car Parking - Loss of income & management system	150,000	150,000	
nMABS	0		TBC
Covid Testing	0		TBC
COVID PPE	4,321,000	0	NR only
2025/26 Pay	0		TBC
Growth in Demand - Short Breaks	2,662,000	2,662,000	TBC
Savings PPE	(1,821,000)		NR only
Further PPE savings	(150,000)		NR only
Subtotal - 25/26 indicatives	51,199,626	48,849,626	
TOTAL	1,035,900,531	1,033,442,904	