

Finance, Performance and Workforce (FPW) Committee Committee Chair Report for Meeting on 8th September 2025

The FPW Committee met on 8th September 2025. The formal record of the meeting remains the approved minutes.

1. Summary of areas considered

A. Unallocated Childcare Cases Report

The Committee acknowledged the current pressures and high referral activity into the service. There is an average of 1,100 referrals per month to CYPS Gateway services.

As at 31 July 2025, the number of weekly unallocated cases stood at 233 (down from 256 in March 25). Whilst the number of Unallocated Disability Cases (177) remains high many are known to Autism Services and have active involvement / intervention plans.

There remains a small number of unallocated children in care cases, totalling 45 children, from an overall population of 687 children (at end July). These cases are identified as being low risk and in settled long term foster placements. The service is committed to returning to a position of having zero unallocated children in care cases. This will be achieved by stabilisation of the workforce and an effective introduction of skills mix.

The operational challenges continue, including the availability and recruitment of social workers across CYPS (particularly within the Family Intervention, Gateway Service and Looked After Children's Teams), inadequate regional workforce supply and increasing demand for services.

Members noted the assurances from the Director and Chief Executive in relation to the mitigations in place across all teams to reduce risk and strengthen systems of governance including the proactive monitoring and prioritisation of Unallocated Gateway Cases. The Committee was pleased to note that there are no unallocated Child Protection Cases.

B. Strategic Outcomes Measures and Encompass Activity Stabilisation

The Committee was briefed on the ongoing transition from reporting on Service Delivery Plans (SDPs) measures to Strategic Outcome Measures (SOMs). This briefing highlighted the significant challenges in data validation and stabilisation following the Encompass system go-live. As a result, the confidence levels in 'first draft' activity reporting are currently categorised as being 'low' across the majority of measures.

36 SOMs were submitted to SPPG for Quarter 1 2025/26. In terms of data confidence, 21 were assessed as red, 3 amber, 3 green and 9 are still to be assessed.

Work is ongoing within the Information Team to validate the SOMs reports, and increase the confidence levels in reporting, in advance of the next outturn submission to SPPG on 7th October.

This is an extensive piece of work in addition to work ongoing with system stabilisation and the validation of statutory and regulatory reporting. It requires a 'whole system' approach to analyse, validate and investigate and to meet with individual services to provide confidence and assurance in the information that is extracted and reported.

The Performance and Informatics teams are also working through all the stabilisation issues with the anticipation that these will be resolved in line with the Trust's implementation deadline of 31st October. However, the scale of change and the need for all staff to adapt to new workflows remain significant challenges.

In terms of validating data to provide a high degree of confidence, the Committee noted that the Department of Health (SPPG), expects faster progress due to prior learning received from the other Trusts.

The Committee noted that this work is progressing, as expected, for such a major change programme.

C. Support and Intervention Framework (SIF)

The Committee discussed the SIF, detailing escalated areas, levels of concern, and ongoing governance for performance improvement, with a focus on ED/unscheduled care, theatre utilisation, and ambulance handover times (all Level 3 areas).

Currently there are no level four or five escalations within the Trust.

At the start of September 2025 there are 10 areas in the level 1 to 3 categories, down from 11 in July. These are:

- 2 Level 1 areas (July: 4)
- 5 Level 2 areas (July: 4)
- 3 Level 3 areas (July: 3)

A Theatre Utilisation Review is to be arranged as a specific session at the next FPW Committee meeting.

The Committee will continue to be sighted on any Level 3 items and will receive a 'deep dive' on performance within these areas as agreed. The Committee will then be in a position to escalate the issue to the Board by exception.

D. Finance Reporting – Month 4

Members noted the key points from the Director's presentation on the Month 4 Finance Report (July 2025) including:

- The Trust is reporting a small month 4 surplus of **£12k** under the expected variance control total. By comparison month 3 had previously reported a surplus of **£408k**. This adverse swing is due to continued underachieving in the savings targets. This is to be closely managed. It remains a concern given it is early in the financial year and winter expenditure is notoriously unpredictable.
- The Trust is forecasting a 2025/26 deficit of **£16.4m**. This is after additional Phase 1 savings (**£5m**) as requested by DOH/SPPG and the benefit of non-recurrent deficit funding of **£21.2m**.
- The Trust's 2025/26 annual saving target is now **£35m**. The Committee noted with some concern that, by month 4, £8.8m of savings should have been generated, whereas only £7m has been achieved. This £1.8m negative variance amounts to a 20% shortfall.
- While some areas continue to generate savings these are insufficient to offset high levels of expenditure associated with medical locum conversion, the potential increase in locum costs due to IMR doctors leaving and underachievement in nursing workforce stabilisation savings targets.
- The Month 5 outturn figures will be presented to the Board at its next meeting at the end of September.
- The Trust is on target to spend its total capital allocation of by year-end.
- The Trust's Prompt Payment Target is set at 95% of its suppliers paid within 30 days. It achieved 94.8% in month 4, a shortfall of 69 invoices out of 39,000 paid to date. It is anticipated that the full year target will be achieved.
- Accelerated Savings and Regional Collaboration: The Trust is participating in a regional accelerated savings group, aiming to deliver an additional £1.5–£1.6 million in savings, primarily through reductions in nursing agency and

medical locum spend. Programme boards and directorate meetings are being held to monitor progress and identify further opportunities.

Committee members remain concerned at the continued overspend in Medicine & Unscheduled Care due to non-achievement of the medical agency target and increased medical pay costs.

The Trust is currently undertaking a detailed mapping of where medical locums are deployed. This medical locum spend project will remain a priority in 2025/26. A new approach to this challenge is currently being progressed with a dedicated project manager under the RISE programme.

E. The Reform, Improvement, Savings and Efficiencies (RISE) Programme.

The Trust continues to utilise the RISE programme for oversight and management of the financial savings plan. This programme provides rigour and early warning of schemes not progressing in line with expected trajectories.

As previously noted there is a £1.8m negative variance in the year to date savings outturns. This amounts to a 20% shortfall as at the end of month 4.

Some areas are over-delivering in savings, these include staff travel, pharmacy and discretionary spend. The main areas of underachievement continue to be within the medical locum and nursing workforce areas. These areas will continue to be closely scrutinised.

F. Financial Plan 2025/26

The Opening Financial Plan was endorsed at the 29th May Confidential Trust Board meeting. This forecast a deficit for the Trust of **£43m**. This deficit is after realising a savings target of **£30m**.

SPPG notified the Trust on 11th June that a further **£5m** of (Phase 1) savings is now required. This increased the total savings target to **£35m**.

On 9th July a revised financial plan was submitted to SPPG indicating an expected 25/26 deficit of **£37.5m** (after the £35m of savings).

On 23rd July the Trust received notification that **£21.2m** of non-recurrent deficit funding is being provided. This will reduce the expected 25/26 deficit to **c.£16.4m**.

It is planned that the £16.4m deficit can be addressed by regional enablers derived from the Systems Financial Management Group (SFMG).

Mr Spoerry advised of a letter to HSC Chief Executives from the Permanent Secretary dated 2nd September on 2025/26 Financial Plans. He noted that

Trusts are being asked to submit their revised breakeven plans by 22nd September 2025.

The Committee remains concerned at the magnitude of the required savings and whether the regional enablers will indeed be able to generate sufficient savings within a relatively short timescale. The Committee also notes that the worst-case projected scenario is for a £20m deficit.

The Committee welcomes the proactive 'turnaround' mitigation plans that are being developed and the work of the RISE programme managers to reduce the negative variances within some Directorates.

G. Medicine & Unscheduled Care 2023/24 Financial Overspend Review / Action Plan

The Committee was briefed on un-scheduled care improvements, medical and nursing recruitment successes, ongoing challenges in consultant recruitment, and financial controls, with action plans for further progress.

- *Medical and Nursing Recruitment:* There have been recent successes including medical and nursing substantive recruitment for Daisy Hill Hospital and other areas, with ongoing efforts to fill consultant vacancies and minimise agency spend. Weekly meetings are held to review shifts and maintain strong control over workforce costs.
- *Financial Controls and Action Plans:* Plans are in place to address areas of concern, including equipment procurement and therapy recruitment, with continued monitoring and reporting to SLT and the Committee.

Significant improvements have been noted in relation to the Report's 11 remaining recommendations.

H. Workforce Reporting

The detailed HROD comprehensive workforce report was commended by the Committee. Key elements discussed included:

- *Staff Turnover and Recruitment:* Turnover decreased to 7.7% in June 2025, with recruitment activity having increased from the same period last year. KPIs for recruitment speed and pre-employment checks were consistently met in Q1 of 2025/26, though candidate experience and manager performance remain areas for improvement.
- *Sickness Absence and Accountability:* Sickness absence rates have reduced slightly, with the Trust maintaining the lowest rates among HSC trusts.

- *Training and Appraisal Compliance:* Corporate mandatory training compliance stands at 78%, with some areas in red due to new programmes and impact of Encompass implementation. Non-medical appraisal rates have dropped post-Encompass, prompting escalation action plans to improve compliance by year-end.
- *Recruitment Model and System Challenges:* Ongoing issues with the HSC recruit system and the need for a mixed recruitment model, aiming to retain more control over certain staff groups in-house and expedite recruitment processes, especially for high-volume roles like domiciliary care were noted.

I). Presentation on Medical Locums (paper considered as part of Matters Arising)

The Committee was briefed on the work of the *Regional Medical Locum Reduction Steering Group*. It was updated on a range of ongoing regional workforce planning initiatives, including:

- Locum Reduction Strategies.
- Electronic Rostering Implementation, and the plan to expand their implementation, starting with Medicine and Unscheduled Care Directorate. Procurement of the system is a priority, with the expectation that electronic rostering will yield significant savings and improve workforce management in 2026/27.
- Agency Scrutiny and Controls, and the need to scrutinise agency usage, agency staff appointments and spending.
- Regional Collaboration and Committee Oversight:

Mr Spoerry proposed that the Committee in Common should oversee agency-related work streams and approve the terms of reference, thereby increasing transparency and adherence to regional guidance.

2. Issues for escalation to Trust Board

None for escalation

3. Action(s) requested / required of Trust Board

- Note the areas considered.

Alastair Hughes

Non-Executive Director, on behalf of the Finance, Performance and Workforce Committee.

18th September 2025