Southern Health and Social Care Trust

TOGETHER, IMPROVING CARE, TRANSFORMING LIVES

TRUST BOARD COVER SHEET

	The cover sheet purpose is to provide the Trust Board/Committee with a clear summary of the paper being presented, how it impacts on the people we serve, key matters for attention and the ask of the Trust Board/Committee *The Accountable Director must satisfy themselves that the cover sheet is accurate and fully reflects the paper. The expectation is that the Accountable Director has read and agreed the content of both the cover sheet and paper.*	
Meeting and Date of meeting	*Trust Board Meeting 28th May 2026*	
Title of paper	Draft Financial Performance Report - 12 months ended 31 March 2026	
Accountable Director	**Name**	Catherine Marks
	Position	Director of Finance, Procurement & Estates
Report Author	**Name**	Catherine McCaul
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This paper sits within the Trust Board role of:		Accountability
This paper is presented for:		Approval *(Notes on completion at end of document)*
Links to Trust Strategic Priorities	☒	Collaborative Working
	☒	Learning Organisation
	☒	Safety, Quality & Experience
	☒	Community First
	☒	Whole-Life Approach

Wallace, Stephen | HSCNI

1. Reason for Presentation of Paper / Report

This report provides SLT with a Draft Financial Position at Month 12 March 2026.

2. Detailed summary of paper contents:

This report attached provides SLT with an analysis of the use of the Trust's financial resources, to aid decision-making and to raise an awareness/highlight areas requiring further action.

3. Areas of improvement/achievement:

The Trust prompt payment performance in the month of March was 95.9% with a cumulative position to date of 96.1%. Therefore, the Trust did meet its Prompt Payment target in Month 12. 36,381 invoices were paid in month.

4. Areas of concern/risk/challenge:

Reported Position as at Month 12 March 2026

Overall Financial Performance

The Trust has achieved a draft break-even position at year-end, reporting a small surplus of £177k, representing 0.02% of Revenue Resource Limit (RRL). This position remains subject to external audit review.

The draft outturn has been established by measuring actual expenditure against RRL confirmations received from SPPG/PHA and NIMDTA. The Trust's total current-year allocation for 2025/26 was approximately £1.15bn.

Pay Expenditure
Total payroll expenditure at Month 12 is £784m.
The main areas of payroll spend, consistent with previous months, are:
- Medical staff: £155m
- Nursing staff: £259m

Flexible workforce (including agency, bank, locum, overtime and additional duty hours) totalled £89.98m in 2025/26.

At March 2026, the Trust employed 1,299 WTEs across these flexible staffing arrangements.
- The most significant element of flexible spend is agency staffing:
    - 665 WTEs (52% of total flexible WTEs)
    - £43m cumulative spend (48% of total flexible pay spend)

- Including Medical Agency, which accounts for £25.1m

Non-Pay Expenditure
Total non-pay expenditure at Month 12 is £429m.
The largest area of non-pay spend is:
- Independent Sector Residential, Nursing and Domiciliary Care: £213m

Income
Income from non-RRL sources totalled £62m at year-end, of which:
- £44m relates to Client Contributions

Savings Performance
- The Trust Savings target for 2025/26 was £43.10m. Of the savings target of £43.10m, £43.15m has been achieved with an overachievement of £46k or 0.11% of the target . The main area of overachievement in Month 12 is Discretionary Spend 962k overachieved. The main area of underachievement is Medical Locum Conversion with an underachievement at Month 12 of £1.6m.

Forecast Year-End Position
The Trust has achieved a draft break-even outturn for 2025/26, remaining subject to audit review. The draft annual report and accounts were submitted to NIAO and DoH by the deadline on Friday 1 May 2026.

The final reported position including analytical review by Directorate will be confirmed following completion of the audit process.

5. Impact on Statutory Duties: Provide details on the impact of the following and how.

Financial Impact	***Safety and Quality Impact***
Yes, there are Financial Impacts	Yes, there are Quality, Safety or Experience Impacts

6. Risk Assessment (Risk level and state if a risk assessment be completed)

Low, draft Annual Report and Accounts are reporting break-even

7. Other Business Intelligence/data (If appropriate)

None

8. Impact: Provide details on the impact of the following and how. If this is N/A you should explain why this is an appropriate response.	
Corporate Risk Register	Corporate Risk Register Key Risk 5.1 Finance - ability to meet statutory break-even target
Board Assurance Framework	Financial Risk included in Board Assurance Framework
Equality and Human Rights	The high impact savings relating to vacancy control and reduction in agency (non-medical/non-nursing) will be implemented in areas with least impact on equality and human rights.

Trust Board Role Fulfilment

Strategy	*Papers in this category should address forward-looking priorities, long-term objectives, or service transformation. These are typically focused on shaping the future of the organisation and will often involve decisions on direction, investment, or innovation.*
Culture	*These papers aim to influence or reflect the values, behaviours, and staff or patient experiences within HSC. They may relate to leadership development, equality, diversity and inclusion, staff engagement, or initiatives intended to reinforce our organisational ethos.*
Accountability	*Papers falling into this area relate to governance, assurance, performance monitoring, compliance, and risk. They provide evidence that responsibilities are being fulfilled, standards are being met, and corrective actions are being taken where necessary.*

Reasons for Paper Presentation

Approval	*Used when an item requires a formal agreement or endorsement by the meeting / committee members. Examples are approving minutes, budgets, proposals or policies.*
Assurance	*Used when an item can be measured against a certain criteria / standard. Examples are a project is on course with delivery or financial targets are being met.*

Information	*Used when an item is presented for the purpose of updating or informing the attendees without requiring a decision or action, such as reports, updates, or announcements.*
Discussion	*Used when an item is listed primarily for open discussion, brainstorming or gathering input from the members without requiring an immediate decision.*