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* *25th June 2026*	
Title of paper	*Capital Investment End of Year Report 2025/26*	
Accountable Director	**Name**	*Elaine Wilson*
	Position	*Director of Planning, Performance and Informatics*
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	Email	*Senior Planner, Corporate Planning*
This paper sits within the Trust Board role of:		Accountability
This paper is presented for:		Information *(Notes on completion at end of document)*

Links to Trust Strategic Priorities 	☒	Collaborative Working
	☐	Learning Organisation
	☒	Safety, Quality & Experience
	☐	Community First
	☐	Whole-Life Approach

1. Reason for Presentation of Paper / Report

This Paper is presented to the Finance & Performance Committee for information. It sets out the Capital Investment received from the Department of Health (DoH) for the financial year 2025/26, this is referred to as the Capital Resource Limit (CRL). The Paper details the breakdown of ring fenced and general capital schemes and provides areas for improvement, going forward into 2026/27 financial year.

2. Detailed summary of paper contents:

High level Context:

The first CRL was received on 1st April 2025 for a total of **£6.5M**. As the year progressed further capital investment was secured in relation to specific areas such as ICT, Backlog Maintenance, Equipment and General Capital. The Trust received a total of **£27.7M** CRL for the financial year 2025/26.

The **£27.7M** capital investment was allocated to the following areas:

- **£5.6M - Major Capital Schemes -** which is for projects with a delegated limit >£1.5m. This year the investment funded DHH Low Voltage works, GP Improvement Schemes – Trust Owned for Portadown, Warrenpoint, Rathfriland, Brownlow, Richhill, Markethill and Mid Ulster as well as Research and Development.
- **£14.7M - Ringfenced Capital Funding -** which is allocated by the DoH specifically to undertake spend in a certain area/project; which includes ICT, Backlog Maintenance, IFRS16 leases, Imaging Diagnostic and Elective Care equipment as well as a project for Children with Disabilities.
- **£7.8M - General Capital/Maintaining Existing Services (MES)** - is internally allocated by the Trust's Capital Allocations Group (CAG) who have responsibility for agreeing and allocating general capital funding, which is informed by Strategic and Directorate priorities which includes fleet, medical equipment, ICT and Estate schemes.

3. Areas of improvement/achievement:

- The 4 Sub-Groups work well in their current constitution and support the individual prioritisation of need to help inform allocation of funding.

4. Areas of concern/risk/challenge:

- Limited availability of capital funds for General Capital allocation, with competing priority requests for funding.
- A number of catalogue equipment orders have been raised via revenue but due to their value over £5,000 are deemed to be capital. The current system allows any catalogue item that has been legitimately tendered to be ordered and, provided the correct approval level has been signed off, the order goes straight to the supplier and not via PALS. Only when the order has been fulfilled are finance made aware of this. SLT agreed that any future unauthorised orders will be cancelled.

- On-going challenge from Directorate teams which causes a lack of compliance with the agreed process to seek general capital funding.

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

Financial Impact	*Safety and Quality Impact*
No, there are no Financial Impacts	**No, there are no Quality, Safety or Experience Impacts**

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

N/A

7. Other Business Intelligence/data (If appropriate)

N/A

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	Performance Risks are held by individual Directorates
Board Assurance Framework	Reports to the Finance and Performance Committee
Equality and Human Rights	N/A

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.*

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CAPITAL INVESTMENT

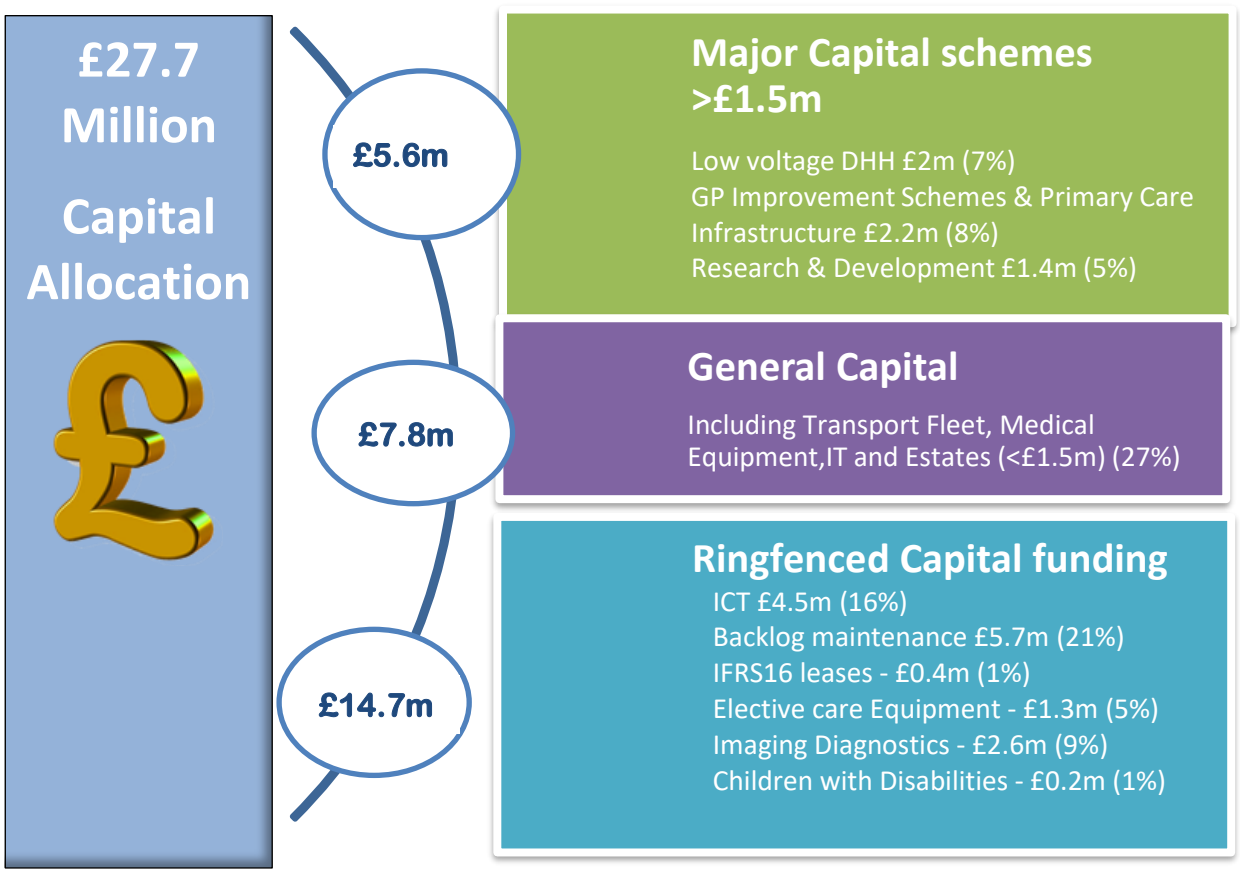
END OF YEAR REPORT 2025/26

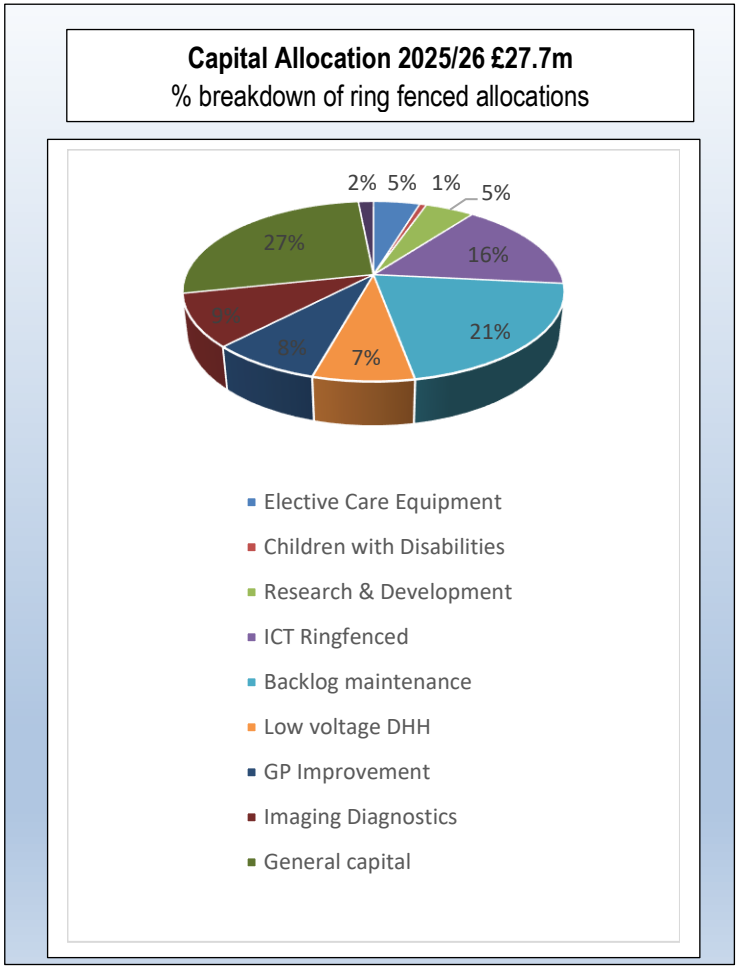
Directorate of Planning, Performance and Informatics

1.0 Introduction

This paper provides a summary of the capital investment received and allocated during 2025-2026.

The first Capital Resource Limit (CRL) was received on 1st April 2025 for a total of **£6,523,121**. During the year further allocations were bid for and received. The total CRL investment received in 2025/26 was **£27,692,099**. The diagram below demonstrates the share and % of the CRL allocation made for Major Capital, Ring-fenced and General Capital schemes.



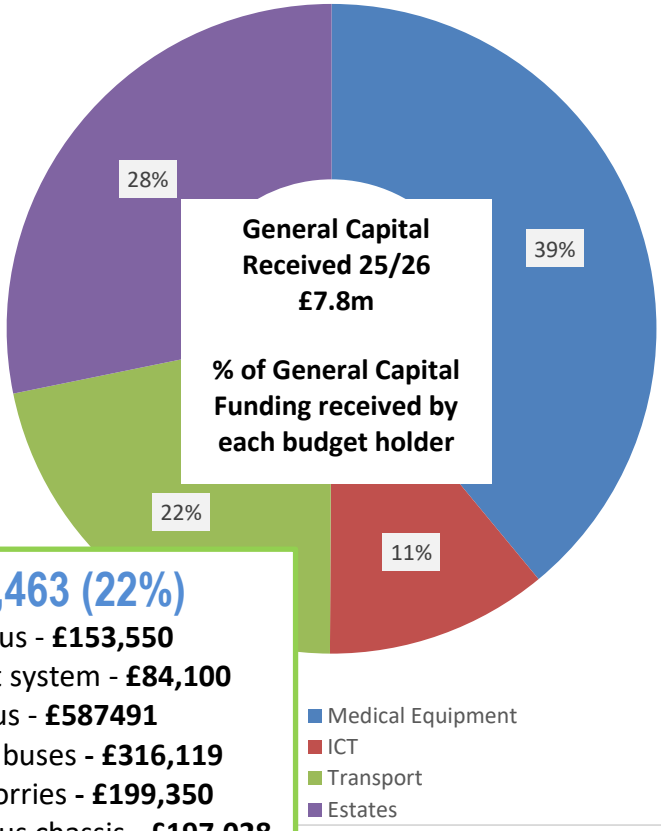


2.0 General Capital Funding and Allocations 2025/2026

General capital funding is allocated by the CAG, based on sub-group recommended priorities for estates works, purchase of fleet, ICT and Medical Equipment for all Directorates. The diagram below outlines the **General Capital investment** received in 2025/26 (£7.8m) and areas of allocation.

Estates General Capital Works *£2,197,172 (28%)*

- Carry over – Loane House **£95,949**
- DHH Fire Code Works **£220,000**
- Enabling works 5 endo washer disinfectors **£430,000**
- Works to Bluebell House **- £296,704**
- STH UPS/IPS **- £280,000**
- CAH Labs Works for Roche equip**- £47,299**
- Magowan Lease termination **- £82,500**
- Enabling works DHH CT Scanner **- £28,000**
- Tender pack for perm MRI scanner, DHH **- £46,500**
- Falls protection systems to roofs **- £188,838**
- Access Control **- £151,600**
- Works for Emergency OOH **- £14,000**
- Estates Rationalisation **- £170,000**
- Shortfall of creditors **- £145,782**



Medical & General Equipment *£3,039,072 (39%)*

- SCS equipment **£1,305,405**
- MUSC equipment **£468,264**
- ACS equipment **£53,828**
- MHLD equipment **£76,700**
- CYP **- £402,525**
- NMAHP **-£687,177**
- Medical **- £17,415**
- Carry forwards **- £27,758**

ICT *£862,920 (11%)*

- Encompass Breakages **- £46,244**
- IT stock replacement **- £149,992**
- Encompass new devices **- £72,069**
- Video conferencing facilities **- £7,532**
- Gen 11 Hardware Replacement **- £149,506**
- Data Centre End of Life Switching **- £15,712**
- SDA Implementation Services, DHH **- £110,769**
- Additional data centre primena drives & migration of data **- £113,884**
- Replacement CISCO switches **- £197,212**

Fleet *£1,692,463 (22%)*

- 1 x 22 seater bus **- £153,550**
- Fleet transport system **- £84,100**
- 7 x17 seater bus **- £587491**
- 5 x 9 seat mini buses **- £316,119**
- 3 x 7.5 tonne lorries **- £199,350**
- 4 x 22 seater bus chassis **- £197,028**
- Pharmacy bus **- £39,511**
- 1 x Hyundai Tuscon **- £24,914**
- 2 x Volkswagon Caddy **- £69,900**
- Carry forwards **- £20,500**

2.1 Capital funding returned

During the year, a number of allocations were returned to the DOH or internally to CAG for reallocation, as services were unable to fulfil their requests. The following lists all returns and the rationale for them. These have been reviewed to ensure that lessons are learned for the future, to minimise the return of funding to DoH where possible.

2.1.1 CRL allocations returned to DOH for ring-fenced projects

The total CRL returned was £1,194,695. The following list sets out ring fenced funding which was returned to DOH during the year. The majority of returned funding relates to procurement variance and delivery delays, rather than programme failure, indicating improved cost estimation but ongoing scheduling challenges.

- £45,730 was returned for ICT-NIPACS+ workstations due to not being able to deliver by year end
- £44,465 was returned for Children with Disabilities service due to not being able to deliver by year end
- £68,164 was returned for IFRS16 Sure Start Leases due to landlord engagement
- £100,000 was returned from R&D VPAG as it was not able to be spent by year end
- £99,218 was returned for elective care equipment & minor works due to 2 items being double counted on bids for funding and a small amount due to cost of equipment being less than quote.
- £94,246 was returned for imaging diagnostics due to CT Scanner STH costing less than quote
- £373,525 was returned for GP Improvement Scheme Trust Owned – Brownlow Health Centre as the tender price was less than anticipated
- £369,347 was returned as Disposals – Other Assets

2.1.2 General Capital Allocations returned back to CAG

The total General Capital returned was **£156,204** which was reallocated by CAG. Details as follows:

Item	Funding	Reason Funding Returned
2 Replacement Probes for CAH Xray and Maternity Department	**£15,980**	Canon are providing spare probes free of charge.
ENT outpatients – Replace ENT atmos workstations	**£21,336**	Service have advised microscope for STH has greater priority
Fetal Fibronectin POC Testing Machine (DHH and CAH) - cancelled	**£18,888**	Testing no longer used.
Speaker system, Monaghan Row	**£100,000**	Funding reduced and source of funding changed to ICT Tranche monies

2.1.3 Equipment ordered during 2025/26 with revenue funds which had to be capitalised as costs were greater than £5,000

A total of 10 items with a value of **£63,712** were ordered by teams as a revenue funded item however the cost was greater than £5000, therefore must be treated as a capital item. These items then had to be funded from general capital outside of the formal approvals process. These items are set out in the below table. This has decreased from 17 items ordered in 2024/25 at a value of £128,487. The issue was highlighted to SLT who agreed that any future unauthorised orders will be cancelled.

Item	Directorate	Cost
Bladder Scanner	ACS	£5,500
Bladder Scanner	ACS	£5,500
I-Walk Robot	FSS	£7,995
P Max Elite Handpiece (3 sets)	SCS	£9,616
Food Trolleys (2)	ACS	£18,966
Adult Trauma Mannequin	SCS	£7,055
Advanced Hospital Defibrillator	Medical	£9,080
TOTAL		**£63,712**

3.0 Areas for Improvement

3.1 Feedback on Areas for Improvement 2025/26

Area	Progress
A protocol for how to seek capital funding and steps to take following allocation of funding to be sent out with allocation letter.	The allocation letter, which is issued to Service Leads, following approval of capital has been updated with steps to take and includes links to appropriate forms to complete before procurement.
Revision of Terms of Reference of CAG plus establishment of subgroups to agree priorities for CAG approval	Strong governance improvements through Terms of Reference for CAG being revised to take account of 4 Sub-Groups that have been established; medical equipment, estates, IT and Fleet. The Sub-Group Leads put forward priorities from their designated areas for CAG consideration and approval.
Services to be advised to link with estates team when procuring medical equipment regarding estates works. CAG to review General Capital processes and cascade to directorates	Improved compliance with capital processes through strengthened engagement with directorates.
Ensure project timelines and costs are accurate and completed/delivered in year	CAG and Capital Monitoring Group (CMG) meetings take place every month where spend and timelines are reported on, establishing if there are any delays.

3.2 Areas for Improvement 2026/27

The CAG continues to focus on opportunities to improve processes and systems and provide assurance that our limited capital resources are targeted at supporting our staff to deliver the best outcomes for our service users. This includes a review of lessons learned and opportunities to improve the procurement process going forward into 2026/27.