



**Minutes of Trust Board meeting held on Thursday, 25th June 2026
at 10.45 a.m. in the Boardroom, Monaghan Row, DHH**

PRESENT

Ms E Mullan, Chair
Mr S Spoerry, Interim Chief Executive
Mrs L Ensor, Non-Executive Director
Mr A Hughes, Non-Executive Director
Mr J Johnston, Non-Executive Director
Mr R Lynas, Non-Executive Director
Mr C Stewart, Non-Executive Director
Mrs M Corkey, Non-Executive Director
Dr S Austin, Executive Medical Director
Mrs C Marks, Executive Director of Finance, Procurement and Estates
Mrs G Hamilton, Executive Director of Nursing, Midwifery and Allied Health Professionals, Functional Support Services and IPC

IN ATTENDANCE

Ms E Wilson, Director of Planning, Performance and Informatics
Mrs C Sheeran, obo Director of Adult Community Services
Mrs T Mulholland, Assistant Director MUSC on behalf of Director of Medicine and Unscheduled Care
Mrs V Toal, Director of Human Resources and Organisational Development
Mr D McClements, Interim Director of Surgery and Clinical Services
Mrs J McGall, Director Mental Health and Disability Services
Mr C McCafferty, Deputy Chief Executive, Executive Director of Social Work / Director of Children, Young People and Women's Services
Mrs D Burns, Director of Operations, Adult and Community Services
Mrs R Rogers, Head of Communications
Dr Beverley Adams, Divisional Medical Director, Integrated Maternity and Women's Health (Item 12 onwards)
Mr S Wallace, Head of Office
Mrs R Montgomery (Minutes)

APOLOGIES

Mrs G Browne, Non-Executive Director

1. CHAIR'S WELCOME AND APOLOGIES

The Chair welcomed members and attendees to the meeting

2. DECLARATION OF INTERESTS

The Chair asked members to declare any potential conflicts of interest in relation to any matters on the agenda other than those previously recorded. No interests were declared.

3. CHAIR UPDATE

The Chair extended her condolences on behalf of the Trust to the family of Dr Tom Frawley, Chair of the Western Health and Social Care Trust, who recently passed away. She acknowledged Dr Frawley's significant contribution to Health and Social Care and public service over many years, including his engagement with this Trust through his role in leading the Trust external reference group for urology. The Chair confirmed that she would write to the Western Trust and to Dr Frawley's family to formally convey the Board's condolences.

The Chair also addressed the recent incidents of violence and racism reported across communities. She expressed deep concern that, for a third consecutive year, such matters required to be raised, noting the detrimental impact on staff, particularly those from multicultural backgrounds. The Chair stated that the Trust unequivocally condemns all forms of violence, racism, intimidation and attempts to spread fear, emphasising that such behaviour has no place in society.

The Chair highlighted the profound value of the Trust's diverse workforce and recognised the essential contribution of international staff, noting that the Health and Social Care system would struggle to function without them. The Chair acknowledged the distress these events may cause to staff and their families and reaffirmed the Trust's commitment to supporting colleagues and standing firmly against such actions.

The Chair also placed on record her thanks to Police, Ambulance and Fire Service personnel who responded on the frontline during these incidents, as well as those across communities who have expressed support.

Mr Spoerry endorsed the Chair's remarks and reiterated his previous support. He additionally acknowledged the support shown by elected representatives across the political spectrum, noting in particular the visits by the Mayor of ABC Council to Craigavon Area Hospital and the Mayor of Newry, Mourne and Down District Council to Daisy Hill Hospital. He emphasised that these visible demonstrations of support were valued by staff during a challenging time.

The Board noted the update.

4. CHIEF EXECUTIVE UPDATE

The Chair introduced the Chief Executive's Report and invited Mr Spoerry to highlight any key issues arising.

Mr Spoerry brought particular attention to the ongoing doctors' industrial action, noting that the first day of strike action was currently taking place. He expressed that it is a matter of concern when employees are dissatisfied with their terms and conditions of service and remuneration and acknowledged that this is not a desirable position for the organisation and wider system. He emphasised that pay and contractual arrangements are largely determined at a regional level and therefore sit outside the direct control of the Trust.

Mr Spoerry advised that the Trust is committed to acting as a responsive and supportive employer, and that significant work has been undertaken by business continuity teams and clinical leadership to mitigate the impact of industrial action. He noted the importance of ongoing engagement with the BMA and acknowledged the cooperation of medical staff in maintaining patient safety. While the predicted impact of the initial strike day is expected to be limited, he confirmed that the Trust will assess and quantify the impact on services following each period of industrial action.

Mr Spoerry also highlighted a positive development regarding funding. He noted that £80m of waiting list initiative funding has been made available through a central Executive budget to support Programme for Government priorities, particularly in improving access to services. He advised that a proportion of this funding will be allocated to Trusts to support a priority range of procedures and increase activity, with some funding expected to support improvements at Daisy Hill Hospital. Work is ongoing to determine the detailed allocation and implementation arrangements, with further developments anticipated in the coming weeks.

The Board noted the Chief Executive's Report.

5. MINUTES OF PREVIOUS MEETING HELD ON 28TH MAY 2026

Minutes of the meeting held on 28th May 2026 were approved by the Board.

Minutes of 28th May 2026 were approved

6. MATTERS ARISING

The matters arising were noted by Board members.

7. REPORT OF THE STATUTORY INDEPENDENT PUBLIC INQUIRY INTO UROLOGY SERVICES IN THE SOUTH-EERN HEALTH AND SOCIAL CARE TRUST

The Chair referred to the publication of the Urology Services Inquiry Report, noting that it represents a significant moment for both the Trust and the wider Health and Social Care system.

On behalf of the Trust, the Chair issued a full and sincere apology to all patients and families affected, recognising that the care provided fell below expected standards and acknowledging the distress, and in some cases harm, experienced. She emphasised that the Trust has approached the inquiry in an open and transparent manner, viewing it as an important opportunity to learn and to drive meaningful and lasting improvement. The Chair confirmed that the Trust accepts the findings and recommendations of the report and will give them careful and considered reflection.

The Chair also acknowledged the contribution of staff to the inquiry process, noting that despite the challenges and pressures faced, they engaged openly and supported the work of the inquiry. She highlighted that she had met with staff affected by the report and recognised the impact it has had on them, emphasising that the Trust must ensure appropriate support is provided. The Chair reiterated that, as a corporate body, accountability rests with the organisation.

Mr Spoerry reiterated the Trust's apology to patients and their families and emphasised that the priority now is to learn from the findings and ensure full implementation of the recommendations. He advised that a rigorous approach will be taken to assess current compliance against the recommendations,

recognising that governance arrangements have strengthened since the period under review. He confirmed that the Trust will identify areas where further improvement is required and will act to address these at pace.

MrSpoerry further advised that progress in implementing the recommendations will be reported publicly to the Board, underscoring the importance of transparency and accountability. He also noted that a number of recommendations apply at a regional system level, and it is therefore appropriate that these issues are considered more broadly across Health and Social Care, including through forthcoming regional forums.

Dr Austin also reiterated the apology and reflected on the impact of the failings on patients, stressing the importance of ensuring that learning from the report translates into safer care both now and in the future. He emphasised the need to remain focused on improving patient safety and preventing recurrence.

The Board acknowledged the significance of the report, the impact on patients, families and staff, and the importance of ensuring that the Trust responds with a clear and robust programme of improvement.

ACTION: UPDATE ON UROLOGY SERVICES INQUIRY RECOMMENDATION ACTION PLAN PROGRESS TO BE PRESENTED AT SEPTEMBER 2026 TRUST BOARD MEETING.

8. COMMITTEE CHAIR REPORTS

i) People and Culture Committee, 1st June 2026

Mr Lynas presented the report and advised that there were no issues for escalation to the Board at this time. He confirmed that the Committee has commenced delivery of its workplan and is progressing its areas of focus as set out within the report.

The Chair welcomed the update and expressed particular encouragement at the development of Directorate Action Plans arising from the Staff Pulse Survey, noting this as a positive step forward. However, she emphasised the need to remain realistic regarding delivery, highlighting the ongoing challenges associated with workforce capacity and strategic resourcing. She noted that a number of underlying risks remain difficult to fully mitigate in the current environment and that these constraints will continue to impact progress.

The Board noted the update and took assurance from the report.

ii) Charitable Trust Funds Committee, 22nd June 2026

Mrs Corkey reported on the most recent meeting of the Charitable Trust Funds Committee, which took place earlier in the week, noting that it had been a positive and constructive meeting. She confirmed that there were no issues for escalation to the Board.

The Committee received the draft Annual Report and Accounts, which reflected an income increase on the previous year. It was further noted that the audit findings had been presented, with an unqualified audit opinion recommended.

Members also reviewed Directorate proposals for the use of charitable funds for 2026/27, which were described as both innovative and aligned with the intended purpose of the funds. The Chair welcomed the strong level of engagement from Directorates in developing proposals and noted that this reflects the value of ensuring funds are utilised in line with the wishes of donors and to benefit patients and services.

An update was also provided on staff support funding, with work progressing at pace, alongside consideration of the Committee's annual report and forward workplan.

The Board noted the update and took assurance from the report.

9. COMMITTEE IN COMMON UPDATE

The Chair provided an update following a recent touchpoint meeting held to review progress on provider collaboratives across the region.

The Chair outlined that care homes have been identified as a key priority area, with agreement to establish a Care Home Provider Collaborative. This will bring together existing strands of work to focus on demand, capacity, costing, and delivery, with the aim of developing a more consistent regional approach to care home provision and system management.

An update was also provided on the Procurement Collaborative, which is showing significant potential in enabling a regionalised approach to procurement across Health and Social Care. While early progress is encouraging, it was noted that further work is required to fully develop the scope and realise the benefits.

The Chair further advised that an Information Governance Collaborative has now commenced, with leadership assigned at regional level. Further updates on progress in this area are expected to be brought forward in due course.

It was noted that Psychiatry has now been included as a provider collaborative priority, with Mr Spoerry acting as regional lead. The Committee has supported engagement with the Department of Health to seek the necessary resources to progress this work, recognising the significant challenges within this area.

Finally, the Chair advised that the Virtual Wards programme, previously led by Belfast Health and Social Care Trust, will now be taken forward under the Department of Health, led by the Chief Medical Officer as part of the Encompass Programme, and will no longer sit within the Collaborative framework.

The Board noted the update.

10. ANNUAL STRATEGIC PLAN YEAR END UPDATE 2025/26

Mrs Wilson presented the Supporting Intervention Framework (SIF) update, advising that the report outlines the areas currently escalated by the Trust and those tracked by SPPG, with seven areas presently captured across varying levels of escalation.

Mrs Wilson highlighted that there has been focused scrutiny through Committee, including a deep dive into Emergency Department (ED) flow and ambulance handover times. She reported that ambulance handover performance has significantly improved and that this progress is being sustained. It was noted that SPPG has already de-escalated three areas, reflecting positive performance improvements across a number of domains.

In relation to ED waiting times, Mrs Wilson advised that there has been a reduction in patients waiting over 12 hours, with continued work underway to improve patient flow and reduce delays. She also noted ongoing engagement with SPPG regarding escalation categories, including discussions on the appropriate framing of obstetric-related risks.

Mr Stewart welcomed the report and commended the progress achieved, particularly recognising the improvements acknowledged by SPPG. He also noted the effective use of the SIF process as a mechanism to seek support where required.

Mr Spoerry provided additional context in respect of gastroenterology service pressures, advising that an external review of services has been undertaken. Initial feedback has been received and is expected to support both local improvements and inform wider system responses. He also expressed appreciation for the significant efforts of staff in delivering improvements in ambulance handovers and patient flow, noting the scale of work required to achieve this.

Mrs Burns outlined the operational actions being taken to support sustained improvement. She confirmed that there has been extensive engagement with staff, with a focus on maximising existing bed capacity and improving discharge processes. A key priority is the reduction in patient length of stay, supported by ongoing work including a GIRFT self-assessment and wider service redesign.

An update was also provided on packages of care, where it was noted that the backlog has reduced by approximately 200 patients over the past four months, with around 600 patients currently awaiting support. Ongoing work is focused on improving the allocation and review of care packages, ensuring that support is aligned to patient need and that capacity is used as efficiently as possible.

This includes re-evaluating care following initial periods of support to allow resources to be redistributed appropriately.

The Chair welcomed the progress outlined, noting the significant effort across the organisation to deliver improvements in a challenging environment. She highlighted the importance of sustaining progress and continuing to strengthen system flow, while acknowledging that this will require ongoing effort and collaboration.

The Board noted the update and took assurance from the progress reported.

11. SOUTHERN TRUST INTEGRATED MATERNITY AND WOMEN'S HEALTH UPDATE

The Chair introduced Dr Beverley Adams, Divisional Medical Director for Maternity Services, and noted that speaking rights had been granted for this item.

Mr Daire Hughes, MP

Mr Hughes thanked the Board for the opportunity to address the meeting and expressed support for the Trust, including his agreement with the condemnation of recent violence. He referred to the recent temporary divert of maternity services at Daisy Hill Hospital (DHH), noting that it highlighted the fragility of the service. While recognising the challenging circumstances, he sought assurance that all possible actions are being taken to prevent recurrence, particularly in relation to workforce planning and recruitment.

Mr Hughes acknowledged the efforts already underway to recruit staff and queried whether recruitment has been widely advertised, including beyond Northern Ireland. He also highlighted the impact of negative media coverage and emphasised the importance of clear and timely communication, noting that the absence of information during the incident allowed speculation to arise and caused distress to staff and patients. He further referenced ongoing industrial action and encouraged engagement at regional level to resolve these matters.

Dr Donal Duffin

Dr Donal Duffin also thanked the Board and reflected positively on the availability of information at the Board meeting. He emphasised the importance of clear public communication, noting that more detailed information would have provided reassurance and reduced speculation. He highlighted that midwifery staffing levels are comparatively strong and suggested that this should be communicated more widely.

Dr Duffin raised concerns regarding medical workforce shortages, particularly at consultant and junior doctor levels, noting rota gaps and the ongoing challenge of filling posts. He emphasised that these issues require action at regional level, including engagement from SPPG and NIMDTA, and offered support from the Daisy Hill Hospital Futures Group in advocating for change.

Mr McCafferty thanked contributors for their constructive engagement and provided a detailed account of the circumstances surrounding the temporary divert. He confirmed that the Trust was notified on Friday afternoon that a Senior House Officer (SHO) due to commence duty was unavailable due to illness, triggering urgent efforts to secure cover through all available avenues, including agency staff, internal redeployment, consultant cover, and cross-Trust support.

Despite these efforts, it became clear by early evening that safe staffing levels could not be achieved, based on clinical advice requiring appropriate consultant, middle-grade and junior doctor cover. In line with agreed business

continuity plans, a decision was taken to implement a temporary divert on the basis of patient safety.

Mr McCafferty emphasised that this was not a reflection of lack of effort or commitment from staff, noting that medical teams regularly work beyond contracted hours. He highlighted that this was the first such divert in over 12 months, demonstrating the commitment of staff in managing significant and long standing medical staff shortages particularly , on the Daisy Hill site. An update on patient impact was provided, noting that:

- 8 women were on site at DHH, all of whom were managed safely, with most discharged home well
- 1 patient completed delivery at DHH and 1 was transferred to Craigavon Area Hospital (CAH)
- 12 further presentations were redirected to CAH, with 2 admissions and 10 managed with advice and returned home.

Mr McCafferty reiterated that the decision was solely based on patient safety, noting the high-risk nature of obstetric services and the need for full staffing to manage potential emergencies. Dr Adams outlined the significant workforce challenges across both DHH and CAH, including:

- A deficit of approximately 30% of consultants in CAH
- Gaps at registrar and SHO level across both sites
- Heavy reliance on locum staff, who are not contractually obliged to provide short-notice cover.

Dr Adams noted that recruitment is ongoing at regional, national and international level, but remains challenging due to competition, changing workforce preferences, and the increasing sub-specialisation of obstetrics and gynaecology roles.

The Chair acknowledged the extremely difficult circumstances and expressed appreciation to staff for their commitment to maintaining services.

Dr Austin noted assurance that patient safety and mitigation measures were prioritised throughout. Mr Spoerry emphasised that the Trust remains committed to maintaining safe obstetric services at both DHH and CAH, and reiterated that patient safety will not be compromised. He acknowledged the concerns raised regarding communication and confirmed that learning will be taken forward to improve responsiveness in future incidents, particularly in relation to social media activity.

Mr Spoerry also agreed with concerns raised regarding regional workforce planning, noting the need for greater transparency and highlighting that current training and workforce models have not kept pace with service changes. He confirmed that this issue is being actively pursued at regional level alongside other Trust Chief Executives.

Board members, including Mr Stewart and Mrs Ensor, expressed assurance that the appropriate actions had been taken in a challenging situation, commending staff for prioritising safety. It was noted that earlier communication to Board members would have been beneficial, and this was accepted as a learning point.

Mrs McGall, as Director on Call, confirmed that staff on the ground remained calm, focused and patient-centred, working in line with established business continuity arrangements.

The Chair thanked those with speaking rights for their constructive contributions and ongoing engagement. She acknowledged the importance of learning from the incident, particularly in relation to communication, and reiterated that the Trust will continue to prioritise safe, high-quality care for women and babies.

It was recognised that workforce challenges represent a system-wide issue, requiring action beyond the Trust, and that this will continue to be escalated at regional level.

12. COMMITTEE CHAIR REPORTS

i) Population Health and Partnership Committee, 2nd June 2026

Mr Stewart provided an update from the Committee and advised that there were no issues for escalation to the Board.

He reported that the Committee has now held its second meeting, which was described as productive and characterised by positive engagement among members. Mr Stewart noted that, given the broad remit of the Committee, work is ongoing to refine its focus. Encouragingly, the Committee is beginning to identify and concentrate on areas of particular importance and interest, including those most relevant to patients and service users.

Mr Stewart acknowledged that there remains further development required before the Committee reaches full maturity in terms of focus and impact.

However, he emphasised that good progress is being made and that the direction of travel is positive.

The Board noted the update.

13. SUPPORT AND INTERVENTION FRAMEWORK

Mrs Wilson presented the Supporting Intervention Framework (SIF) update, advising that the report outlines the areas currently escalated by the Trust and those tracked by SPPG, with seven areas presently captured across varying levels of escalation.

Mrs Wilson highlighted that there has been focused scrutiny through Committee, including a deep dive into Emergency Department (ED) flow and ambulance handover times. She reported that ambulance handover performance has significantly improved and that this progress is being sustained. It was noted that SPPG has already de-escalated three areas, reflecting positive performance improvements across a number of domains.

In relation to ED waiting times, Mrs Wilson advised that there has been a reduction in patients waiting over 12 hours, with continued work underway to improve patient flow and reduce delays. She also noted ongoing engagement with SPPG regarding escalation categories, including discussions on the appropriate framing of obstetric-related risks.

Mr Stewart welcomed the report and commended the progress achieved, particularly recognising the improvements acknowledged by SPPG. He also noted the effective use of the SIF process as a mechanism to seek support where required.

Mr Spoerry provided additional context in respect of gastroenterology service pressures, advising that an external review of services has been undertaken. Initial feedback has been received and is expected to support both local improvements and inform wider system responses. He also expressed appreciation for the significant efforts of staff in delivering improvements in ambulance handovers and patient flow, noting the scale of work required to achieve this.

Mrs Burns outlined the operational actions being taken to support sustained improvement. She confirmed that there has been extensive engagement with staff, with a focus on maximising existing bed capacity and improving discharge

processes. A key priority is the reduction in patient length of stay, supported by ongoing work including a GIRFT self-assessment and wider service redesign.

An update was also provided on packages of care, where it was noted that the backlog has reduced by approximately 200 patients over the past four months, with around 600 patients currently awaiting support. Ongoing work is focused on improving the allocation and review of care packages, ensuring that support is aligned to patient need and that capacity is used as efficiently as possible. This includes re-evaluating care following initial periods of support to allow resources to be redistributed appropriately.

The Chair welcomed the progress outlined, noting the significant effort across the organisation to deliver improvements in a challenging environment. She highlighted the importance of sustaining progress and continuing to strengthen system flow, while acknowledging that this will require ongoing effort and collaboration.

The Board noted the update and took assurance from the progress reported.

14. YEAR END REPORT OF CAPITAL INVESTMENT 2025/26 (ST1256/26)

Mrs Wilson presented the Capital Investment Report for 2025/26, outlining the Trust's capital allocation and expenditure during the year.

She advised that the Trust received a total capital allocation of approximately £27.7m, comprising funding across a number of categories, including major capital schemes, ring-fenced allocations, and general capital funding. The report provides detailed information on how this funding has been utilised across the organisation, with investment aligned to key priorities and areas of need.

Mrs Wilson highlighted that, while the Trust aims to fully utilise all capital resources, it is sometimes necessary to return unspent funding due to factors such as supplier delays or late allocation of funding. It was noted that this position has improved, with the level of capital returned reducing from approximately 11% in the previous year to 8% in 2025/26, representing positive progress.

She also advised that a Capital Allocation Group has now been established, supported by four sub-groups, to strengthen governance and ensure that

capital investment decisions are aligned with strategic priorities and address key risks across the organisation.

Mr Spoerry provided additional context, noting that, in comparison to other health systems, including NHS counterparts, capital investment in Northern Ireland is comparatively lower, which places limitations on estate development, equipment replacement, and infrastructure improvements. He further emphasised that a proportion of funding was received late in the financial year, which constrained the Trust's ability to fully utilise all available resources.

Notwithstanding this, Mr Spoerry commended staff for the effective management of capital investment during the year, noting that the overall position reflects a strong performance given the challenges associated with late funding allocations. He also acknowledged the significant effort involved in identifying and progressing schemes at short notice.

The Chair echoed this appreciation and asked that the Board's thanks be conveyed to staff for their work in managing the capital programme.

The Board noted the report and took assurance from the position outlined.

15. STATEMENT OF LOSSES AND SPECIAL PAYMENTS (ST1256/26)

Mrs Marks presented the annual report on Losses and Special Payments for 2025/26, noting that the total value amounted to approximately £12m, representing an increase of £3m compared to the previous financial year. She outlined that the report provides a breakdown of losses across a number of categories.

Mrs Marks advised that the increase in overall value is primarily attributable to clinical negligence costs. She confirmed that the report has been submitted to external auditors as part of the year-end process and that approval is required in line with Standing Financial Instructions.

The Chair acknowledged the report and noted that, while the scale of losses is significant it is proportionate against the overall organisation budget. She stated assurance is provided by the robust processes in place to minimise losses, recover funds where possible, and ensure appropriate governance and scrutiny. She expressed appreciation for the work of Mrs Marks and her team in managing this area and limiting financial exposure where feasible.

The Board approved the Losses and Special Payments report.

16. FINAL DRAFT ANNUAL REPORT AND ACCOUNTS (INCLUDING GOVERNANCE STATEMENT) YEAR-END 31ST MARCH 2026 INCLUDING FINAL YEAR-END OUTTURN 2025/2026 (ST1257/26)

Mrs Marks presented the final draft Annual Report and Accounts for 2025/26 and welcomed members of the Finance Team to the meeting, acknowledging their significant contribution to the preparation of the report.

Mrs Marks advised that the draft accounts and Report to Those Charged with Governance had been reviewed by the Audit and Risk Assurance Committee (ARAC) earlier in the week, which had approved their submission to the Trust Board for consideration and approval.

She outlined that the Trust had experienced a challenging financial year, operating with £21m deficit support funding and delivering a £43m savings programme, ultimately achieving a break-even position in the final accounts. The Trust also met its prompt payment target of 95%.

Mrs Marks advised that total expenditure for the year was approximately £1.15bn, representing an increase of £76m compared to the previous year, largely driven by pay awards, increased employer National Insurance contributions, and tariff uplifts. Staff costs increased by £52m overall, with a modest increase in workforce numbers and a corresponding reduction in agency usage.

Non-pay expenditure saw a slight overall reduction, although this included increases in areas such as purchased goods and services, waiting list initiative activity, and medical and surgical supplies. Payments of approximately £12m were made in relation to clinical negligence settlements during the year.

Mrs Marks further summarised the Statement of Financial Position, noting:

- An increase in non-current assets
- A rise in current liabilities, partly reflecting expected future clinical negligence settlements
- A reduction in long-term provisions
- A small increase in funds held on behalf of patients and clients

She confirmed that the external audit process is substantially complete, with no significant issues identified, and that auditors are content for the Chief Executive to sign the accounts following Board approval.

The Chair thanked Mrs Marks and the Finance Team for their work, noting that the Annual Report provides a comprehensive and transparent account of the Trust's performance and activities over the year. She paid tribute to the significant effort involved in producing the report and acknowledged the contribution of staff across the organisation.

Mrs Ensor confirmed that ARAC had reviewed the accounts in detail and was content with their quality and accuracy, noting the positive outcome of the audit process. Mr Stewart and other members echoed these sentiments, recognising both the achievement of a break-even position and the unqualified audit outcome as significant accomplishments in a challenging environment.

The Board approved the Annual Report and Accounts.

17. DRAFT ANNUAL REPORT AND CHARITABLE TRUST FUND ACCOUNTS FOR THE YEAR ENDED 31.03.2026 (ST1258/26)

Mrs Marks presented the draft Annual Report and Accounts for the Charitable Trust Funds, noting that the report had previously been considered by the Charitable Trust Funds Committee.

She advised that total income for the year was £563k, representing an increase of £51k compared to the previous year. This included £183k in legacy donations and £204k in investment income through Charities Together. Mrs Marks took the opportunity to acknowledge that the Trust is indebted to the generosity of patients, families, carers and the wider community who continue to support the Trust through donations.

Total expenditure for the year was £730k, including an investment management charge of £19k. Spending was primarily directed towards staff education and welfare, new equipment, medical research, and patient education, with detailed examples provided within the report.

Mrs Marks also highlighted that the Trust's investment portfolio remained strong, with a market value of approximately £4.4m, significantly above the original investment level. She noted that £1.5m had been withdrawn during the year to support a staff support initiative.

Members were advised of a small unadjusted accounting error of £20k, which was well below the threshold of materiality. Mrs Corkey confirmed that this

matter had been fully reviewed by both the Charitable Trust Funds Committee and the Audit and Risk Assurance Committee, and that both were satisfied with the explanation and treatment. It was also noted that the external auditors had raised no concerns.

Mrs Corkey further highlighted the positive engagement of Directorates in identifying appropriate uses for funds and noted that future focus will increasingly be on enhancing patient experience.

The Board welcomed the report, acknowledged the importance of charitable contributions, and recognised the value of ensuring that funds are utilised in line with donor intent to benefit patients, staff, and services.

The Board approved the Charitable Trust Funds Annual Report and Accounts.

18. DRAFT REPORT TO THOSE CHARGED WITH GOVERNANCE 2025/26

Mrs Marks presented the draft Report to Those Charged with Governance, advising that the Audit Office has completed sufficient audit work to enable the accounts to be signed, with only finalisation activity remaining.

She confirmed that the Trust has received an unqualified audit opinion, with no material misstatements identified and no significant concerns raised. Overall, the report was described as very positive. Mrs Marks outlined the key findings from the audit:

- A Priority 2 finding relating to employee benefit accruals, where methodology and assumptions were reviewed by auditors. While a potential adjustment was identified through sample testing, this was not considered material, and the auditors were satisfied with the overall approach. It was noted that minor enhancements, such as additional spot checks, will be undertaken in future.
- A Priority 3 finding relating to the management of a contract extension (including the CellPath contract), where expenditure occurred following contract expiry due to delays in regional arrangements. This was recorded as an irregularity and appropriately disclosed in the Governance Statement.

Mrs Marks also noted two non-material audit adjustments which are both below materiality thresholds and did not impact the overall financial position. She confirmed that the Governance Statement includes disclosure of the

CellPath contract issue, and that the Letter of Representation will be signed by the Chief Executive following Board approval.

Mrs Ensor confirmed that the matter relating to contract management had been discussed at Audit and Risk Assurance Committee (ARAC), clarifying that the finding related to timing and progression of contractual arrangements rather than inappropriate expenditure.

The Chair welcomed the report, noting that it reflects a strong audit outcome, and Mr Spoerry, as Accounting Officer, confirmed his confidence in signing the accounts based on the assurance provided.

The Board approved the Report to Those Charged with Governance and noted the positive audit outcome.

19. FINANCIAL PERFORMANCE REPORT – MONTH 2 2026/27 (ST1259/26)

The Chair welcomed Mr J. Large (UNISON), who addressed the Board under speaking rights.

Mr J. Large, UNISON

Mr Large outlined concerns on behalf of UNISON regarding the impact of financial pressures and savings targets on workforce practices, particularly the potential casualisation of the workforce. He highlighted reports that substantive staff may be encouraged or expected to undertake additional hours through bank arrangements rather than overtime, raising concerns about compliance with Agenda for Change terms and conditions.

Mr Large emphasised that this issue extends beyond payroll, representing a workforce, governance and patient safety concern, noting that reliance on casual arrangements can undermine workforce stability. He further outlined risks including financial disadvantage to staff, impacts on wellbeing, increased fatigue, reduced morale, and potential effects on retention and service delivery.

Mr Large called for assurance that such practices are not occurring and, if they are, that they cease immediately. He also emphasised the need for long-term solutions focused on recruitment, retention, and workforce planning.

Mrs Marks acknowledged the challenging financial context, noting that the Trust is currently operating within a savings programme of approximately £29.9m (circa 3%), with further savings requirements anticipated. She

confirmed that a key element of the savings approach is to reduce reliance on high-cost agency staffing and convert this into substantive posts, delivering both financial and workforce benefits. She highlighted that:

- Over 65% of the Trust's expenditure relates to staffing, requiring careful management
- Work is ongoing to reduce high-cost flexible staffing expenditure, including agency

Mrs Toal reiterated that stabilising the workforce remains a core priority, providing examples such as over-recruitment in Band 5 nursing to reduce reliance on temporary staffing. She confirmed that the Trust is actively working towards reducing dependency on bank and agency usage and strengthening substantive staffing where possible.

Mrs Toal acknowledged that there are system and operational challenges in how additional hours are currently managed across different cost centres but emphasised that the direction of travel is aligned with workforce stability and affirmed the principles outlined by UNISON.

Financial Position – Month 2 Update

Mrs Marks also provided an update on the Trust's Month 2 financial position, advising that:

- The Trust is currently reporting an overspend of £3.94m, including £1.3m against the control total
- Opening budgets for the financial year have not yet been formally confirmed, creating additional uncertainty
- The main variance relates to delivery of the 2026/27 savings target, with approximately 14% underachievement against the £29.9m target at this early stage
- Approximately £2.5m has been removed from the baseline budget, increasing financial pressures

She noted that:

- Many savings plans are in place but not all were implemented from 1 April, and impacts are still bedding in
- Budgets have been issued to Directorates on an indicative basis, with most currently reporting overspends
- Payroll is overspent by approximately £2.7m, with savings measures expected to take effect over coming months
- Directorates are beginning to address high-cost areas including drugs and non-pay expenditure

Mrs Marks highlighted that capital plans are progressing, with £3.7m committed to date against a £12.3m annual allocation.

Mr McCafferty acknowledged the detailed nature of the financial information provided and emphasised the scale of the financial challenge facing the Trust. The Board recognised:

- The complexity of balancing financial recovery with workforce sustainability
- The importance of maintaining compliance with national terms and conditions
- The need to ensure clear communication and engagement with staff and trade unions

The Board noted the significant concerns raised regarding workforce practices and received assurance on the Trust's strategic direction to stabilise the workforce and reduce reliance on agency staffing.

The Board approved the Month 02 Finance report.

20. COMMITTEE CHAIR REPORTS

i) Audit and Risk Assurance Committee 22nd June 2026

Mrs Ensor presented a verbal update from the recent meeting of the Audit and Risk Assurance Committee (ARAC), noting that the meeting had taken place earlier in the week.

She advised that the Committee had primarily focused on a number of year-end reports, many of which are being presented to the Board for consideration and approval at this meeting.

Mrs Ensor highlighted that a pre-meeting had been held with both internal and external auditors, which was described as positive and constructive. She noted that the external auditors provided very positive feedback on the performance of the Finance Team, particularly commending the level of cooperation and support received throughout the audit process.

In addition, Mrs Ensor drew attention to a longstanding issue regarding the provision of legal advice in relation to the monitoring of independent care providers. She noted that this matter remains with the Department and has

been outstanding for some time. The Committee considered it appropriate to emphasise the need to continue to pursue this matter and seek resolution.

No further issues were raised for escalation.

The Board noted the update and took assurance from the report.

ii) Finance and Performance Committee, 18th June 2026

Mr Hughes provided a verbal update from the recent Finance and Performance Committee meeting.

He advised that the Committee had received a number of detailed presentations, including updates on the EQUIP programme, a Supporting Intervention Framework (SIF) deep dive, and ambulance handover performance, all of which were reported as informative and of high quality.

Mr Hughes further noted that the Committee has identified a number of areas requiring more detailed consideration and has therefore agreed to schedule an additional meeting in October/November to facilitate further deep dive discussions.

It was also confirmed that the MUSC financial review is scheduled to be considered in detail at the Committee's September meeting.

21. APPLICATION OF TRUST SEAL

Mrs Marks noted two items for approval for application of the Trust Seal.

The Board approved the Application of the Trust Seal

22. ANY OTHER NOTIFIED BUSINESS

The Executive Directors of Medicine, Social Work, Nursing and Finance were asked if they had any other issues relating to their professional roles they wished to bring to the Board's attention.

- Dr Austin, Executive Medical Director - None noted.
- Mr McCafferty Executive Director of Social Work - None noted
- Mrs Marks Executive Director of Finance - None noted

- Mrs Hamilton Executive Director of Nursing, Midwifery & Allied Health Professionals - None noted

The date of the next meeting will be Thursday, 23rd September 2026 at 10.30 a.m. Monaghan Row, Newry

PAPERS FOR INFORMATION

Members noted the following agenda items for information purposes.

a. People and Culture Committee

- Minutes of meeting held 1st June 2026

b. Population Health and Partnership Committee

- Minutes of meeting held on 2nd June 2026

c. Southern Health and Social Care Trust Highlights

d. Chief Executive's Engagement for Trust Board

e. Chair and Non-Executive Directors Engagement