



Western Health  
and Social Care Trust



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# Financial Performance Report

For the 8 months ended 30 November 2025

## **Contents**

Executive summary	Page 3
Statutory financial performance targets	Page 4
Financial plan 2025/26	Page 5
Control total monitoring including financial performance	Page 6-7
Contingency savings plan	Page 8-9
Key risks and mitigations	Page 10
Expenditure analysis – key areas	Page 11-17
Capital expenditure	Page 18
Key messages	Page 19

## **Executive Summary**

The Trust forecast deficit remains at £2.6m for 2025/26.

Members should be aware that we are still awaiting a direction in relation to the accounting arrangements for the pay award now confirmed for 2025/26 and expected to be paid to staffing during Q4 2025/26. It is most likely that the Trust forecast deficit will increase by the associated 2025/26 cost and that the Trust will not achieve a break-even position for 2025/26. Discussions are also taking place to ensure that the end of year financial statements for 2025/26 provide full disclosures in relation to the deficit expected to be reported.

Trust financial performance for the period indicates an increase in unplanned expenditure which will be the subject of finance focus discussions in January. A further comprehensive review of the financial plan will be conducted during January 2026 to test income and expenditure assumptions, projections and risk for the remainder of the year including the increasing risk of further growth of unplanned expenditure into Q4 2025/26.

## Statutory Financial Performance Targets

	Rag Status
<b>Manage within allocated Revenue Resource Limit (RRL) / Operate within Control Total</b> The Trust continues to liaise with SPPG in relation to the Trust financial plan. The Trust is currently projecting a deficit position of £2.6m for 2025/26.	Amber 
<b>Deliver against 2025/26 savings targets</b> The Trust has achieved £12.5m/ 96% of contingency savings against the profiled target at November 2025.	Green 
<b>Manage within allocated Capital Resource Limit (CRL)</b> The Trust has a total capital allocation (Capital Resource Limit) of £37.9m. Capital expenditure to the end of October 2025 is £17m.	Green 
<b>Prompt payment target – 95% of suppliers within 30 days</b> The Trust has paid <b>89.05%</b> of its undisputed invoices with suppliers within 30 days at 30 November 2025 against its target of 95%. In the month of November 2025, <b>95.69%</b> of undisputed invoices with suppliers were paid within 30 days. The monthly prompt payment continues to exceed 95%, driven by sustained improvement in the nurse bank office and pharmacy. However, we are seeing a decline in estates turnaround therefore continued attention will be important to maintain this improved position.	Amber 

## Financial plan 2025/26

The Trust is projecting a deficit position of £2.6m for 2025/26 as summarised in Table 1 below.

**Table 1. Projected Deficit 2025/26**

	Financial Plan		
	June 2025 (v3) £'m	Oct 2025 (v4) £'m	Nov 2025 (v5) £'m
Opening financial pressures	34.6	34.6	34.6
Savings targets 2023/24/ MORE savings target 2024/25	26.4	26.4	26.4
Forecast pressures 2025/26 (net of indicative/ assumed income)	11.0	7.5	7.5
<b>Forecast gross deficit 2025/26</b>	<b>72.0</b>	<b>68.5</b>	<b>68.5</b>
Phase 1: Low/medium savings	(31.5)	(31.5)	(31.5)
Phase 2: Low/medium savings	0.0	(7.3)	(7.1)
Phase 2: High savings			(0.5)
Other opportunities	(9.0)	(10.4)	(11.6)
<b>Trust led savings &amp; managed risk</b>	<b>(40.5)</b>	<b>(49.2)</b>	<b>(50.7)</b>
<b>Forecast net deficit 2025/26</b>	<b>31.5</b>	<b>19.3</b>	<b>17.8</b>
SPPG Deficit Funding	(15.2)	(15.2)	(15.2)
<b>Revised forecast deficit 2025/26</b>	<b>16.3</b>	<b>4.1</b>	<b>2.6</b>

We are currently waiting on direction in relation to the accounting for the pay award now confirmed for 2025/26 and expected to be paid to staff during Q4 2025/26. We expect the consequence will result in an increase to the Trust forecast deficit.

## Control Total Monitoring

Control totals have been revised during November to reflect the additional savings measures from the approved Phase 2 savings plan. Adjustments to the control total will not include income or technical accounting related measures. As a consequence, the total directorates control total is £33.3m. We are reporting a variance against revised control totals of £1.3m at 30 November 2025. This is due to a net underachievement against contingency savings targets of £0.5m and planned and unplanned growth of £0.8m. Table 2 below summarises performance against control totals by Directorate.

**Table 2. Control Total Monitoring by Directorate**

<b>Directorate</b>	<b>Control Total 2025/26 £'000</b>	<b>Projected at Nov 25 £'000</b>	<b>Actual at Nov 25 £'000</b>	<b>Variance £'000</b>
Unscheduled Care, Cancer, Diagnostics & Medicine	17,769	12,403	12,617	214
Surgery, Paediatrics & Women's Service	6,774	4,865	6,382	1,517
Adult Mental Health & Disability	4,566	2,762	3,438	676
Community & Older People's Services	6,463	3,303	3,525	222
Children & Families	(3,401)	(1,899)	(1,298)	601
Nursing Midwifery and AHP	(2,128)	(1,472)	(2,035)	(563)
PPCS	(4,341)	(2,610)	(2,432)	178
Finance, Contracts & Capital Development	(411)	(187)	(125)	62
Human Resources	(210)	(108)	(171)	(63)
Chief Executive	13	27	38	11
Medical	(480)	(187)	(219)	(32)
Corporate Pay & Non Pay	8,713	5,878	4,395	(1,483)
<b>Directorate Total</b>	<b>33,327</b>	<b>22,775</b>	<b>24,115</b>	<b>1,340</b>

A number of Directorates are experiencing new challenges that are resulting in further unplanned growth in November. Recruitment to vacancies across the range of professions including higher medical and nursing expenditure in the month has contributed to an increased off-plan position for Unscheduled Care, Children & Families and Nursing Midwifery and AHPs. Directors must identify mitigating actions to prevent further deterioration in financial performance. This may include the curtailment of planned growth expenditure to offset the unplanned rises, where the opportunities present.

## Financial Performance

The Trust is reporting an overspend against its budgets of £5m (0.7%) at 30<sup>th</sup> November 2025, a reduction from the prior period. Whilst financial performance against budget continues to be monitored, control totals now provide the more reliable indicator of overall Directorate performance as it factors in both expenditure and savings projections. As a result, variance is not the definitive measure of performance, the control total provides a more accurate reflection of how Directorates are performing against Trust financial planning assumptions.

**Table 3. Summary Financial Performance by Directorate**

Directorate	Budget	Expenditure	November Variance		October Variance		Restated Variance 2024/25
	£'000	£'000	£'000	%	£'000	%	%
Unscheduled Care, Cancer, Diagnostics & Medicine	155,452	168,069	12,617	8.1%	11,008	8.1%	9.4%
Surgery, Paediatrics & Women's Services	101,490	107,872	6,382	6.3%	5,709	6.5%	6.2%
Adult Mental Health & Disability	111,706	115,144	3,438	3.1%	2,914	3.0%	2.3%
Community & Older People's Services	146,515	150,040	3,525	2.4%	3,385	2.6%	2.1%
Nursing, Midwifery & AHP's	28,092	26,057	(2,035)	(7.2%)	(1,881)	(7.7%)	(5.4%)
Children & Families	66,155	64,857	(1,298)	(2.0%)	(1,174)	(2.0%)	(3.1%)
Medical	3,759	3,540	(219)	(5.8%)	(195)	(5.9%)	(2.7%)
Planning, Performance & Corporate Services	51,383	48,951	(2,432)	(4.7%)	(2,223)	(4.9%)	(6.1%)
Finance, Contracts & Capital Development	4,797	4,672	(125)	(2.6%)	(121)	(2.9%)	(2.9%)
Human Resources	5,383	5,212	(171)	(3.2%)	(141)	(3.0%)	(4.7%)
Office of the Chief Executive	1,817	1,855	38	2.1%	24	1.5%	11.5%
Trust Wide Corporate Services	62,201	66,596	4,395	7.1%	3,805	7.0%	9.5%
Opportunities against Directorate Pressures	1,222		(1,222)	(100.0%)	(1,049)	(100.0%)	(100.0%)
<b>Directorate sub-total</b>	<b>739,972</b>	<b>762,865</b>	<b>22,893</b>	<b>3.1%</b>	<b>20,061</b>	<b>3.1%</b>	<b>3.5%</b>
Covid19	2,239	2,402	163	7.3%	136	6.9%	0.0%
Deficit funding/ Other opportunities	18,026		(18,026)	(100.0%)	(13,012)	(100.0%)	(100.0%)
<b>Reported Deficit</b>	<b>760,237</b>	<b>765,267</b>	<b>5,030</b>	<b>0.7%</b>	<b>7,185</b>	<b>1.1%</b>	<b>0.0%</b>

## Savings Targets

For 2025/26, the Trust has a Phase 1 contingency savings target of £31.5m. Cumulative recurring savings of £16.5m from 2023/24 and 2024/25 have been achieved and therefore target savings of £15.1m are required for 2025/26. Additional phase 2 savings plans against a target of £7.6m have been implemented effective from 1 November 2025. Total savings are £22.7m.

Tables 4 and 5 below summarise performance against the total contingency savings target of £22.7m at 30<sup>th</sup> November 2025 by both Directorate and by work-stream. In spite of the additional savings requirements having been implemented effective from November 2025, directorate performance is strong and an overall increased achievement of 96% is being reported for this period. An improvement of 2% from 94% in the prior month.

**Table 4: Savings Target Monitoring by Directorate**

Directorate	Total Target £'000	Target Profile £'000	Savings Delivered £'000	% of Profile Achieved	RAG rating
Unscheduled Care, Cancer, Diagnostics & Medicine	5,294	3,068	2,791	91%	
Surgery, Paediatrics & Women's Services	2,737	1,692	1,476	87%	
Adult Mental Health & Disability	2,716	1,448	1,321	91%	
Community & Older Peoples Services	2,889	1,937	1,937	100%	
Nursing, Midwifery & AHP's	543	284	454	160%	
Children & Families	1,501	609	579	95%	
Planning, Performance & Corporate Services	1,901	881	827	94%	
Medical Directorate	352	102	102	100%	
Finance, Contracts & Capital Development	301	114	114	100%	
Human Resources	237	102	159	157%	
Chief Executive Office	58	20	20	100%	
Corporate	4,204	2,765	2,766	100%	
<b>Total</b>	<b>22,733</b>	<b>13,022</b>	<b>12,546</b>	<b>96%</b>	
				<=59%       60% - 84%       >=85%	

**Table 5: Savings Target Monitoring by work stream**

Workstream	Total Target £'000	Target Profile £'000	Savings Delivered £'000	% of Profile Achieved	RAG rating
Medical locum reduction	2,469	1,506	624	41%	<span style="color: red;">●</span>
Rota optimisation/ Dom Care	515	227	227	100%	<span style="color: green;">●</span>
High cost cases/ enhanced rate efficiencies	1,100	502	485	97%	<span style="color: green;">●</span>
Nursing agency	2,410	1,513	806	53%	<span style="color: red;">●</span>
Workforce control increase (non-recurrent repeatable)	6,280	4,030	5,932	147%	<span style="color: green;">●</span>
Admin efficiencies	1,618	837	548	65%	<span style="color: orange;">●</span>
MORE	1,068	505	505	100%	<span style="color: green;">●</span>
Medical & surgical consumables	1,900	374	252	67%	<span style="color: orange;">●</span>
Corporate and facilities management service reduction	1,694	988	960	97%	<span style="color: green;">●</span>
Mental health crisis service	500	214	-	0%	<span style="color: red;">●</span>
Other Opportunities	3,180	2,327	2,207	95%	<span style="color: green;">●</span>
<b>Total</b>	<b>22,733</b>	<b>13,022</b>	<b>12,546</b>	<b>96%</b>	<span style="color: green;">●</span>

<=59%      60% - 84%      >=85%

The strong performance being reported suggests good momentum in spite of ongoing challenges across some of the workstreams.

- Medical locum and nurse agency savings continue to face delivery challenges. Targeted support is being provided locally by workstream SROs to strengthen accountability arrangements and enhance oversight;
- Further progress is expected in administration primarily through strengthened controls as a dedicated workstream is established through our Delivering Value programme. Directors have committed that any in-year gap will be bridged through increased workforce controls savings.
- There are a number of programmes of work in place to support reductions in medical & surgical consumables. Work continues on procurement initiatives to deliver savings.

The management of risk in relation all savings plans will continue to be undertaken by project leads with accountability through the Trust Delivering Value Management Board.

## **Key Risks and Mitigations**

### **Expenditure growth**

Expenditure forecasts continue to assume that Directors will contain spend within the agreed control total limits, however current monitoring indicates that performance against these limits has deteriorated further this month as a consequence of increased recruitment activity. Areas of unplanned growth remain primarily associated with medical and nursing budgets, reflecting workforce pressures linked to both substantive recruitment and the ongoing use of temporary staffing. Directors must identify mitigating actions to prevent further deterioration in financial performance. This may include the curtailment of planned growth expenditure to offset the unplanned rises, where the opportunities present. A further comprehensive review of the financial plan will be conducted during January 2026 to test assumptions and projections for the remainder of the year.

### **Savings plans**

The financial plan assumes Directorates will deliver in full against planned savings for 2025/26. DVMB will be the primary forum to examine risks in detail, review barriers to delivery and identify opportunities to accelerate savings.

### **New / emerging service pressures**

During the current period, further unplanned expenditure pressures have emerged which are increasing the overall risk to delivery of the financial plan. The mid-year review identified opportunities to partially offset areas of growth and delivery of phase 2 savings has been positive to date, however there remains limited capacity to absorb additional pressures. In this context, it is critical that Directors maintain close oversight of emerging risks, ensure that any growth is fully justified, escalate material issues promptly, and implement mitigating actions where available to protect overall financial performance.

## Expenditure Analysis – Key Areas

The following section focuses on key areas where trends may have a material impact on the delivery of the financial plan and Directorate performance.

### Flexible Staffing Expenditure

Total flexible expenditure in 2025/26 to date is £57.8m and is summarised by Directorate below. Total agency expenditure is £38.7m, which includes £20.4m (52.6%) of medical agency, £14.8m (38.3%) of nursing agency and £3.5m (9.1%) across other professional groups. Expenditure on bank staff over the same period is £15.6m. Overall, the use of flexible staffing continues to reduce month on month; indicating that grip and control is being exercised where it can be.

**Table 6: Total Flexible Staffing Expenditure**

Directorate	Cum to November 2025				Growth from Prior Period	Cum to October 2025 Total
	Overtime	Agency	Bank	Total		
	£'000	£'000	£'000	£'000		
Unscheduled Care, Cancer, Diagnostics & Medicine	1,033	17,525	2,414	20,972	(1.0%)	18,544
Surgery, Paediatrics & Women's Services	551	7,244	1,115	8,909	(0.6%)	7,846
Adult Mental Health & Disability	487	8,570	3,451	12,508	(0.0%)	10,946
Children & Families Directorate	452	933	2,291	3,675	(0.8%)	3,241
Nursing, Midwifery & AHP's	56	114	331	501	(1.1%)	443
Community & Older Peoples Services	478	3,881	2,209	6,567	0.5%	5,719
Finance, Contracts & Capital Development	7	202	13	222	(0.1%)	194
Human Resources	12	-	0	112	(3.2%)	112
Medical Directorate	1	-	8	9	16.6%	7
Chief Executive Office	-	0	-	0	(12.5%)	0
Planning, Performance & Corporate Services	414	221	3,511	4,146	1.1%	3,590
COVID19 - commissioned	4	5	131	139	27.4%	96
<b>Total</b>	<b>3,494</b>	<b>38,694</b>	<b>15,586</b>	<b>57,774</b>	<b>(0.4%)</b>	<b>50,738</b>

## Medical

Table 7 illustrates that the Trust has experienced an increase in total medical expenditure of £3.23m (3.5%) when compared to the average in 2024/25. October expenditure increased sharply, though around 60% was supported by budget. Spend has reduced in the current month indicating an improvement, however underlying pressures remain which are mainly due to the filling of vacancies and cover for absence and unplanned leave.

**Table 7: Total Medical**

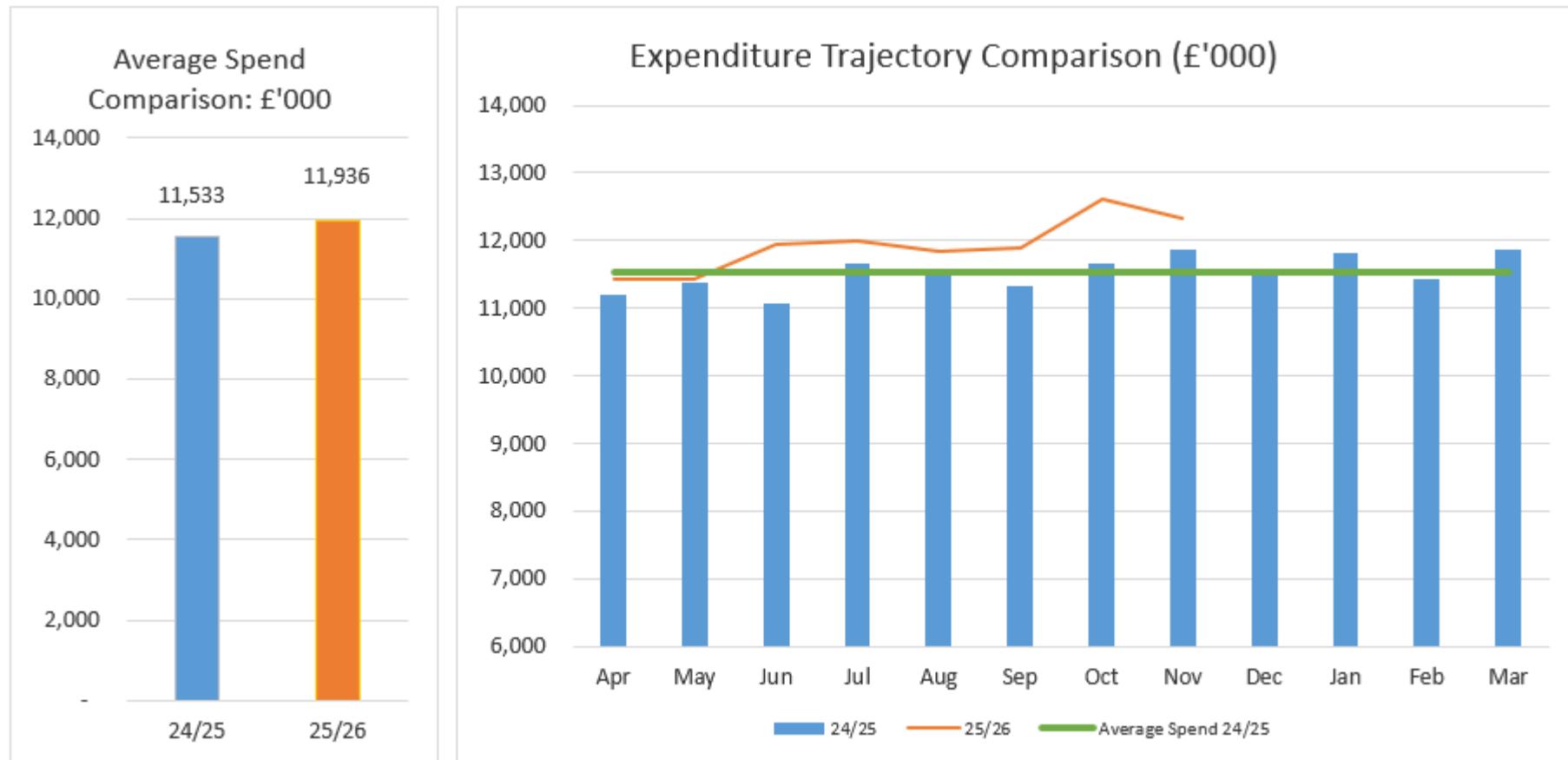
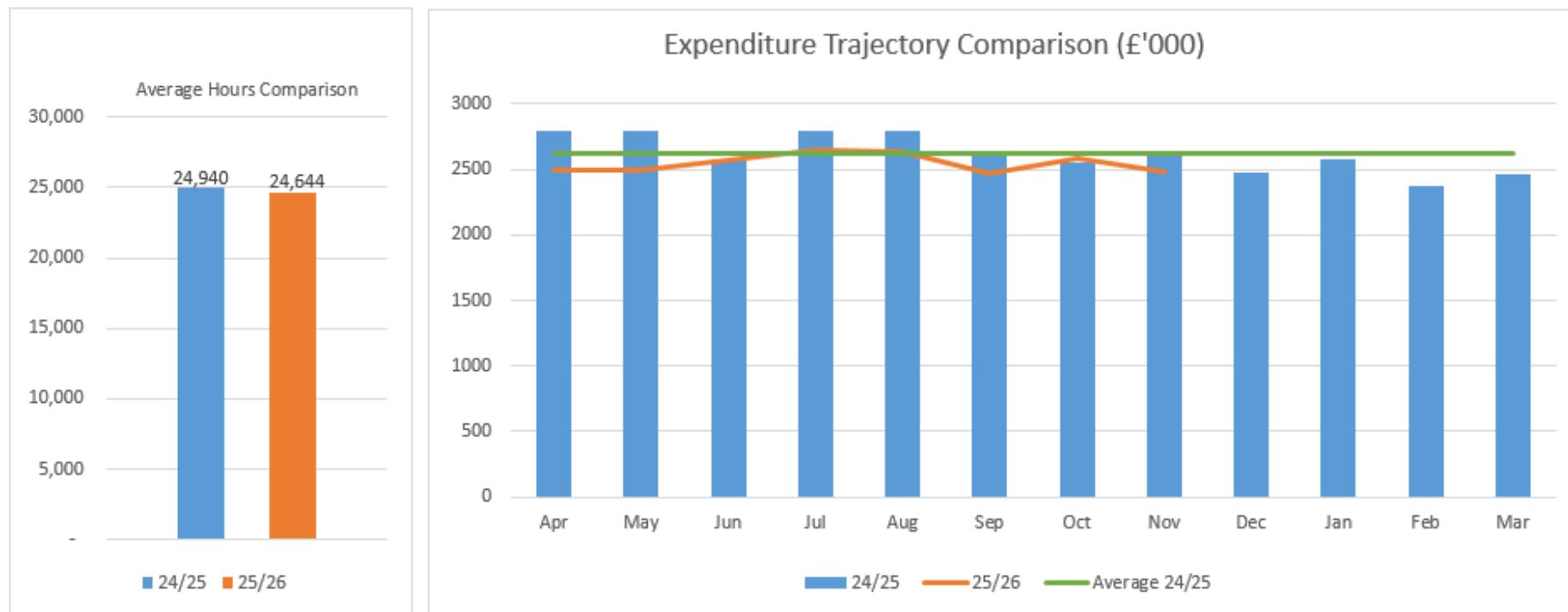


Table 8 below illustrates that there has been a decrease in average medical agency expenditure of 2.78% when compared to the average in 2024/25. Medical agency trajectories continue to show improvement, supported in part by temporary financial opportunities identified through the mid-year review to help manage overlap periods.

**Table 8: Medical Agency**



As previously reported, there are a number of work-streams in place which are focused on stabilisation of the medical workforce and on medical agency reduction. These local work-streams are led by the Medical Director as SRO with nominated leads across Directorates. Given the complexity of this work and interdependencies of various work-streams both local and regional, the Trust has appointed a programme manager to drive this work forward. Monthly accountability arrangements are in place to focus attention on the various work-streams below which include:

- **International recruitment (IMR):** The Trust has appointed 21 doctors through international recruitment to date in 2025/26. Of these appointments, 4 were expected to displace existing locum agency, 2 have been released, 1 was released

however re-engaged to cover another gap and the other has been retained to support additional pressures in the service area. There continues to be focus on exit strategies for these locums however the delayed release of the agency staff has had a negative impact on savings delivery and total medical expenditure. In the other 17 cases, successful candidates have filled vacancies, which is a significant contributory factor to the increased expenditure in 2025/26. There are a further 3 appointments currently in the pre-employment checks stage.

- **Removal of the highest cost agency doctors:** of the top 10 highest cost doctors across each tier, 3 have now exited at consultant tier and 1 at resident doctor tier. Directorates are continuing to risk assess and action removal of agency doctors where it has been assessed as safe to do so.
- **Resident doctors banding reduction:** there are currently 11 non-compliant rotas in the Trust with approximately 40% of doctors in receipt of Band 3 - 100% additional allowances. Additional HR resource has been secured to support the actions required to resolve this. It must be noted that as trainees are provided by and contracted to NIMDTA (NI Medical and Dental Training Agency), the Trust has strongly challenged NIMDTA with regards to its role to address doctors' non-compliance with rota monitoring. The Trust is highly dependent on NIMDTA to resolve the compliance issues.
- **Strengthening the control environment around locum engagement:** the objective of this project is to enhance and strengthen controls in the engagement of locums to align with Trust standard recruitment processes. An internal Financial Governance Review has been completed and an action plan is under development to address core issues. Core principles for all relevant stakeholders to further strengthen the control environment is under development and the SRO has implemented ongoing accountability arrangements with service Directorates to strengthen controls around medical workforce engagement and retention.
- **Agency hourly rates negotiation:** the Trust continues to challenge and negotiate rates with providers. Whilst there have been successes in 2024/25 in reducing and stabilising the average rate, ongoing focus is required by Directorates which will be supported by the new medical agency framework.
- **Progress on the implementation of the new Regional medical framework:** continues with Directorates currently completing a risk matrix to assess the impact to service of potential non-compliant locums. Current timelines for the implementation of the new framework have been extended to 31 December 2025 with contract award expected in the next quarter. This framework will include new capped rates and improved contract management arrangements.

## Nursing

Table 9 below illustrates that there has been an increase of £4.8m (3%) in total nursing expenditure when compared to the average expenditure in 2024/25. While nurse agency savings are currently below the year-to-date target, early indicators suggest that operational controls put in place from June are having a positive impact on nursing agency volume. However, pressures still remain in AMHD services for additional nursing support. Excluding AMHD services, nursing agency volumes have reduced across other services from July.

**Table 9: Total Nursing**

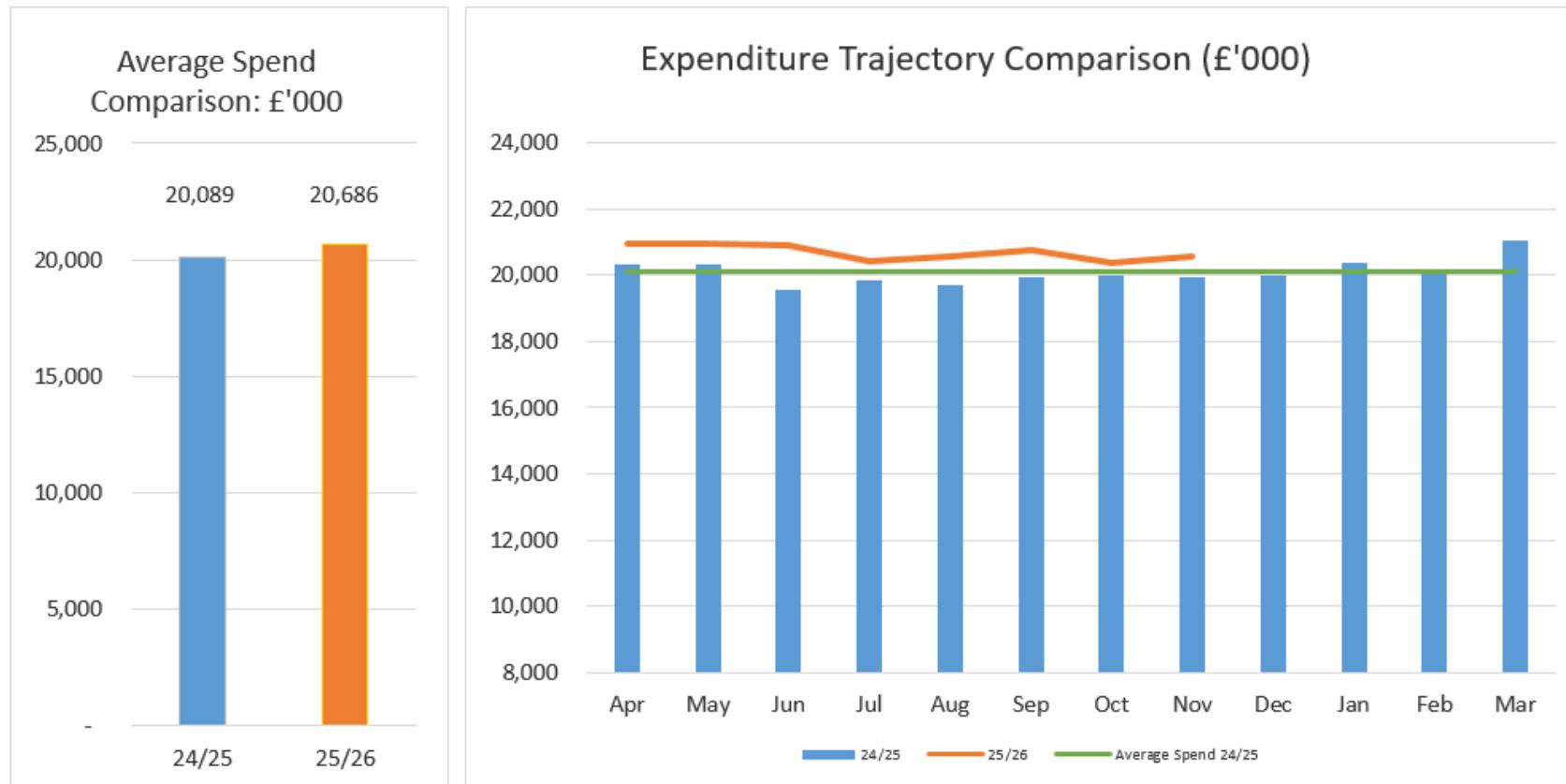
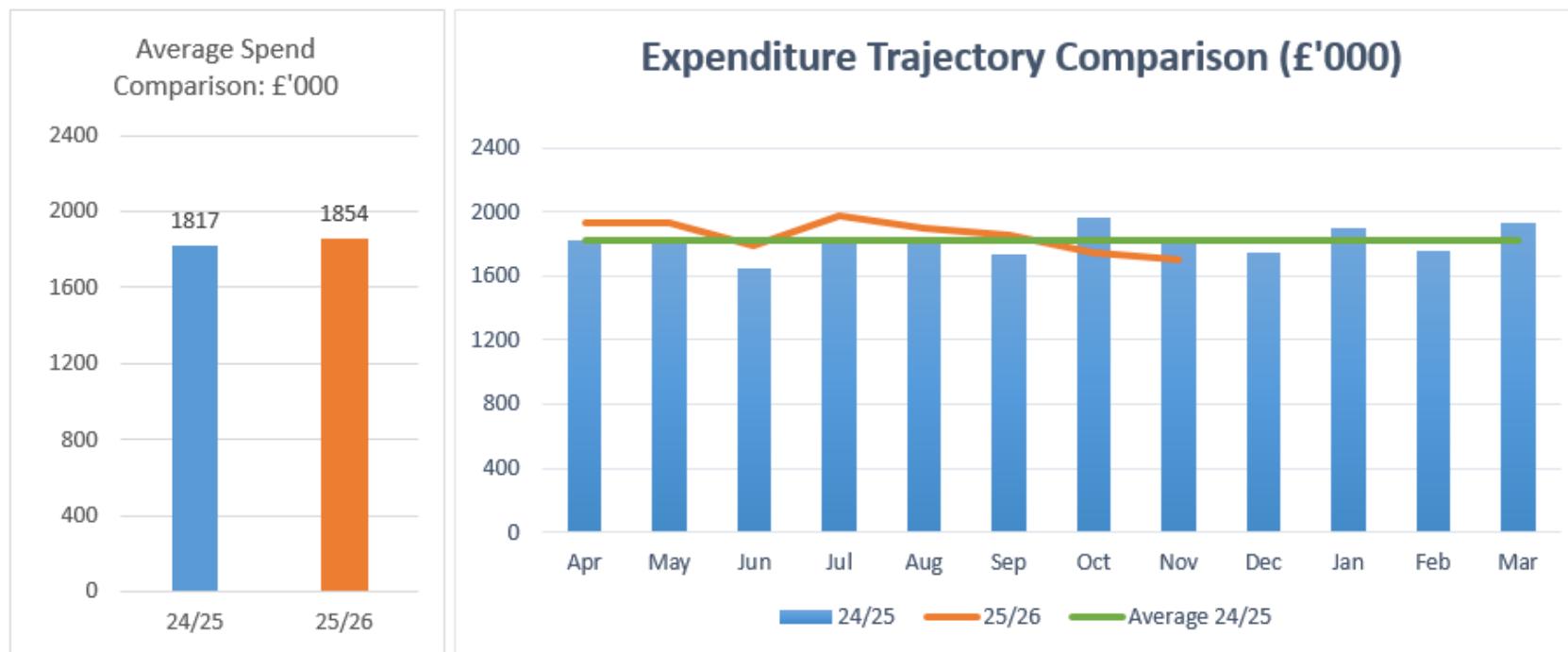


Table 10 below indicates that nursing agency expenditure levels have been reducing steadily since July and average levels are now close to those seen in 2024/25. The year-to-date position remains 2.0% higher, but this is marginal and reflects a positive trajectory. Whilst this is encouraging, further reductions in agency expenditure will be critical to meeting our savings targets.

**Table 10: Nursing Agency**



As previously reported, there are a number of work streams that are focused on stabilisation of the nursing workforce and nursing agency reduction. These work streams are led by the Executive Director of Nursing as SRO with nominated leads across Directorates. Work streams include:

- **Nurse Governance Framework:** The Executive Director of Nursing holds regular accountability sessions across service Directorates focusing on agency reduction, roster management and appropriate staffing. This exercise requires extensive reach and change management through nursing structures. Signs of change are materialising, while not at the pace preferred for savings achievement, at a pace which it is hoped will embed improved sustainable control.

- **Roster planning and management:** the objective in 2025/26 is to fully utilise the capabilities of available technologies to embed best practice at operational level including enhanced controls in relation to roster approval and compliance with Trust policy.
- **Targeted training:** the ongoing focus to e-Roster training provides increased assurance around the effective management of nursing resources and alignment of staffing to patient need. Bespoke budgetary training is being developed and will support the provision of assurance that nursing budgets are being managed effectively.
- **Monthly Nurse staffing reviews:** an active programme of nurse staffing reviews continues to assess appropriate nurse staffing levels taking account of patient acuity, increased escalation beds, patient safety and alignment with current funding levels. There are a number of complex issues currently under consideration as part of the overall solution. Wards have not been commissioned to the appropriate staffing levels, taking account of the volume of escalation beds which have been in place in recent years and also the acuity of patients which is considered to be much more complex than ever before. This is an important commissioning issue which will have to be addressed in the fullness of time with DoH/SPPG but for now we are endeavouring to stabilise the workforce through the conversion of temporary / flexible arrangements to permanent posts which should result in a significant reduction in reliance on flexible staffing arrangements including agency, bank, overtime and shift premia. Putting this arrangement in place will support the framework of control which is needed to balance the appropriate staffing models with cost containment objectives now and into the future.

These measures are considered to be the enablers required to deliver a further step change in savings opportunities from these budgets and will continue to support the financial recovery agenda. The current nursing agency framework has been extended for a further year with work now commencing on a revised framework.

## Capital Expenditure

The Trust has received a total capital allocation (Capital Resource Limit) of £37.92m, per the letter dated 21st November 2025 from the Department of Health. The capital allocation has increased by £3m due to increased funding of £3.7m across imaging diagnostics, general capital and elective care offset by slippage identified within the Lisnaskea project of £0.6m due to both project and materials delay. The table below reports expenditure to 31st October 2025 and the planned year end position to 31<sup>st</sup> March 2026.

**Table 11: Capital Expenditure**

Project	Capital Resource Limit (CRL) £'000	Expenditure at 31st October 2025 £'000	Forecast Expenditure at 31 March 2026 £'000
Cityside HCC	183	121	183
Lisnaskea	12,450	6,787	12,450
Research & Development	702	500	702
ICT – Various Projects	596	318	596
General Capital	10,826	6,141	10,826
Car Parking - Hospital Parking Charges Act	208		208
Backlog Maintenance	5,875	2,564	5,875
MH Task & Finish	670		670
IFRS Leases	265	265	265
Altnagelvin teaching space (IFF)	200	157	200
Strabane Health & Care Centre (City Deal)	350	45	350
Ventilation North West Cancer Centre	1,000	149	1,000
Imaging Diagnostics	3,867		3,867
Elective Care	736		736
Disposals - other assets	(8)	(8)	(8)
<b>Total</b>	<b>37,920</b>	<b>17,039</b>	<b>37,920</b>

## **Key Messages**

- The Trust is reporting a deficit position of £5.0m at 30<sup>th</sup> November 2025.
- Although Phase 2 savings are profiled over a five-month delivery period and remain at an early stage, initial monitoring is indicating stronger than anticipated performance at this stage, with improved delivery overall against profile compared to last month. This suggests good momentum despite ongoing challenges across a number of workstreams.
- Control total monitoring is indicating an increase in unplanned growth in November. Directorates must take mitigating action to ensure there is no further deviation from agreed limits and to prevent further deterioration in financial performance.
- 89% of undisputed invoices were paid within 30 working days of receipt against the target of 95%, however the in-month performance demonstrates an excellent performance of 96%

**Eimear McCauley**  
**Executive Director of Finance, Contracts & Capital Development**