



Western Health
and Social Care Trust



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Financial Performance Report

For the 4 months ended 31 July 2026

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Executive Summary

On 14 August 2026, the Interim Chief Operating Officer of SPPG wrote to the Trust to confirm that following engagement with the Minister on the Trusts Phase 2 savings plan, he had indicated he was content for the Trust to proceed to implement savings measures totalling £3.4m. Other measures in the Phase 2 plan will require further information or engagement to reach a final conclusion on whether or not these measures should be progressed. The letter acknowledges the scale of savings will be challenging to deliver and carries a degree of risk that will require ongoing management and that some consultation may be required on some measures in the Trust plan.

As the financial climate is set to remain challenging and further savings will be required over the next two years, there will be a requirement to move into the service transformation envisaged by the Reset plan that will generate a step change in our service delivery.

Trust Board have approved the consolidated savings plan of £30m at it's meeting on 27 August 2026.

Statutory Financial Performance Targets

	Rag Status
Manage within allocated Revenue Resource Limit (RRL) / Operate within Control Total The Trust continues to liaise with SPPG in relation to the Trust financial plan. The Trust is currently projecting an underlying break-even position for 2026/27 before the impact of the savings target for 2026/27 of 4%/ £41m. The Trust is currently forecasting an indicative gap of £4.1m against this target.	Red 
Deliver against 2026/27 savings targets The Trust has achieved £5.7m/ 78% of contingency savings against the profiled target at July 2026.	Green 
Manage within allocated Capital Resource Limit (CRL) The Trust has a total capital allocation (Capital Resource Limit) of £34.7m. Capital expenditure to the end of June 2026 is £6.5m.	Green 
Prompt payment target – 95% of suppliers within 30 days The Trust has paid 96.39% of its undisputed invoices with suppliers within 30 days at 31 July 2026 against its target of 95%. Performance remains above the statutory target for the third consecutive month, demonstrating sustained compliance with the required standard. The Trust will continue to maintain focus on effective payment processes and timely settlement of supplier invoices. In the month of July 2026, 97.26% of undisputed invoices with suppliers were paid within 30 days.	Green 

Financial plan 2026/27

The Trust is currently forecasting a residual deficit of £4.1m against the 4%/ £41m savings target.

Table 1. Projected Deficit 2026/27

	Financial Plan			Projected at July 26 £'m	Actual at July 26 £'m	Variance £'m
	June 2026	July 2026	August 2026			
	£'m	£'m	£'m			
2026/27 Financial Pressures						
Opening financial pressures 2025/26	56.2	56.2	56.2	18.7	18.7	0.0
Financial pressures 2025/26 FYE	9.1	9.1	9.1	2.4	2.4	0.0
Demographic growth/ other pressures 2026/27 TYE	9.8	9.8	9.8	1.0	2.0	1.0
SPPG growth funding			(1.8)	(0.3)	(0.3)	0.0
Forecast gross deficit 2026/27	75.1	75.1	73.3	21.8	22.8	1.0
2026/27 Solutions						
Recurrent savings 2023/24 - 2025/26	(34.0)	(34.0)	(34.0)	(11.3)	(11.3)	0.0
SPPG recurrent deficit funding	(21.5)	(21.5)	(21.5)	(7.2)	(7.2)	0.0
Total recovery applications	(55.5)	(55.5)	(55.5)	(18.5)	(18.5)	0.0
Forecast deficit 2026/27	19.6	19.6	17.8	3.3	4.3	1.00
In year solutions						
Annual workforce controls savings	(5.0)	(5.0)	(5.0)	(1.7)	(1.7)	(0.0)
Other opportunites	(14.6)	(14.6)	(12.8)	(1.6)	(1.6)	0.0
Total	(19.6)	(19.6)	(17.8)	(3.3)	(3.3)	(0.0)
Projected Outturn	0.0	0.0	0.0	(0.0)	1.0	1.0
Recurrent budget reduction: 6% original savings target	61.5	61.5	61.5	20.5	20.5	0.0
Phase 1 savings: low/ medium	(26.5)	(26.5)	(26.5)	(7.2)	(5.7)	1.5
Phase 2 savings: high with mitigations (conditionally approved)		(8.6)	(8.6)	0.0	0.0	0.0
Other savings opportunities redeployed			(1.8)	(0.6)	(0.6)	0.0
Forecast gap against original 6% budget reduction	35.0	26.4	24.6	12.7	15.2	2.5
Less: planning assumption relating to reduction from 6% to 4% savings target	(20.5)	(20.5)	(20.5)			
Forecast Gap 2026/27 against 4% target	14.5	5.9	4.1			

The Trust's formal indicative allocation letter reflects a £61.5m budget reduction, based on the original 6% savings requirement. The Permanent Secretary has subsequently confirmed that Trusts are expected to deliver 4% cash-releasing savings (£41m). The Trust's financial plan therefore assumes that the remaining £20.5m will not be required to be delivered through savings. The mechanism by which this will be addressed has not yet been confirmed and remains subject to Executive approval of the Northern Ireland Budget. The Trust will continue to engage with SPPG regarding the implications of the budget retraction and the management of residual financial deficit.

In August 2026, the Trust has reduced the projected gap against the 4% savings target to £4.1m. This reflects confirmation by SPPG of additional funding of £1.8m against other growth pressures enabling solutions of £1.8m identified against the growth forecast to be applied now against the savings gap.

The variance to plan at 31 July 2026 is driven by a combination of savings under delivery against profile of £1.5m and an increase in expenditure run rates of £1.0m. Delivery of savings plans at pace, alongside robust management of expenditure run rates, will be imperative to mitigate against any risk to the financial plan.

Control Total Monitoring

Directorates are reporting a variance against their control totals at July 2026 of £2.4m. This is due to an underachievement of savings of £1.5m and planned and unplanned growth of £0.9m. Table 3 below summarises performance against control totals by Directorate.

Table 2. Control Total Monitoring by Directorate

Directorate	Control Total £'000	Projected at Jul 26 £'000	Actual at Jul 26 £'000	Variance £'000
Unscheduled Care, Cancer, Diagnostics & Medicine	10,590	3,646	4,537	891
Surgery, Paediatrics & Women's Service	6,169	2,099	2,390	291
Adult Mental Health & Disability	(1,169)	(565)	(356)	209
Community & Older People's Services	(2,863)	(815)	117	932
Children & Families	(3,209)	(917)	(617)	300
Nursing Midwifery and AHP	(2,694)	(1,014)	(1,007)	7
PPCS	(3,769)	(1,444)	(1,888)	(444)
Finance, Contracts & Capital Development	(352)	(172)	(241)	(69)
Human Resources	(93)	(145)	(173)	(28)
Chief Executive	68	23	42	19
Medical	(353)	(116)	(157)	(41)
Corporate Pay & Non Pay	5,503	2,470	2,834	364
Directorate Total	7,828	3,049	5,481	2,432

It is too early in the financial year to draw conclusions regarding the impact of the current position on the financial forecast. However, the Directorate control total positions highlight the need for urgent and immediate action by Directors and their Senior Teams. This will be a key focus of discussions at the Directorate Finance Focus meetings, with Directors expected to demonstrate progress in addressing the current position and improving performance against their Control Totals in the coming months.

Financial Performance

The Trust is reporting an overspend against its budgets of £15.2m (4%) at 31 July 2026, a reduction from 4.4% in the prior month. Table 2 below summarises the financial performance by Directorate. Directorates are reporting an overspend of 1.2% which is an improvement on the restated prior year reported budget variance of 1.6% and the 1.7% reported in the prior month. The bottom-line position for the Trust is an overspend of 4.0%.

Table 2. Summary Financial Performance by Directorate

Directorate	Budget	Expenditure	July Variance		June Variance		Restated Variance 2025/26
	£'000	£'000	£'000	%	£'000	%	%
Unscheduled Care, Cancer, Diagnostics & Medicine	83,050	87,587	4,537	5.5%	3,647	5.9%	6.4%
Surgery, Paediatrics & Women's Services	52,805	55,195	2,390	4.5%	1,896	4.8%	4.6%
Adult Mental Health & Disability	60,004	59,648	(356)	(0.6%)	41	10.0%	0.5%
Community & Older People's Services	78,539	78,656	117	0.1%	96	20.0%	(0.3%)
Nursing, Midwifery & AHP's	14,799	13,792	(1,007)	(6.8%)	(664)	(6.0%)	(6.9%)
Children & Families	34,618	34,001	(617)	(1.8%)	(407)	(1.6%)	(2.0%)
Medical	2,063	1,906	(157)	(7.6%)	(98)	(6.3%)	(6.7%)
Planning, Performance & Corporate Services	26,033	24,145	(1,888)	(7.3%)	(1,161)	(6.0%)	(5.2%)
Finance, Contracts & Capital Development	2,803	2,562	(241)	(8.6%)	(188)	(8.9%)	(5.8%)
Human Resources	2,932	2,759	(173)	(5.9%)	(129)	(5.9%)	(3.2%)
Office of the Chief Executive	967	1,009	42	4.3%	26	3.6%	1.6%
Trust Wide Corporate Services	33,484	36,318	2,834	8.5%	2,413	9.8%	7.2%
Opportunities against Directorate Pressures	731		(731)	(100.0%)	(551)	(100.0%)	(100.0%)
Directorate sub-total	392,828	397,578	4,750	1.2%	4,921	1.7%	1.6%
Covid19	546	546	0	0.0%	0	0.0%	0.0%
Savings target 6%	(20,500)		20,500	(100.0%)	15,375	(100.0%)	0.0%
Deficit funding/ Other opportunities	10,027		(10,027)	(100.0%)	(7,808)	(100.0%)	(100.0%)
Reported Deficit	382,901	398,124	15,223	4.0%	12,488	4.4%	0.0%

Savings Targets

Workforce controls: The £5m workforce controls savings target incorporated within the Trust's financial plan to support delivery of our projected underlying breakeven position is currently fully delivering in line with profile.

Savings target: The Trust is currently working towards the 4%/ £41m savings target arising from the Planning Guidance. Low/ medium savings proposals totalling £26.5m have received approval through the Trust's governance arrangements and form the basis of the current reported savings target monitoring. In July 2026, Trust Board provided approval for the conditional, phased and actively governed approach to a further £8.6m of high impact proposals, £3.4m of which have also now been approved at Trust Board at it's meeting on 27 August 2026 as part of the approval of the consolidated plan for £30m. Monitoring against this revised plan will be included in the August 2026 / Month 5 financial performance report.

Tables 3 and 4 below summarise performance at 31 July 2026 by both Directorate and by work-stream.

Table 3: 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	6,595	2,210	1,443	65%	●
Surgery, Paediatrics & Women's Services	3,804	970	976	101%	●
Adult Mental Health & Disability	4,518	1,324	1,063	80%	●
Community & Older Peoples Services	4,524	1,129	646	57%	●
Nursing, Midwifery & AHP's	295	85	85	100%	●
Children & Families	1,467	350	351	100%	●
Planning, Performance & Corporate Services	4,877	896	844	94%	●
Medical Directorate	92	15	15	100%	●
Finance, Contracts & Capital Development	163	104	104	100%	●
Human Resources	141	132	131	100%	●
Chief Executive Office	24	5	5	100%	●
Total	26,500	7,219	5,663	78%	●

● ≤49%
 ● 50% - 74%
 ● ≥75%

Table 4: Savings Target Monitoring by work stream

Workstream	Total Target £'000	Target Profile £'000	Savings Delivered £'000	% of Profile Achieved	RAG rating
Medical locum reduction	4,280	1,427	862	60%	●
Community care service reduction (dom care & community equipment)	1,500	167	9	5%	●
High cost cases/ enhanced rate efficiencies	1,500	500	183	37%	●
Complex cases	500	167	126	76%	●
Nursing agency staffing reductions	5,000	1,667	976	59%	●
Embedding current nursing agency price reset	500	-	-	-	○
Corporate opportunities: workforce controls	4,000	1,368	2,054	150%	●
Social work initiatives	1,000	111	60	54%	●
Acute non pay deep dive including specialist/ non specialist drugs regime change	1,000	461	461	100%	●
Medical & surgical consumables	1,000	111	29	26%	●
Corporate and facilities management service reduction	3,720	692	696	101%	●
Admin & Encompass	2,000	375	68	18%	●
Discretionary spend heightened controls	500	174	138	79%	●
Total	26,500	7,219	5,663	78%	●

 ≤49%
  50% - 74%
  ≥75%
  Future Profiled

Directorates have achieved savings of £5.7m against a profiled target of £7.2m. Some workstreams are profiled for delivery later in the year. Key insights from the July monitoring are:

- Medical and nursing agency reductions remain below plan despite a range of measures put in place to support savings including approved safe staffing establishments. Directors must review and identify barriers to delivery including gaps in the control environment, and agree an approach to the management of escalated beds/ delayed discharges/ decisions to admit to support the recovery of this position;
- Collective Regional agreement has not been secured for the implementation of a reduction in the nursing price cap for qualified nurses;

- Savings from high-cost cases reviews remain significantly below the planned trajectory. This reflects both the time required for newly introduced review panels and assurance processes to embed and deliver the full potential financial benefit. All five NI Trusts have come together to ensure a regionally consistent approach to any future engagement with an external provider.
- Workstreams in relation to community care service reductions, medical and surgical equipment and admin. & encompass are a cause of great concern and are presenting a growing risk to the savings plan. These will require focused discussion at both Finance Focus meetings at Delivering Value Management Board.

Key Risks and Mitigations

Expenditure growth

The expenditure forecasts assume that Directors will contain expenditure within the agreed control total limits.

Early monitoring of control totals is indicating that expenditure within a number of service Directorates is currently above the control total levels, creating a risk of additional unplanned in-year pressures. Whilst it is early in the year, Directors must take immediate action to ensure expenditure is closely managed. This should include strengthening budgetary control arrangements within their teams, ensuring robust budget holder accountability and taking appropriate action to contain expenditure or identify compensatory measures where required.

Savings Targets

The financial plan assumes that Directors will deliver in full against approved savings plans in 2026/27.

Monitoring of performance to date for Phase 1 savings highlights under delivery against a number of workstreams, requiring increased scrutiny and targeted management action to ensure delivery is achieved within the financial year. Directors must adopt a risk-based approach and strengthen scrutiny and oversight of agency expenditure, recruitment and flexible pay, including overtime, to support delivery of the savings programme. DVMB will review the key areas of underperformance with the relevant workstreams to understand the barriers to delivery, agree appropriate actions and identify opportunities to accelerate savings where possible. While there remains time within the financial year to recover current variances, sustained under delivery will increase the risk of savings not being fully realised and will require early escalation and intervention.

New/ emerging service pressures

The Trust continues to operate within a very challenging financial environment, with limited capacity to absorb additional costs arising from emerging cost pressures. While some pressures are predictable in nature, continued growth in demand, workforce pressures and capacity constraints increase the risk of additional unplanned financial growth during the year. Given the Trust's overall financial position, there is limited scope to absorb further pressures without corresponding action to contain expenditure or reprioritise planned activity.

Directors will continue to be required to actively manage and contain emerging service pressures within available resources, with any unavoidable pressures subject to risk-based consideration of the impact on services, patient safety, outcomes and statutory duties. Emerging pressures will be monitored through the monthly financial management processes, with early escalation where these are not contained within existing resources.

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 staffing expenditure in 2026/27 to date is £25.5m and is summarised by Directorate in Table 5 below. Total agency expenditure is £15.6m, which includes £8.7m (56%) of medical agency, £5.1m (32.4%) of nursing agency and £1.8m (11.6%) across other professional groups. Expenditure on bank staff over the same period is £8.2m. The use of flexible staffing remains broadly stable with utilisation levels being maintained following the reductions seen in previous months.

Table 5: Total Flexible Staffing Expenditure

Directorate	Cum to July 2026					Cum to June 2026
	Overtime	Agency	Bank	Total	Growth from Prior Period	Total
	£'000	£'000	£'000	£'000	%	£'000
Unscheduled Care, Cancer, Diagnostics & Medicine	449	6,396	1,451	8,296	1.8%	6,114
Surgery, Paediatrics & Women's Services	253	3,013	689	3,956	(1.4%)	3,009
Adult Mental Health & Disability	304	3,341	1,738	5,383	(1.0%)	4,077
Children & Families Directorate	244	892	1,201	2,337	2.4%	1,712
Nursing, Midwifery & AHP's	-	84	140	224	(3.9%)	175
Community & Older Peoples Services	309	1,707	1,124	3,140	(2.5%)	2,417
Finance, Contracts & Capital Development	4	112	7	123	10.3%	84
Human Resources	-	4	48	53	(2.6%)	41
Medical Directorate	2	-	3	5	(80.1%)	19
Chief Executive Office	-	-	-	-	0.0%	-
Planning, Performance & Corporate Services	82	89	1,695	1,866	(1.0%)	1,414
COVID19 - commissioned	-	1	89	90	3.6%	65
Total	1,647	15,640	8,186	25,473	(0.1%)	19,125

Medical

Tables 6 and 7 below illustrate that whilst there has been a decrease in medical agency expenditure of 11% when compared to the average in 2025/26, there has been no material movement in total medical spend compared to the average in 2025/26. The Trust financial plan assumes there will be a reduction in total medical expenditure in Phase 1 as a consequence of medical agency savings of £4.3m. Savings monitoring confirms that savings are currently running below target across service Directorates. Under achievement is reportedly due to staffing pressures relating to absence and vacancies across services and flow pressures across acute and community hospital services. Directors must work to resolve key flow issues that are negatively impacting on agency usage.

Table 6: Total Medical

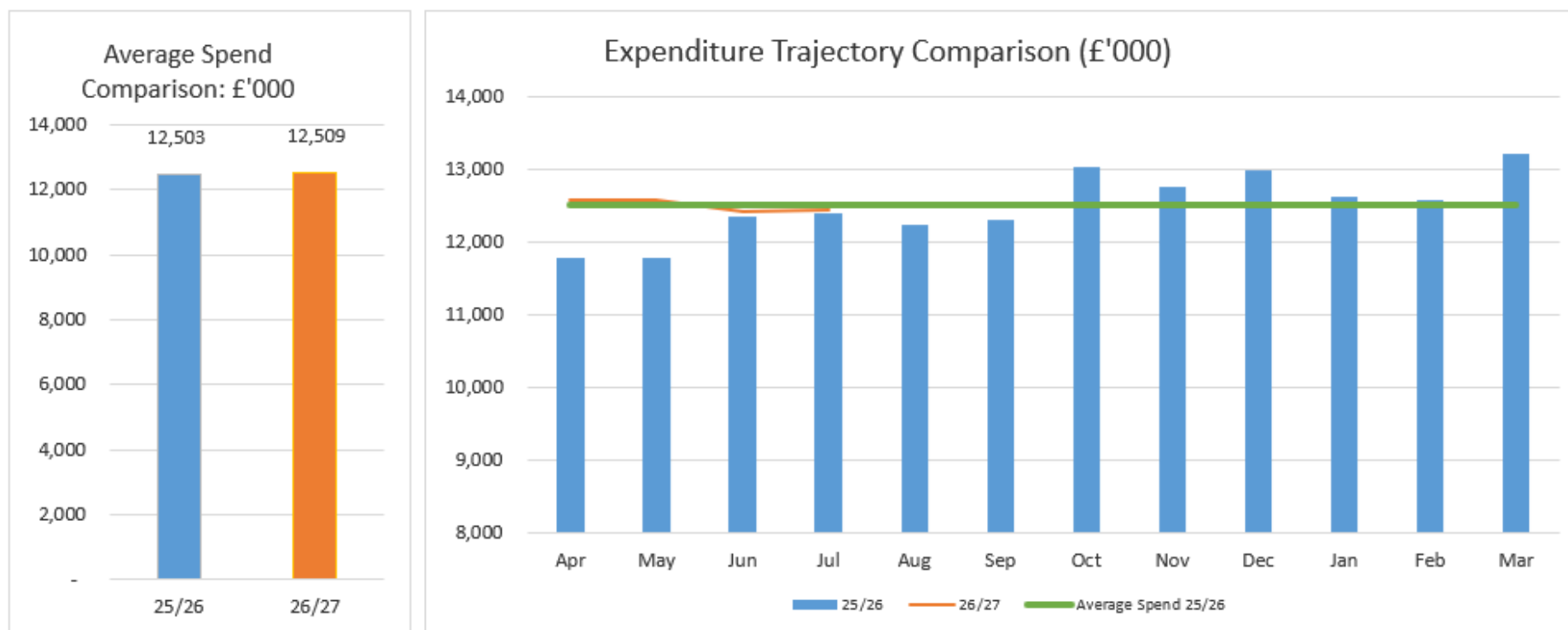
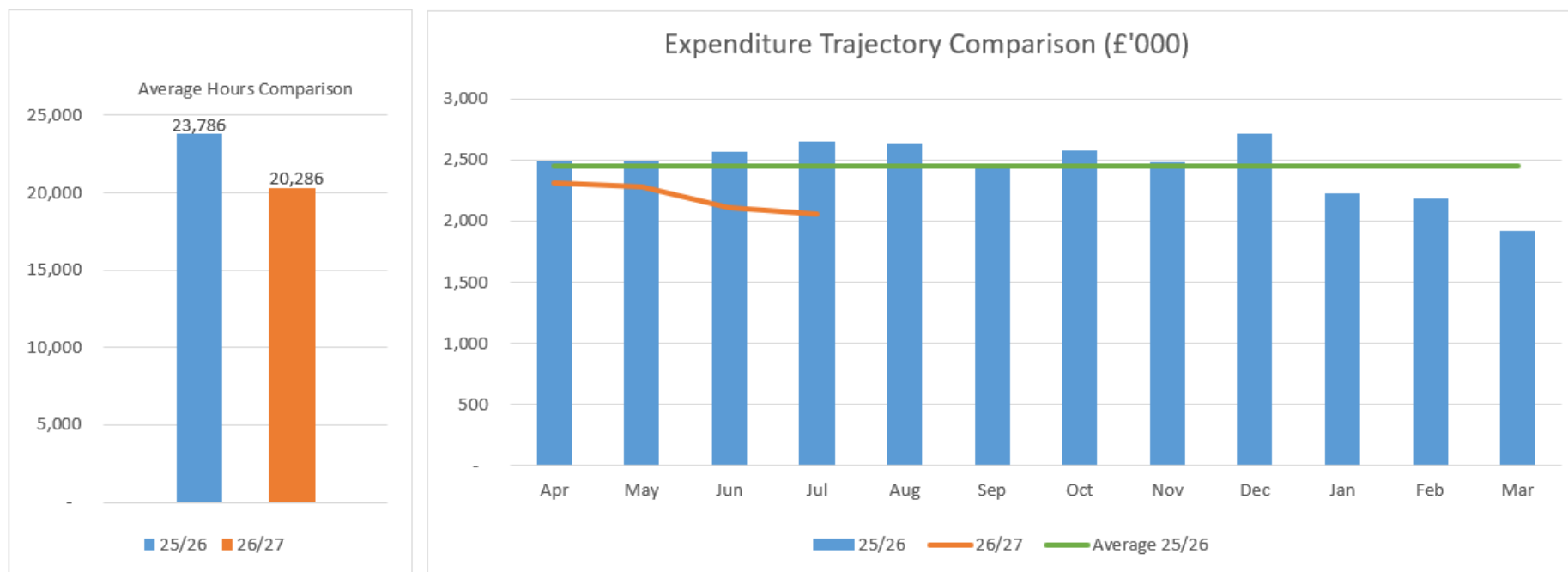


Table 7 below illustrates that there has been a decrease in average medical agency expenditure of £1.0m (11%) when compared to the average in 2025/26.

Table 7: Medical Agency



There are a number of reasons why the significant reduction in medical agency expenditure has not translated into a corresponding reduction in total medical pay expenditure which include:

- **Replacement of agency staff with substantive** – while this delivers a full reduction in agency expenditure, the overall reduction in medical pay is limited to the agency premium, as the substantive salary cost is included in total medical expenditure;
- **No premium savings in some cases** – where agency staff have been replaced by substantive staff at a similar or higher cost based on their job plan and point on the pay scale, there is no material reduction in total medical pay expenditure;

- **Agency retained following substantive recruitment** – in some services, agency doctors has been retained following substantive recruitment, with services citing other workforce gaps or demand pressures relating to flow pressures (e.g. ED) or due to safety issues, which results in higher overall medical pay expenditure;
- **Substantive recruitment without corresponding agency spend** – recruitment to substantive or new posts where there was no associated agency expenditure creates additional medical pay costs, offsetting savings achieved through reductions in agency usage;
- **Increase in junior doctor banding** payments – an increase in the number of junior doctors receiving higher banding payments also contributes to higher overall medical pay expenditure.

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:

- **Medical recruitment:** International Recruitment (IMR) remains a key enabler to filling medical vacancies, however we are now taking a broader approach by maximising opportunities across both the national and international labour markets. This includes a renewed focus on raising our profile and attracting candidates from the wider UK market, while continuing to utilise international recruitment to address workforce gaps. The aim is to reduce reliance on agency staffing through the widest possible recruitment pipeline.
- **Removal of the highest cost agency doctors:** following the successful exit of 9 of the top 10 highest cost agency doctors in 2025/26, the process has been refreshed this year to identify further opportunities, with cases subject to robust risk assessment to ensure removal is progressed only where it is safe and appropriate to do so.
- **Resident doctors banding reduction:** there are currently 11 non-compliant rotas in the Trust following the Spring monitoring round with approximately 40% of doctors in receipt of Band 3 - 100% additional allowances. Whilst trainees are provided by and contracted to NIMDTA (NI Medical and Dental Training Agency), the Trust continues to robustly challenge NIMDTA with regards to it role to address doctors' non-compliance with rota monitoring.

- **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. Work will continue to embed the recommendations from the internal Financial Governance Review, with ongoing focus on strengthening controls and accountability arrangements for the engagement of locums. Core principles and standardised processes continue to be reinforced across relevant stakeholders, supported by ongoing oversight from the SRO to ensure effective controls around medical workforce engagement and retention.
- **Temporary staffing requests:** the Trust is implementing a new system to manage requests for temporary staffing. This will strengthen controls around the approval of additional staffing and will support the DVMB medical programmes of work. Full implementation is expected by September 26. A new technology platform has been introduced to facilitate this work.
- **Regional medical framework:** progress on the implementation of the new framework continues. Directorates have completed a risk matrix to assess the impact of potential non-compliant locums on services and have now moved to risk assessed transitional planning particularly in high-risk areas. The framework went live on 2nd March 2026. It is expected that certain vulnerable specialties may require an extended transition period.

Nursing

Tables 8 and 9 below illustrate there has been a decrease in nursing agency expenditure 27.3% when compared to the average in 2025/26, and there has been a marginal decrease of 0.2% in total nursing expenditure when compared to average expenditure in 2025/26.

Table 8: Total Nursing

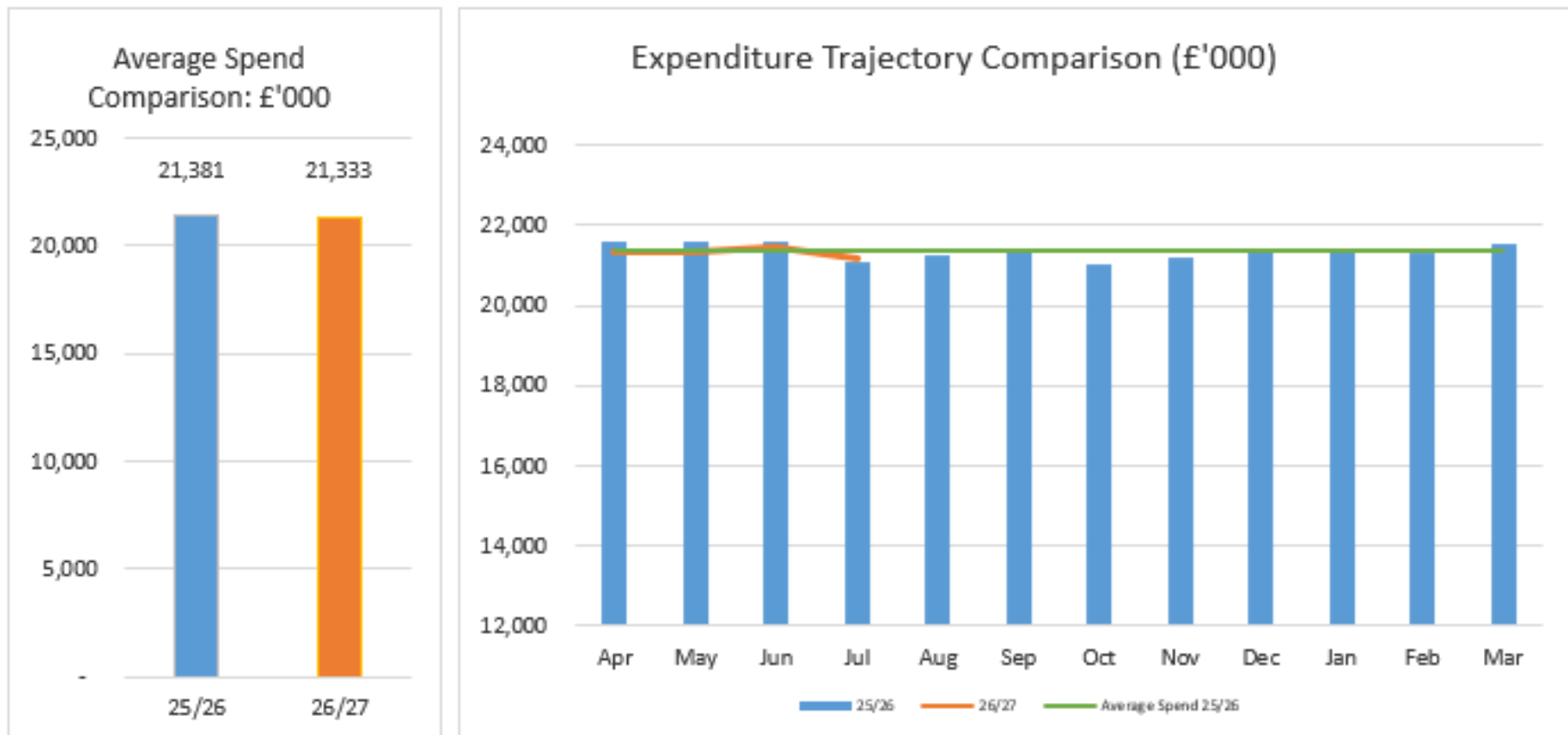
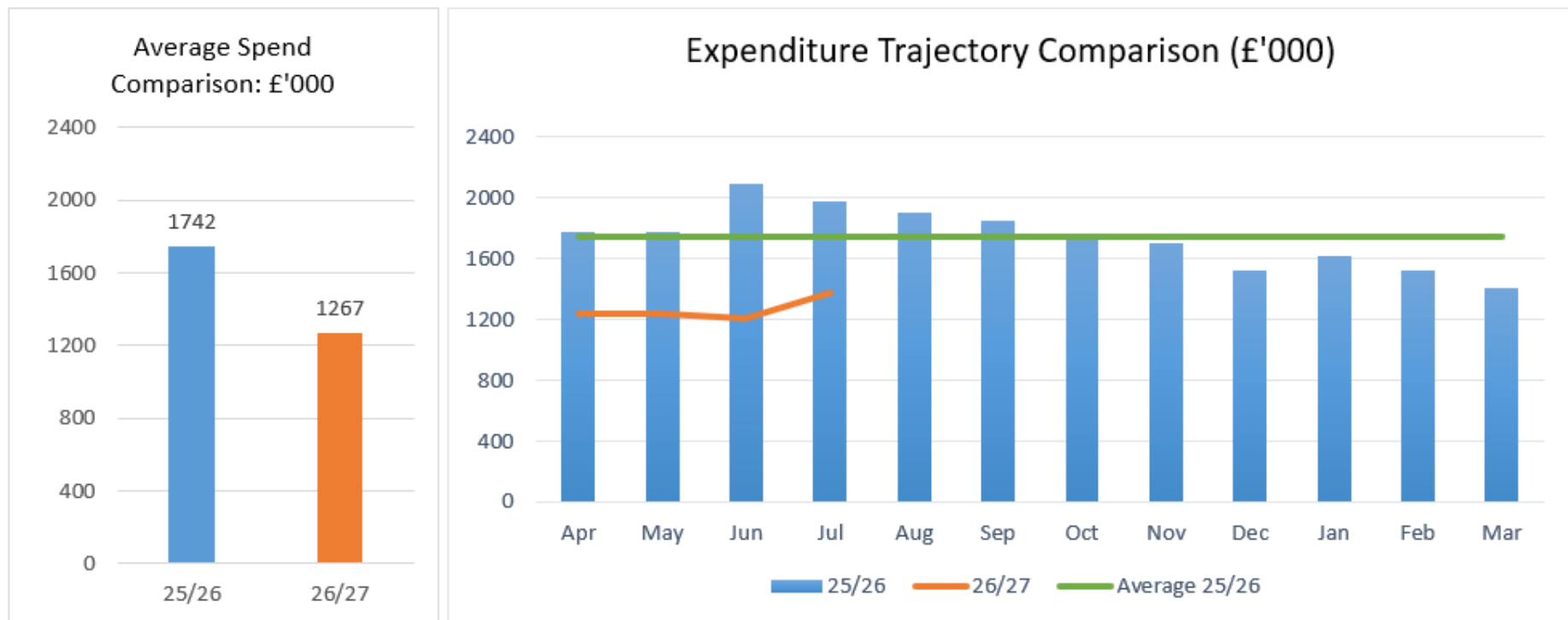


Table 9 indicates that although there is a slight increase in the month of July in Nursing agency, there is still a reduction in average nursing agency expenditure of £0.5m (27.3%) when compared to the average expenditure of 2025/26.

Table 9: Nursing Agency



There are a number of reasons why the reduction in nursing agency expenditure has not translated into a corresponding reduction in total nursing expenditure which include:

- **Full-year impact of agency reductions in 2025/26** – the reduction in nursing agency expenditure reflects the full year effect of savings achieved particularly in the last four months of 2025/26;

- **Improved substantive workforce fill rates** – increased recruitment into substantive posts and usage of bank staff to support service delivery has resulted in additional workforce costs, including areas where vacancies may previously have been managed through alternative arrangements;
- **Changes in workforce skill mix** – recruitment has included higher-grade nursing posts, particularly Band 6 and above, resulting in increased substantive pay costs;
- **Additional workforce requirements to support operational pressures** – increased staffing requirements associated with hospital flow, delayed discharges, escalated beds and other service pressures have contributed to higher nursing pay expenditure.

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 have materialised which it is hoped will embed improved sustainable control.
- **Roster planning and management:** the objective in 2026/27 is to continue to embed the capabilities of available technologies and best practice at operational level including enhanced controls in relation to roster approval and compliance with Trust policy.
- **Targeted training:** the ongoing focus on e-Roster training provides increased assurance around the effective management of nursing resources and alignment of staffing to patient need.
- **Nurse staffing reviews:** an ongoing 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 premium. 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. .../

- **Control Measure:** A number of KPIs are being used to control nurse staffing to appropriate levels including shift fill targets, lead time for roster planning, skill mix variances and funded establishment variance.
- **Better Care for Older People:** it is expected that that the workstreams arising from the workshop held on 19 June 2026 will impact positively on flow including escalation beds and is being actively managed through the Trust Strategic Change Board.

These are some of the measures implemented to deliver a further step change in savings opportunities from these budgets and will continue to support the financial recovery agenda.

Capital Expenditure

The Trust has received an indicative allocation of £34.69m for 2026/27 per the latest CRL letter of 8th July. While the final budget has not been agreed, the Department of Health (DoH) is facing an extremely challenged financial outlook for 2026/27, resulting in a very constrained capital position for the Trust.

The table below details expenditure to 30 June 2026 and the planned year end position to 31 March 2027 as follows:

Table 10: Capital Expenditure

Project	Capital Resource Limit (CRL) £'000	Expenditure at 30 June 2026 £'000	Forecast to 31 March 2027 £'000
Lisnaskea Health & Care Centre	10,566	2,074	10,566
Altnagelvin Teaching Space (IFF)	685	46	685
Strabane Health & Care Centre (City Deal)	477	134	477
Trust R&D Expansion Project (IFF)	398	25	398
General Capital	10,736	2,601	10,736
Backlog Maintenance	4,992	341	4,992
MH Task and Finish	1,150	-	1,150
ICT (Blood Pat)	137	43	137
IFRS16 Cellular Pathology	1947	-	1947
Ventilation North West Cancer Centre	3000	1,055	3000
Research & Development incl VPAG	597	219	597
Total	34,686	6,538	34,686

DoH Health Estates has reviewed the Back-Log Maintenance (BLM) information submitted by the Trust and has confirmed £5m of funding for 2026/27. This is considerably reduced from funding received in 2025/26 of £6.7m. This represents a significant challenge

to the Trusts ability to sufficiently address high priority areas and poses a significant risk that unforeseen major defects across plant/ infrastructure/ estate may emerge during the year that will need to be addressed from General Capital. IFRS16 Cellular Pathology expenditure is profiled for Autumn/Winter 2026, while we await an updated implementation date.

In addition to the above, the Trust has submitted the following bids:

- A further £1.54m estimated for IFRS16, relating to property and equipment lease contracts planned for renewal in year. This funding will be allocated upon confirmation of lease signing and 'Right-of-Use' fixed asset figure.
- £0.8m in year requirement for the project to replace the South Block roof.

Key Messages

- The Trust is reporting a deficit of £15.2m at 31 July 2026.
- Emerging growth pressures, together with under delivery against planned savings, require urgent management action to support delivery of the Trust financial plan.
- Directors have achieved £5.7m (78%) of their profiled savings target at July 2026
- 96.39% of undisputed invoices were paid within 30 working days of receipt against the target of 95%.

Eimear McCauley

Executive Director of Finance, Contracts & Capital Development