Western Health
and Social Care Trust

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Financial Performance Report

For the 7 months ended 31 October 2025

Contents

Executive Summary

The financial deficit following mid-year review including expected approval by DoH of the Phase 2 stage 1 (low and medium) savings of £7.3m resulted in a financial deficit forecast of £4.1m as was briefed to Members on 6 November 2025. A letter received by SPPG dated 31 October 2025 confirms the outcome of the Ministers considerations against the Trust's savings submissions and the total additional savings target of £12.6m is confirmed, which includes and adjusted £7.1m of low and medium, £0.5m of high risk savings and £4.9m of opportunities identified as part of our mid-year review.

In addition, SPPG have confirmed additional income towards existing pressures of £1.2m which results in a further reduction to the Trust forecast to £2.6m (subject to Board approval of high risk savings plans of £0.5m).

Members should be aware that we are awaiting a direction in relation to the accounting for the pay award now confirmed for 2025/26 and expected to be paid to staffing during Q4 2025/26. We expect that the consequence is most likely to result in an increase to the Trust forecast deficit by the associated 2025/26 cost.

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 a deficit position of £2.6m for 2025/26.	Amber
Deliver against 2025/26 savings targets The Trust has achieved £8.5m/ 94% of contingency savings against the profiled target at October 2025. Monitoring of Phase 2 savings will be reported from November.	Green
Manage within allocated Capital Resource Limit (CRL) The Trust has a total capital allocation (Capital Resource Limit) of £34.85m. Capital expenditure to the end of September 2025 is £14.7m.	Green
Prompt payment target – 95% of suppliers within 30 days The Trust has paid **88.17%** of its undisputed invoices with suppliers within 30 days at 31st October 2025 against its target of 95%. In the month of October 2025, **96.75%** of undisputed invoices with suppliers were paid within 30 days. Prompt payment performance exceeded the target for the first time last month and this has been maintained in October driven by sustained engagement and improved turnaround across all high-volume approvers. 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
Forecast gross deficit 2025/26	**72.0**	**68.5**	**68.5**
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)
Trust led savings & managed risk	**(40.5)**	**(49.2)**	**(50.7)**
Forecast net deficit 2025/26	**31.5**	**19.3**	**17.8**
SPPG Deficit Funding	(15.2)	(15.2)	(15.2)
Revised forecast deficit 2025/26	**16.3**	**4.1**	**2.6**

The Trust has reduced the projected position from £4.1m to £2.6m. The reflects additional funding allocations confirmed by SPPG of £1.2m against pressures and a reduction in our Phase 2 low/ medium pressures of £0.2m following confirmation that the Minister is not in agreement with the complete removal of Phone First. In addition, the Trust has been asked to deliver a further £0.5m of savings categorised as high by SPPG following a further screening of Trust high and catastrophic plans. Subject to Trust Board approval, this will reduce the projected deficit position to £2.6m.

Control Total Monitoring

The Trust is reporting a variance against control totals of £0.6m at 31 October 2025. This is due to net underachievement against contingency savings targets of £0.5m and planned and unplanned growth of £0.1m. Table 3 below summarises performance against control totals by Directorate.

Table 2. Control Total Monitoring by Directorate

Directorate	Control Total 2025/26 £'000	Projected at Oct 25 £'000	Actual at Oct 25 £'000	Variance £'000
Unscheduled Care, Cancer, Diagnostics & Medicine	18,206	10,947	11,008	61
Surgery, Paediatrics & Women's Service	7,476	4,412	5,709	1,297
Adult Mental Health & Disability	4,855	2,313	2,914	601
Community & Older People's Services	6,701	3,067	3,385	318
Children & Families	(2,561)	(1,523)	(1,174)	349
Nursing Midwifery and AHP	(2,017)	(1,301)	(1,881)	(580)
PPCS	(3,823)	(2,217)	(2,223)	(6)
Finance, Contracts & Capital Development	(226)	(132)	(121)	11
Human Resources	(89)	(79)	(141)	(62)
Chief Executive	53	31	24	(7)
Medical	(206)	(114)	(195)	(81)
Corporate Pay & Non Pay	8,713	5,083	3,805	(1,278)
Directorate Total	**37,082**	**20,487**	**21,110**	**623**

Control total variances have benefited in Month 7 from the application of additional income confirmed by SPPG against pressures.

Financial Performance

The Trust is reporting an overspend against its budgets of £7.2m at 31st October 2025. Table 2 below summarises financial performance by Directorate. Whilst financial performance continues to be monitored, control totals now provide the more reliable indicator of underlying Directorate performance as it aligns with the Trust financial plan. The budget variance shown in Table 2 should therefore be viewed in the context that movements may arise from planned and unavoidable growth or from unplanned growth. 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	October Variance		September Variance		Restated Variance 2024/25
	£'000	£'000	£'000	%	£'000	%	%
Unscheduled Care, Cancer, Diagnostics & Medicine	135,953	146,961	11,008	8.1%	9,212	7.9%	9.4%
Surgery,Paediatrics & Women's Services	88,062	93,771	5,709	6.5%	5,079	6.8%	6.2%
Adult Mental Health & Disability	97,732	100,646	2,914	3.0%	2,403	2.9%	2.3%
Community & Older People's Services	127,979	131,364	3,385	2.6%	3,061	2.8%	2.1%
Nursing, Midwifery & AHP's	24,524	22,643	(1,881)	(7.7%)	(1,625)	(7.8%)	(5.4%)
Children & Families	57,616	56,442	(1,174)	(2.0%)	(1,174)	(2.4%)	(3.1%)
Medical	3,291	3,096	(195)	(5.9%)	(165)	(5.9%)	(2.7%)
Planning, Performance & Corporate Services	45,110	42,887	(2,223)	(4.9%)	(2,015)	(5.2%)	(6.1%)
Finance,Contracts & Capital Development	4,183	4,062	(121)	(2.9%)	(110)	(3.1%)	(2.9%)
Human Resources	4,680	4,539	(141)	(3.0%)	(130)	(3.3%)	(4.7%)
Office of the Chief Executive	1,597	1,621	24	1.5%	4	0.3%	11.5%
Trust Wide Corporate Services	54,347	58,152	3,805	7.0%	3,352	7.3%	9.5%
Opportunities against Directorate Pressures	1,049		(1,049)	(100.0%)	(908)	(100.0%)	(100.0%)
Directorate sub-total	**646,123**	**666,184**	**20,061**	**3.1%**	**16,984**	**3.1%**	**3.5%**
Covid19	1,979	2,115	136	6.9%	247	16.0%	0.0%
Deficit funding	13,012		(13,012)	(100.0%)	(11,027)	(100.0%)	(100.0%)
Reported Deficit	**661,114**	**668,299**	**7,185**	**1.1%**	**6,204**	**1.1%**	**0.0%**

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. This includes repeatable but non-recurrent savings of £4.4m from 2024/25 as a general workforce control target, which is stretched in 2025/26 to £5m.

On 23 September 2025, the Trust submitted a Phase 2 savings plan outlining the measures required to achieve breakeven in 2025/26. Trust Board approved measures to the value of £7.3m on 6 November which was subsequently reduced to £7.1m following receipt of a letter dated 31 October 2025 from DoH/SPPG. This letter also indicated approval for the Trust to proceed with high savings of £0.518m, resulting in a revised Phase 2 target of £7.6m (subject to Trust Board approval). Monitoring of Phase 2 savings will commence in the report for the period to 30 November 2025.

Tables 4 and 5 below summarise performance against the Phase 1 contingency savings target at 31st October 2025 by both Directorate and by work-stream.

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	4,357	2,555	2,319	91%	Green
Surgery, Paediatrics & Women's Services	2,035	1,431	1,273	89%	Green
Adult Mental Health & Disability	2,427	1,085	1,003	92%	Green
Community & Older Peoples Services	2,651	1,681	1,665	99%	Green
Nursing, Midwifery & AHP's	432	432	432	100%	Green
Children & Families	660	458	458	100%	Green
Planning, Performance & Corporate Services	1,383	676	657	97%	Green
Medical Directorate	67	39	34	86%	Green
Finance, Contracts & Capital Development	116	68	67	99%	Green
Human Resources	116	116	116	100%	Green
Chief Executive Office	18	11	11	105%	Green
Corporate	814	475	475	100%	Green
Total	**15,076**	**9,027**	**8,511**	**94%**	Green

Red: <=59% Amber: 60% - 84% Green: >=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	2,169	1,265	517	41%	
Rota optimisation	315	174	174	100%	
High cost cases/ enhanced rate efficiencies	1,000	377	372	99%	
Nursing agency	2,210	1,289	653	51%	
Workforce control increase (non-recurrnt repeatable)	5,000	3,654	4,907	134%	
Admin efficiencies	1,100	700	445	64%	
MORE	568	433	433	100%	
Medical & surgical consumables	600	252	212	84%	
Corporate and facilities management service reduction	1,614	811	797	98%	
Mental health crisis service	500	71	-	0%	
Total	**15,075**	**9,027**	**8,511**	**94%**	

<=59% 60% - 84% >=85%

Savings performance remains strong reflecting the sustained focus across the range of workstreams and the collective focus of Directors and their teams. A number of challenges remain:

- Despite the breadth of support in place, 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.

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

Trust expenditure forecasts assume that Directors will contain expenditure within the agreed control total limits. Current monitoring indicates that while some Directorates are effectively controlling expenditure, a number of service Directorates are reporting variances above plan. Areas of unplanned growth are primarily associated with medical and nursing budgets and more detail is provided in the next section. Directors must continue to implement corrective actions where possible without delay. This includes proactive management of cost pressures, clear escalation of significant variances, and ongoing scrutiny from senior leadership of monthly financial performance to ensure alignment with the financial plan.

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. There is potential for further mitigating opportunities to emerge before the end of the financial year to support gaps in savings targets.

New / emerging service pressures

To date, unplanned growth in service pressures has presented through areas, which while predictable in nature, are areas where Directors have indicated they are endeavouring to exercise improved financial control. The mid-year review process identified opportunities to partially off-set areas of unplanned growth, however with limited capacity to absorb further growth and the additional challenge of delivering Phase 2 savings, it is critical that Directorates actively monitor emerging pressures ensuring any growth is fully justified, that risks are escalated promptly and that mitigating actions are taken to maintain 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 £50.7m and is summarised by Directorate below. Total agency expenditure is £34.1m, which includes £17.9m (52.5%) of medical agency, £13.1m (38.5%) of nursing agency and £3.1m (9%) across other professional groups. Expenditure on bank staff over the same period is £13.6m. Overall, the use of flexible staffing is down during October by comparison to the prior month; another indicator that grip and control is being exercised where it can be.

Table 6: Total Flexible Staffing Expenditure

Directorate	Cum to October 2025					Cum to September 2025
	Overtime	Agency	Bank	Total	Growth from Prior Period	Total
	£'000	£'000	£'000	£'000	%	£'000
Unscheduled Care, Cancer, Diagnostics & Medicine	930	15,502	2,112	18,544	(0.5%)	15,978
Surgery, Paediatrics & Women's Services	490	6,397	959	7,846	(1.7%)	6,841
Adult Mental Health & Disability	409	7,503	3,033	10,946	(0.1%)	9,388
Children & Families Directorate	399	799	2,042	3,241	(0.3%)	2,786
Nursing, Midwifery & AHP's	50	107	287	443	(2.8%)	391
Community & Older Peoples Services	406	3,386	1,927	5,719	(0.9%)	4,947
Finance, Contracts & Capital Development	6	177	12	194	6.4%	157
Human Resources	12	- 0	100	112	(2.4%)	99
Medical Directorate	1	-	6	7	54.4%	4
Chief Executive Office	-	0	-	0	(14.3%)	0
Planning, Performance & Corporate Services	390	186	3,014	3,590	(5.5%)	3,257
COVID19 - commissioned	4	- 2	94	96	4.9%	78
Total	**3,098**	**34,054**	**13,586**	**50,738**	**(1.0%)**	**43,925**

Medical

Table 7 illustrates that the Trust has experienced an increase in total medical expenditure of £2.42m (3%) when compared to the average in 2024/25. Whilst the chart shows a steep rise in expenditure in October, analysis indicates that 60% of the increase is supported by budget and therefore should not be interpreted as an increase to financial pressures. The remainder of the increase is due to the filling of vacancies and cover for absence and unplanned leave.

Table 7: Total Medical

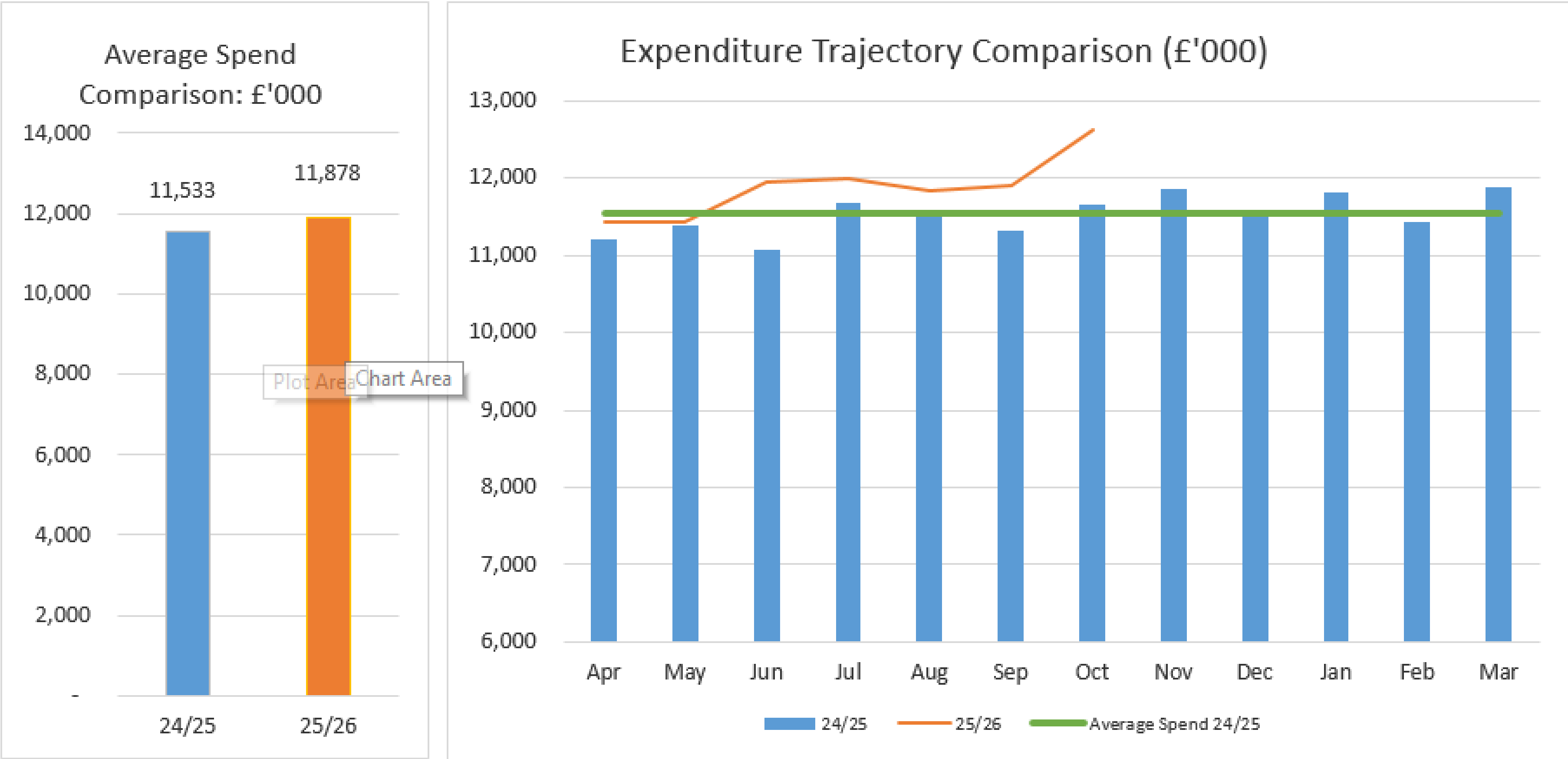
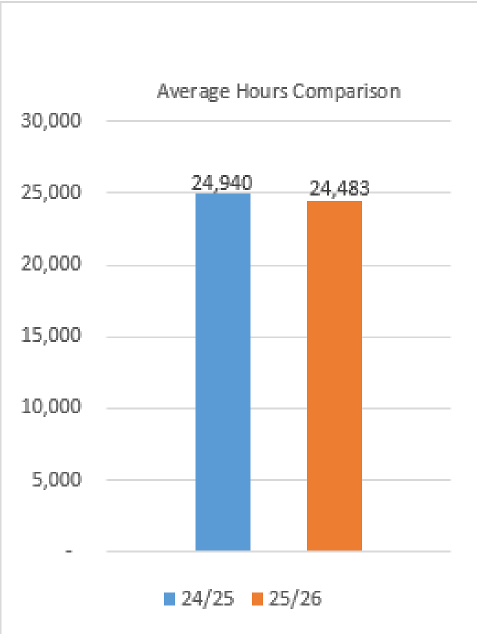
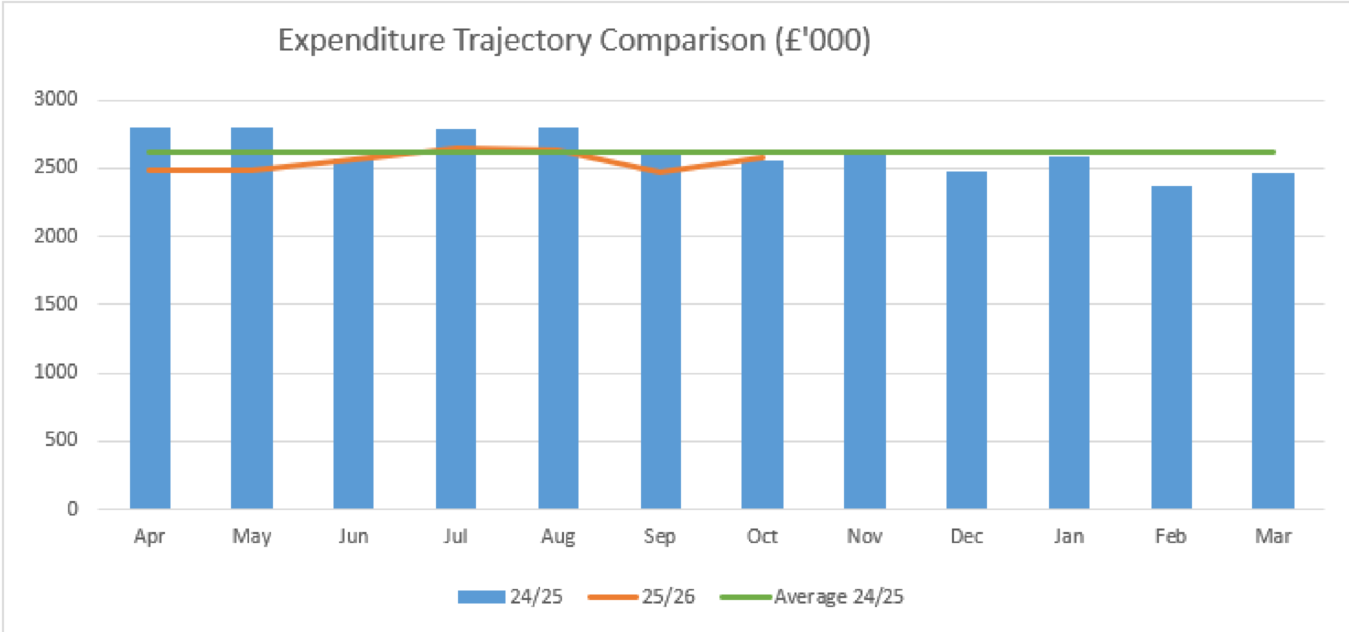


Table 8 below illustrates that there has been a decrease in average medical agency expenditure of 2.44% when compared to the average in 2024/25. Medical agency trajectories continue to show some improvement, supported in part by temporary financial opportunities identified through the mid-year review 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)**: We have previously reported a total of 38 new appointments to the Trust through International Medical recruitment of which 27 were appointed through the Mumbai exercise. Of these 27 appointments, 16 were expected to displace existing locum agency however 6 agency have been retained to support extended overlap periods or new vacancies. There continues to be focus on exit strategies for these locums however the delayed release of agency staff has had a negative impact on savings delivery and total medical expenditure. In the other 11 cases, successful candidates have filled vacancies, which is a contributory factor to the increased expenditure in 2025/26. This work stream has returned to business-as-usual arrangements and there has been a further 19 appointments with a further 3 going through pre-employment checks.

- **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. The next stage of this work will be to consider the top 11 to 20 highest cost doctors.

- **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 it 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.

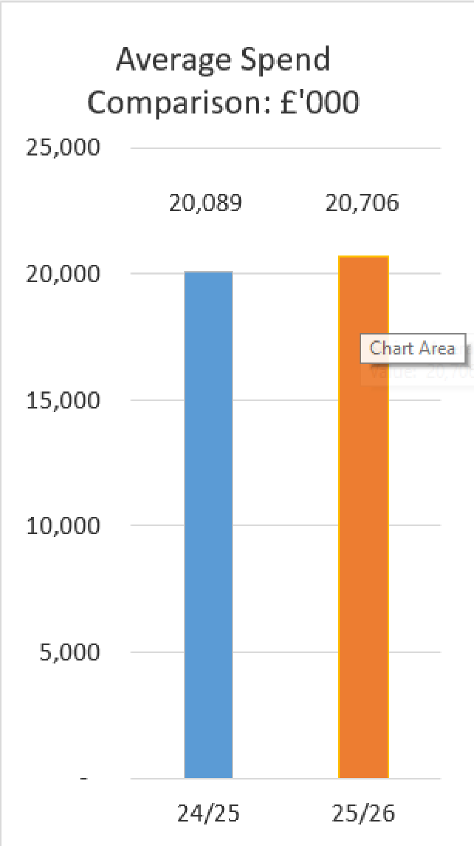
- **Agency hourly rates negotiation**: the Trust continues to challenge and negotiate rates with providers. Whilst there have been successes in 2024/25 in reducing and stabilising the average rate, ongoing focus is required by Directorates which will be supported by the new medical agency framework.

- **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 £4.3m (3.1%) 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



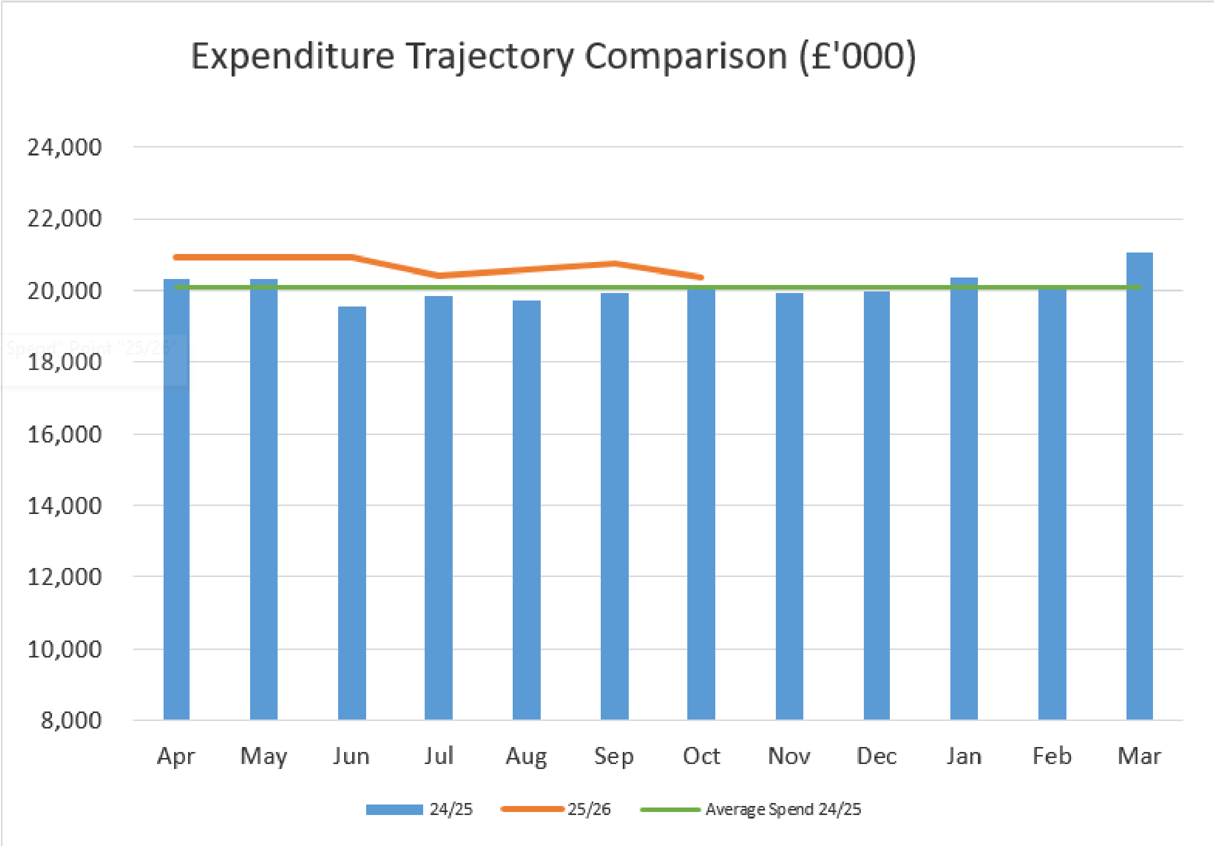
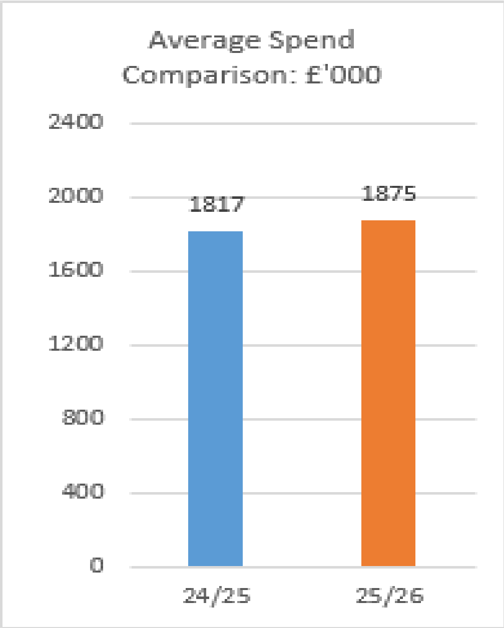
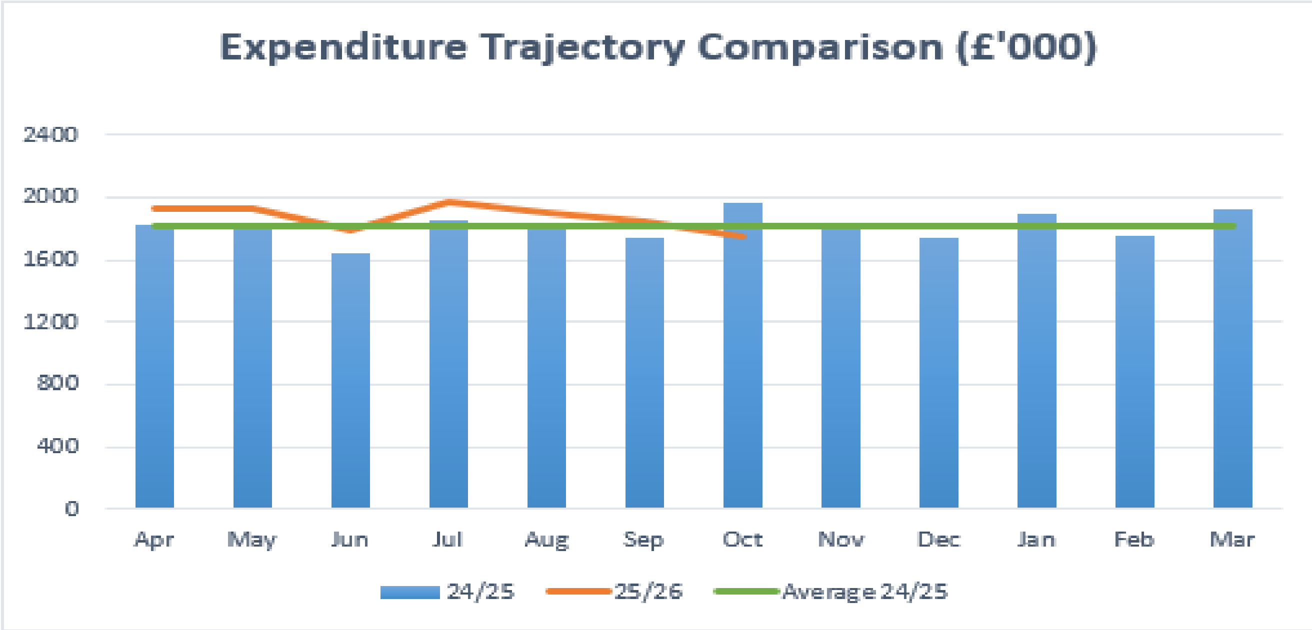


Table 10 below indicates that nursing agency expenditure levels have been reducing steadily since July and average levels are now close to those seen in 2024/25. The year-to-date position remains 3.38% higher, but this is marginal and reflects a positive trajectory. Whilst this is encouraging, further 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 £34.85m, per the letter dated 13th November 2025 from the Department of Health. The capital allocation has decreased by £0.5m due to slippage identified within the Lisnaskea project of £1.0m offset by other increases of £0.5m. The table below reports the expenditure to 30th September 2025 and the planned year end position to 31st March 2026.

Table 11: Capital Expenditure

Project	Capital Resource Limit (CRL) £'000	Expenditure at 30th September 2025 £'000	Forecast Expenditure at 31 March 2026 £'000
Cityside HCC	183	121	183
Lisnaskea	13,050	6,121	13,050
Research & Development	702	462	702
ICT – Various Projects	596	295	596
General Capital	9,913	5,352	9,913
Car Parking - Hospital Parking Charges Act	208		208
Backlog Maintenance	5,875	1,852	5,875
MH Task & Finish	670		670
IFRS Leases	265	265	265
Altnagelvin teaching space (IFF)	200	121	200
Strabane Health & Care Centre (City Deal)	350	30	350
Ventilation North West Cance Centre	1,000	100	1,000
Imaging Diagnostics	1,325		1,325
Elective Care	523		523
Disposals - other assets	(8)	(8)	(8)
Total	**34,852**	**14,711**	**34,852**

Key Messages

- The Trust is reporting a deficit position of £7.2m at 31st October 2025.
- Following confirmation of additional funding by SPPG against pressures and factoring in the additional and adjusted Phase 2 savings (subject to Trust Board approval), the projected financial deficit is revised to £2.6m for 2025/26.
- Phase 2 savings plans will build on the programmes of work already in place through our Delivering Value programme. Therefore, Directors must continue to focus on the work of these key programmes. Implementation is effective from 1 November 2025 and monitoring will commence in the report for the period ending 30 November 2025.
- 88.17% 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 96.75%

Eimear McCauley
Executive Director of Finance, Contracts & Capital Development