

Financial Performance Report

*For the 10 months ended
31 January 2025*



Executive Summary

Financial Plan 2024/25

The Trust's projected outturn position remains unchanged from that reported previously. There has been no change to total Directorate performance and therefore I remain in a position to forecast a breakeven position for the financial year 2024/25.

Financial Plan 2025/26

The Trust has submitted its Financial Plan incorporating a contingency plan for breakeven for 2025/26 to the Interim Chief Operating Officer SPPG on 7th February 2025 and is awaiting a formal response. However, we are actively progressing the establishment of the financial framework for 2025/26 including for savings which have low and medium impact in line with normal arrangements.

Statutory Financial performance targets	Rag Status
1. 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 projecting a breakeven position for 2024/25.	
2. Manage within allocated Capital Resource Limit (CRL)	
The Trust has been notified of a total capital allocation (Capital Resource Limit) of £40.43m. Capital expenditure to the end of December 2024 is £21.56m.	
3. Prompt payment target – 95% of suppliers within 30 days	
The Trust has paid 90.16% of its undisputed invoices with suppliers within 30 days at 31 January 2025 against its target of 95%. In the month of January 2025, 77% of undisputed invoices with suppliers were paid within 30 days. Delays in the approval of nurse agency invoices continue to impact achievement of the in-month target.	

Financial plan and performance 31 January 2025

The Trust is reporting a breakeven position at 31 January 2025 and a forecast position of breakeven for 2024/25 as summarised in Table 1 as follows:

Table 1. Projected Deficit 2024/25 and Performance

	2024/25 Projected Deficit at Oct 24 £'m	Position at 31 Jan 2025 £'m
Opening Deficit 2024/25	31.4	26.2
Demography & Demand 2024/25 (net of indicative funding)	1.8	1.5
Total Financial Pressures	33.3	27.7
Recurrent savings targets	26.4	19.0
Projected Deficit 2024/25	59.7	46.7
Low/medium savings plan 2024/25	(23.1)	(16.3)
SPPG Deficit Funding	(31.5)	(26.2)
Other solutions	(5.1)	(4.2)
Forecast position	0.0	0.0

Financial Plan

A further review of the financial plan was conducted in December, confirming our previous assessment that we should be in a position to deliver breakeven in 2024/25. Our assessment of risk remains high as we continue to absorb the unfunded element of costs associated with Encompass, sustained levels of escalation beds in our acute and mental

health hospitals and the management of commitments relating to high cost clients in the independent sector. The forecast remains dependent on the following planning assumptions:

- Expenditure to remain in line with forecast trajectories;
- No additional unfunded growth in financial pressures;
- Savings plans to be achieved in line with current projections.

In May 2024 our assessment of contingency savings in 2024/25 which we considered to have low and medium impact to services was £23.1m, following the adjustment for the regionally accepted gap in the MORE programme. Delivery remains challenging for Directorates and savings which will not deliver in full in year include medical and nursing agency and high cost cases. There is extensive discussion around savings plans through the Trust Delivering Value Management Board and finance focus meeting. It is imperative we continue to maximise savings potential given the requirement for extensive savings in 2025/26.

Financial Performance at 31 January 2025

The Trust is reporting a breakeven position against its budgets at 31 January 2025. Table 2 below summarises the financial performance by Directorate. Directorates are reporting an overspend of 4.6% for the period, in line with the prior month but an increase against the restated prior year reported budget variance of 3.3%.

Elective Care 2024/25

Against an allocation of £12.5m, the Trust is reporting expenditure of £10.2m at 31 January 2025.

Financial performance year to date indicates a growth in run rates against 2023/24 restated figures. For the third consecutive month, there has been no further increase in total Directorate variances, reflecting a strong focus on financial grip and control. Directors must continue to actively monitor their run rates and maintain robust controls to ensure there are no future increases.

Table 2. Summary Financial Performance by Directorate

Directorate	Budget	Expenditure	January Variance		December Variance		Restated Variance 2023/24
	£'000	£'000	£'000	%	£'000	%	%
Unscheduled Care, Cancer, Diagnostics & Medicine	173,097	198,189	25,092	14.5%	22,017	14.2%	14.4%
Surgery, Paediatrics & Women's Services	113,081	123,019	9,938	8.8%	8,928	8.8%	8.9%
Adult Mental Health & Disability	123,442	127,848	4,406	3.6%	4,202	3.8%	2.2%
Community & Older People's Services	166,082	170,887	4,805	2.9%	4,277	2.9%	3.0%
Nursing, Midwifery & AHP's	32,217	30,667	(1,550)	(4.8%)	(1,417)	(4.9%)	(6.9%)
Children & Families	73,741	74,144	403	0.5%	599	0.9%	0.4%
Medical	4,139	4,040	(99)	(2.4%)	(89)	(2.4%)	(2.7%)
Planning, Performance & Corporate Services	57,068	54,080	(2,988)	(5.2%)	(2,632)	(5.1%)	(7.2%)
Finance, Contracts & Capital Development	4,900	4,809	(91)	(1.9%)	(31)	(0.7%)	(4.8%)
Human Resources	6,041	5,922	(119)	(2.0%)	(93)	(1.7%)	(2.7%)
Corporate	1,688	1,917	229	13.6%	211	14.1%	8.8%
Trust Wide Corporate Services	76,095	83,412	7,317	9.6%	6,555	9.6%	6.6%
Opportunities against Directorate Pressures	8,620		(8,620)	(100.0%)	(7,759)	(100.0%)	(100.0%)
Directorate sub-total	840,211	878,934	38,723	4.6%	34,768	4.6%	3.3%
Covid19	2,923	2,916	(7)	(0.2%)	1	0.0%	18.7%
Savings Targets 2024/25	(19,046)		19,046	(100.0%)	15,206	(100.0%)	(100.0%)
Low / medium Savings Achieved 2024/25	16,256		(16,256)	100.0%	(12,696)	100.0%	100.0%
Other opportunities	41,506		(41,506)	(100.0%)	(37,280)	(100.0%)	(44.1%)
Reported Deficit	881,850	881,850	0	0.0%	(1)	(0.0%)	0.0%

Flexible Staffing Expenditure

Total expenditure in 2024/25 to date is £70.5m and is summarised by Directorate below.

Table 3. Total Flexible Payroll Expenditure

Directorate	Cum to January 2025					Cum to December 2024
	Overtime	Agency	Bank	Total	Growth from Prior Period	Total
	£'000	£'000	£'000	£'000	%	£'000
Unscheduled Care, Cancer, Diagnostics & Medicine	1,122	25,093	3,043	29,258	(0.3%)	26,414
Surgery, Paediatrics & Women's Services	613	10,287	1,228	12,129	(1.1%)	11,029
Adult Mental Health & Disability	406	7,907	4,647	12,960	0.7%	11,587
Children & Families Directorate	506	927	2,671	4,104	(1.6%)	3,747
Nursing, Midwifery & AHP's	65	344	220	629	(1.7%)	575
Community & Older Peoples Services	690	3,764	2,411	6,865	0.8%	6,137
Finance, Contracts & Capital Development	4	154	16	173	2.6%	152
Human Resources	12	51	171	234	(5.4%)	222
Medical Directorate	0	1	1	2	-	1
Chief Executive Office	0	-	-	0	-	0
Planning, Performance & Corporate Services	314	155	3,437	3,906	0.5%	3,501
COVID19 - commissioned	8	39	184	231	0.8%	206
Total	3,741	48,722	18,027	70,490	(0.2%)	63,570

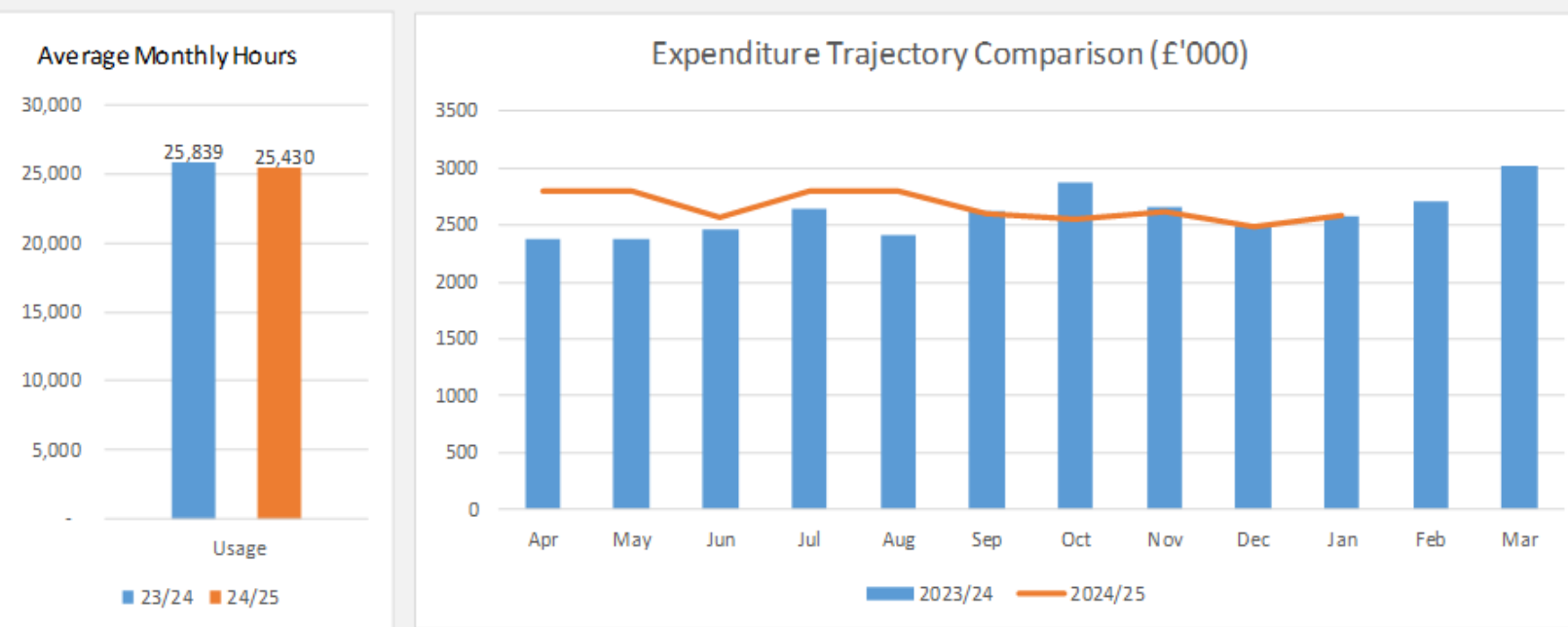
Total agency expenditure is £48.7m, which includes £26.6m (55%) of medical agency staff, £18.1m (37%) of nursing agency staff and £4m (8%) across other professional groups. Expenditure on bank staff over the same period is £18m. The average expenditure on flexible staffing for 2024/25 has decreased by 1.35% on the average spend during 2023/24.

The tables below provide further detail on medical agency and nursing expenditure.

Medical Agency

Table 4 illustrates that the medical agency utilisation is being maintained at a similar level to the prior year. The targeted focus on agency usage continues to have a positive impact on volume. The medical locum engagement team continues to challenge and negotiate rates, however rates have risen by approximately 1% when compared to the prior year. The bespoke recruitment project to India has seen 24 posts accepted with 17 doctors scheduled to commence with the Trust by 31 March 2025. There continues to be focus on exit strategies for all locums. The Trust is also actively engaged in the Regional programme of work chaired by the Trust Chief Executive, supported by the medical director, analysts and service Directors. A tender for the new regional medical framework went live on 20th February 2025 and will close on 25th March 2025. It is expected there will be significant interest by agency providers.

Table 4: Medical Agency



Nursing

The graphs below illustrate that the Trust has experienced an increase in total nursing expenditure of 1.44% when compared to the same period in 2023/24. The Executive Director of Nursing has developed and implemented a Nurse Governance Framework and is also leading on an active programme of nurse staffing reviews to assess appropriate nurse staffing levels taking account of patient acuity, increased escalation beds and patient safety. Roster planning and management coupled with protocols to manage patient acuity and escalations beds are identified as key enablers to this work and continue to have a positive impact. These measures will 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. It is expected the current nursing agency framework will be extended for a further year with work due to commence in June 2025 on a new framework.

Table 5: Nursing Agency

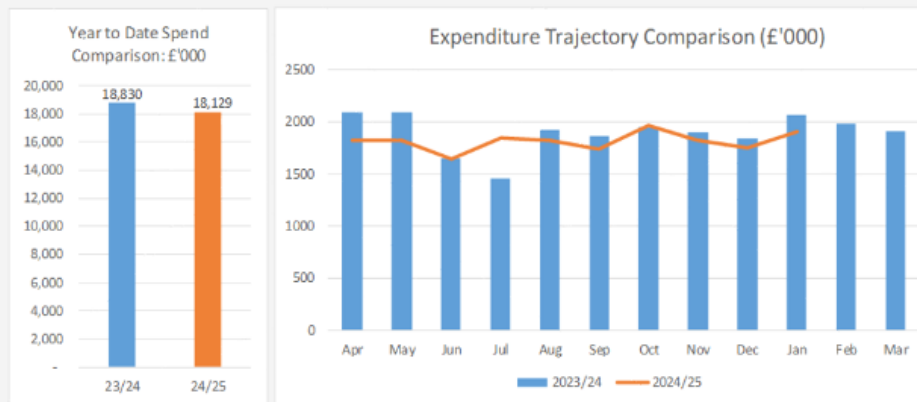
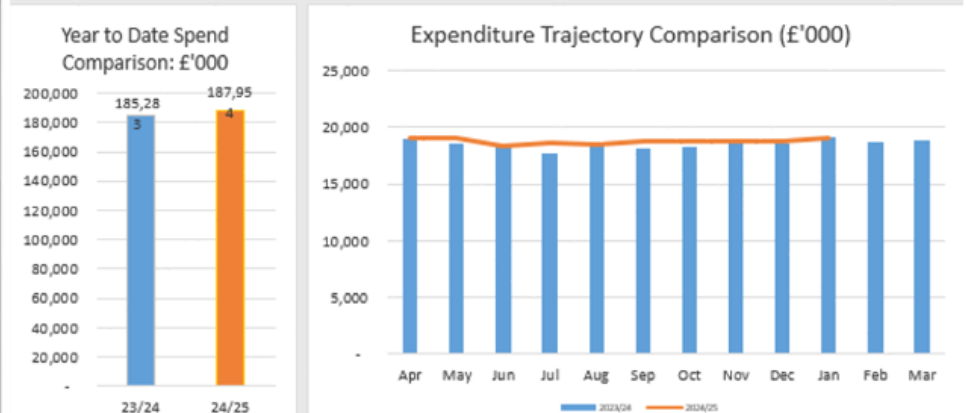


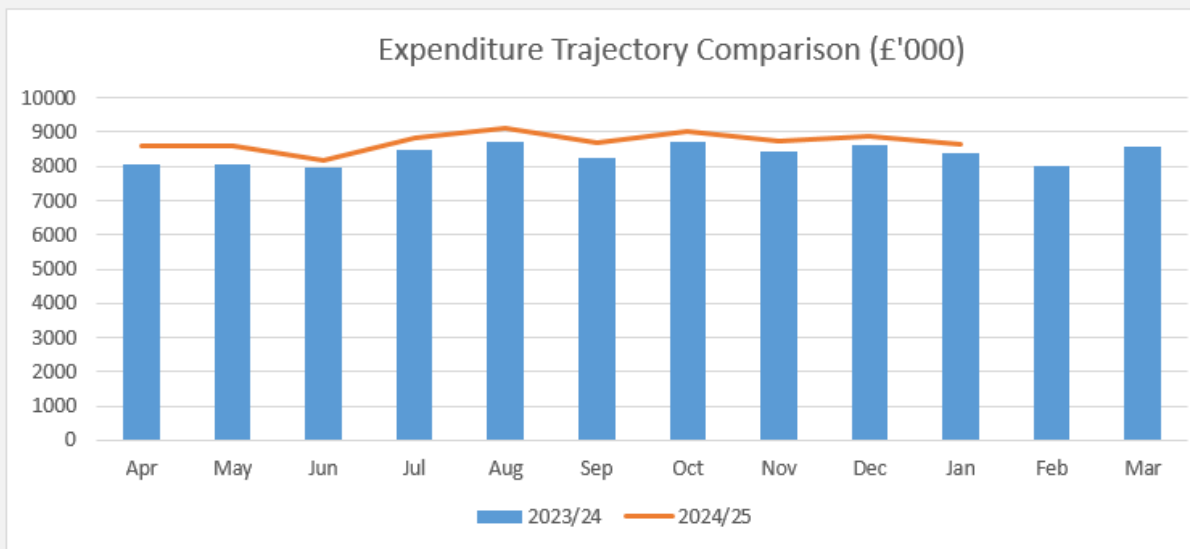
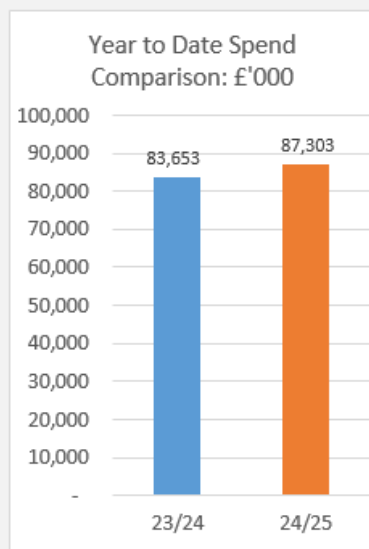
Table 6: Total Nursing



Independent Sector Residential & Nursing Homes

One of the most significant areas of overspend in non-pay is independent homes. Expenditure to date has increased by 4.36% compared to the same period in 2023/24. However, the level of growth experienced to date in this budget for 2024/25 has been funded from the demographic investment allocation provided.

Table 7: Independent Homes



Contingency Savings Targets

On 21 May 2024 the Trust submitted the financial plan for 2024/25 to the Permanent Secretary, which included a contingency plan of £23.1m – the most ambitious and the highest level ever set by the Trust in a single financial year. In July 2024, the Permanent Secretary advised that in the context of the Regional financial gap the Trusts savings target would increase in year to £27.5m.

Having carried out an early mid-year review of the Trust projected financial position and a further review in November, income opportunities emerged that indicated the Trust was in a position to report a breakeven position thus mitigating the risk that savings would not materialise in full. This assumption remains robust following our December assessment of the financial plan. Delivery remains challenging for Directorates and savings which will not deliver in full in year include medical, nursing and high cost cases targets. Extensive discussions around savings delivery continues through the Trust Delivering Value Management Board as well as monthly Finance Focus meetings. It is imperative we continue to maximise savings potential given the requirement for extensive savings in 2025/26. Savings achieved to date are summarised in Table 10.

Table 10: Savings Target Monitoring at January 2025

Directorate	In Year Target £'m	Saving at 31 January 2025			
		Planned Savings £'m	Actual Savings £'m	(Under)/ Over Achievement £'m	% of Total Target Achieved
Community care service reduction	2.2	1.7	1.6	(0.1)	73%
High cost cases reduction	1.0	0.9	0.0	(0.9)	0%
PSI various programmes (estates etc.)	1.2	1.0	0.8	(0.2)	69%
Corporate opportunities: Workforce Controls	4.4	3.6	4.6	1.0	105%
Removal of expensive medical locums	3.0	2.0	1.1	(0.9)	37%
Nurse agency staffing reductions	3.0	2.0	1.0	(1.0)	35%
Embedding current nursing agency prices reset, removal of off contract and implementing further contractual opportunities	3.2	2.6	2.6	0.0	83%
Other including agency inflation control	3.7	3.1	3.1	0.0	83%
Acute goods & services deep dive, including specialist and non specialist drugs regime change and medical & surgical consumables	1.5	1.2	1.4	0.2	95%
Sub total	23.1	18.1	16.3	(1.9)	70%
Other non recurrent opportunities including income slippage	4.4	3.7	5.6	1.9	
Total	27.5	21.8	21.8	0.0	79%

Capital Expenditure

The Trust has received a revised capital allocation (Capital Resource Limit) of £40.43m, as per the latest letter dated 4th February 2025 from the Department of Health. The capital allocation has increased by £0.6m to support Encompass and ICT pressures. The table below shows expenditure to 31st December 2024 and the planned year end position to 31st March 2025.

Table 11. Capital Expenditure

Project	Capital Resource Limit (CRL) £'000	Expenditure at 31st December 2024 £'000	Forecast Expenditure at 31 March 2025 £'000
Altnagelvin 5.1 - Tower Block Development	320	178	320
GP Improvement Scheme – Carrickmore HC	70		70
Research & Development	918	589	918
Lisnaskea	1,050	157	1,050
Cityside H&CC	1,249	27	1,249
NDNA Altnagelvin Interim Training Facilities	150	150	150
Regional Mammography	252	252	252
ICT – Various Projects	1,035	512	1,035
Encompass	10,660	7,567	10,660
General Capital	12,437	7,874	12,437
Car Parking - Hospital Parking Charges Act	734	128	734
Backlog Maintenance	5,875	2,935	5,875
Invest to Save	2,471	356	2,471
MH Task and Finish	475	222	475
IFRS16 Leases	1,882	557	1,882
Imaging Diagnostics	675	54	675
Elective Care Equipment	180		180
Total	40,433	21,558	40,433

Key Messages

- The Trust is reporting a breakeven position at 31st January 2025 in line with our forecast for 2024/25.
- 90.16% of undisputed invoices were paid within 30 working days of receipt against the target of 95%.
- While endeavouring to maintain this financial position for the remainder of 2024/25, our focus also very much turns to the establishment of arrangements for 2025/26 in order to continue to build on the effectiveness of arrangements as we face into yet another very challenging financial year.

Eimear McCauley
Executive Director of Finance, Contracts & Capital Development