

Financial Performance Report

*For the 12 months ended
31 March 2025*



Executive Summary

The Trust is reporting a financial break-even position against its budget for 2024/25 subject to the completion of the external audit.

The draft Annual Report and Accounts for the period ended 31 March 2025 will be submitted to the Department of Health and Northern Ireland Audit Office (NIAO) on Friday 2 May 2025. Deloitte will commence their audit during week commencing 5th May 2025. The Audit & Risk Assurance Committee will review the draft accounts at the meeting scheduled on 12 May 2025 and their update from the Committee will be provided to Trust Board at its meeting dated 5 June 2025.

NIAO will provide their draft Report to Those Charged with Governance by 16 June 2025. The Audit & Risk Assurance Committee is scheduled for 23 June 2025 to receive the draft report from NIAO and for their consideration of recommendations for approval of the Accounts to Trust Board

An exceptional Trust Board meeting has been scheduled for 26 June 2025 for Members to consider the recommendations of the Audit & Risk Assurance Committee in relation to the signing of the accounts. Signed accounts must be submitted to NIAO on or before 27 June 2025 with submission to DoH before Wednesday 2 July 2025. NIAO will provide the final Report to Those Charged with Governance by 31 July 2025.

In the context of 2024/25 having been a very challenging year for the Trust, I would like to acknowledge the instrumental role that Trust Directors have had in achieving this year's financial outturn. Navigating the pressures and complexity of the past year has required significant leadership and resilience and the positive position we have achieved is due to that collective effort. Directors have been challenged to manage their expenditure run rates and deliver savings to an unprecedented scale, while balancing the effective delivery of safe and effective services.

I would also like to recognise the valuable contribution of Trust Board, in particular those members of the Finance & Performance Committee whose scrutiny, challenge and insight throughout the year has helped strengthen our confidence in the decisions which have been taken.

While the Trust is reporting financial break-even for 2024/25, it is important that Members are reminded that while the management of run rates and savings targets have been critical factors in the achievement of our year end out-turn, we continue to place reliance on the availability of deficit funding from DoH/SPPG, which was £31.5m this year.

Statutory Financial performance targets	Rag Status
1. Manage within allocated Revenue Resource Limit (RRL) / Operate within Control Total	
The Trust is reporting a breakeven position at 31 March 2025.	
2. Manage within allocated Capital Resource Limit (CRL)	
The Trust has a total capital allocation (Capital Resource Limit) of £42.08m. Capital expenditure to the end of March 2025 is £42.08m.	
3. Prompt payment target – 95% of suppliers within 30 days	
The Trust has paid 88.33% of its undisputed invoices with suppliers within 30 days at 31 March 2025 against its target of 95%. In the month of March 2025, 80.34% of undisputed invoices with suppliers were paid within 30 days. Delays in the approval of nurse agency and estates/ utilities invoices have impacted on the achievement of this target.	

Financial plan and performance 31 March 2025

The Trust is reporting a breakeven position at 31 March 2025.

Table 1. Projected Deficit 2024/25 and Performance

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

Financial Plan

The Trust opened 2024/25 with a financial deficit of £59m summarised as £32.6m of service pressures and £26.4m of budget reductions associated with recurrent savings target budget reductions from DoH. It is important to note that our position had been close to breakeven following our 4 year recovery plan but we were subsequently destabilised through the savings reduction and limited funding for demographic growth following a step change in demand particularly in

complex and high cost cases and acute and mental health hospital escalation beds. The Trust set ambitious contingency savings targets of £23.1m which were considered to have low and medium impact to services. In August 2024, DoH advised that in year deficit funding of £31.5m would be provided which reduced our deficit to £3.5m. The mid-year assessments which we conducted in September and again in November resulted in a forecast deficit of £1.3m, then break-even. Directorates are to be commended for maintaining grip and control towards the end of the year which supported delivery of the financial plan and also reinforced the robustness of our financial projections.

Delivery against the savings target of £23.1m this year has been very challenging for Directorates with savings relating to medical and nursing agency and high cost cases not delivered in full. Directorates have achieved savings of £20.2m which is highly commendable.

Month 12 financial performance indicates a growth in run rates against 2023/24 restated figures. The bottom-line position for the Trust is a breakeven position.

Table 2. Summary Financial Performance by Directorate

Directorate	Budget	Expenditure	March Variance		February Variance		Restated Variance 2023/24
	£'000	£'000	£'000	%	£'000	%	%
Unscheduled Care, Cancer, Diagnostics & Medicine	215,267	245,177	29,910	13.9%	27,464	14.5%	14.4%
Surgery, Paediatrics & Women's Services	142,046	154,056	12,010	8.5%	10,898	8.8%	8.9%
Adult Mental Health & Disability	153,761	159,313	5,552	3.6%	4,914	3.6%	2.2%
Community & Older People's Services	204,509	210,255	5,746	2.8%	5,153	2.8%	3.0%
Nursing, Midwifery & AHP's	40,600	38,642	(1,958)	(4.8%)	(1,725)	(4.9%)	(6.9%)
Children & Families	92,297	92,502	205	0.2%	266	0.3%	0.4%
Medical	5,308	5,179	(129)	(2.4%)	(130)	(2.8%)	(2.7%)
Planning, Performance & Corporate Services	71,604	68,273	(3,331)	(4.7%)	(3,280)	(5.2%)	(7.2%)
Finance, Contracts & Capital Development	6,255	6,178	(77)	(1.2%)	(86)	(1.6%)	(4.8%)
Human Resources	7,764	7,479	(285)	(3.7%)	(151)	(2.3%)	(2.7%)
Corporate	2,088	2,339	251	12.0%	243	13.1%	8.8%
Trust Wide Corporate Services	92,661	101,491	8,830	9.5%	7,976	9.5%	6.6%
Opportunities against Directorate Pressures	10,345		(10,345)	(100.0%)	(9,475)	(100.0%)	(100.0%)
Directorate sub-total	1,044,505	1,090,884	46,379	4.4%	42,067	4.6%	3.3%
Covid19	3,821	3,823	2	0.1%	4	0.1%	18.7%
Savings Targets 2024/25	(26,435)		26,435	(100.0%)	21,260	(100.0%)	(100.0%)
Low / medium Savings Achieved 2024/25	23,088		(23,088)	100.0%	(18,191)	100.0%	100.0%
Other opportunities	64,354	14,574	(49,780)	(77.4%)	(45,140)	(100.0%)	(44.1%)
Reported Deficit	1,109,333	1,109,281	(52)	0.0%	0	0.0%	0.0%

Flexible Staffing Expenditure

Total expenditure in 2024/25 to date is £85.2m and is summarised by Directorate below.

Table 3. Total Flexible Payroll Expenditure

Directorate	Cum to March 2025					Cum to February 2025
	Overtime	Agency	Bank	Total	Growth from Prior Period	Total
	£'000	£'000	£'000	£'000	%	£'000
Unscheduled Care, Cancer, Diagnostics & Medicine	1,386	29,376	3,743	34,504	(0.4%)	31,739
Surgery, Paediatrics & Women's Services	783	12,143	1,561	14,487	0.4%	13,229
Adult Mental Health & Disability	496	9,892	5,781	16,169	3.5%	14,362
Children & Families Directorate	630	1,079	3,284	4,993	2.9%	4,457
Nursing, Midwifery & AHP's	79	382	305	766	2.4%	687
Community & Older Peoples Services	825	4,672	3,002	8,498	3.5%	7,548
Finance, Contracts & Capital Development	7	188	20	215	2.7%	192
Human Resources	13	51	202	266	(1.3%)	247
Medical Directorate	0	1	2	3	-	2
Chief Executive Office	0	-	-	0	-	0
Planning, Performance & Corporate Services	419	227	4,292	4,938	5.3%	4,318
COVID19 - commissioned	10	86	301	397	10.6%	332
Total	4,648	58,097	22,492	85,237	1.4%	77,115

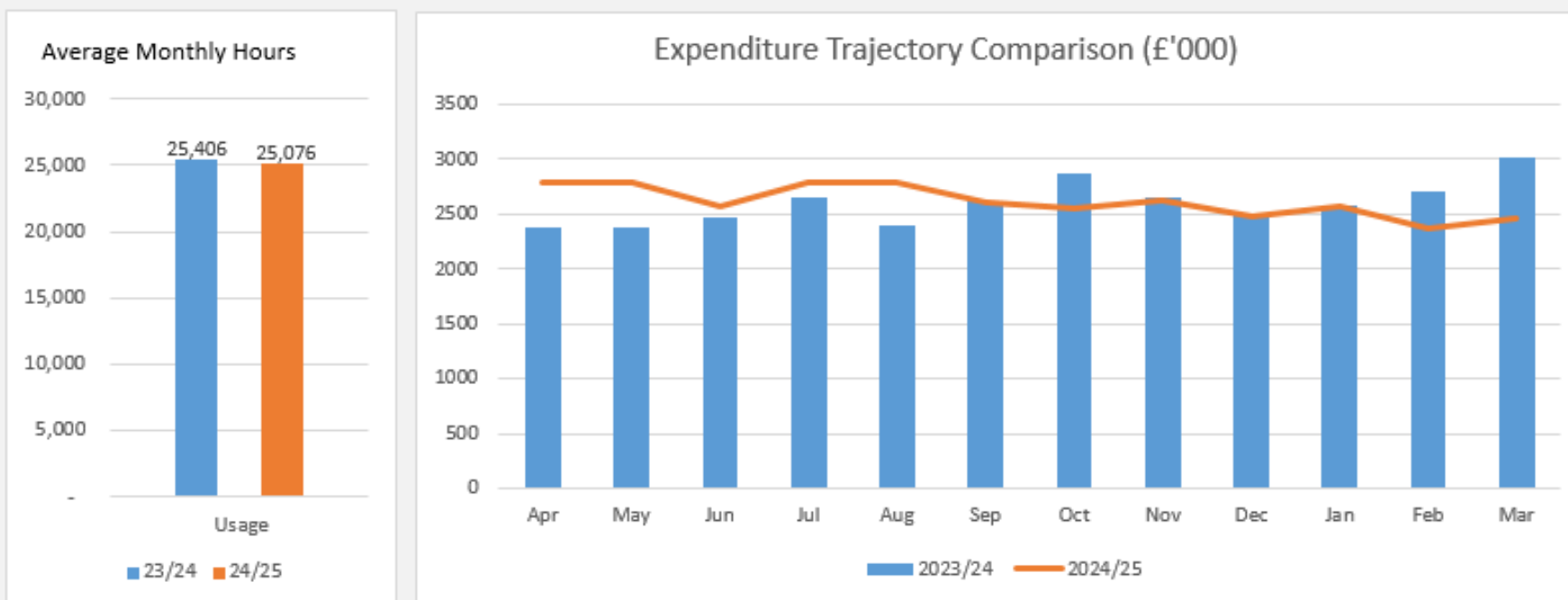
Total agency expenditure is £58.1m, which includes £31.4m (54%) of medical agency staff, £21.8m (38%) of nursing agency staff and £4.9m (8%) across other professional groups. Expenditure on bank staff over the same period is £22.5m. Overtime and bank expenditure in March includes 2024/25 Agenda for Change pay award arrears.

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

Medical Agency

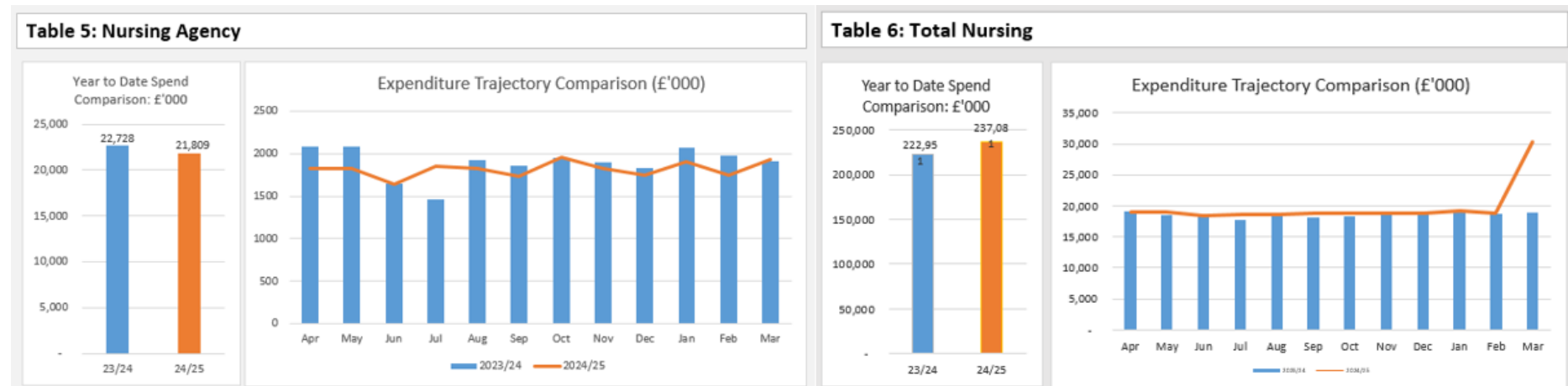
Table 4 illustrates that medical agency utilisation is maintained at a similar level to the prior year. The targeted focus on agency usage continues to have a positive impact on volume. The medical locum engagement team continues to challenge and negotiate rates which have risen by approximately 1% when compared to the prior year. The bespoke recruitment project to India has seen 22 posts accepted with 17 doctors in post at 31 March 2025. A further 5 are scheduled to commence in 2025/26. There continues to be intensive focus on exit strategies for locums now displaced. Applications for the new Regional medical framework closed on 9th April 2025. This has attracted significant interest by agency providers. It is expected to go live in September 2025.

Table 4: Medical Agency



Nursing

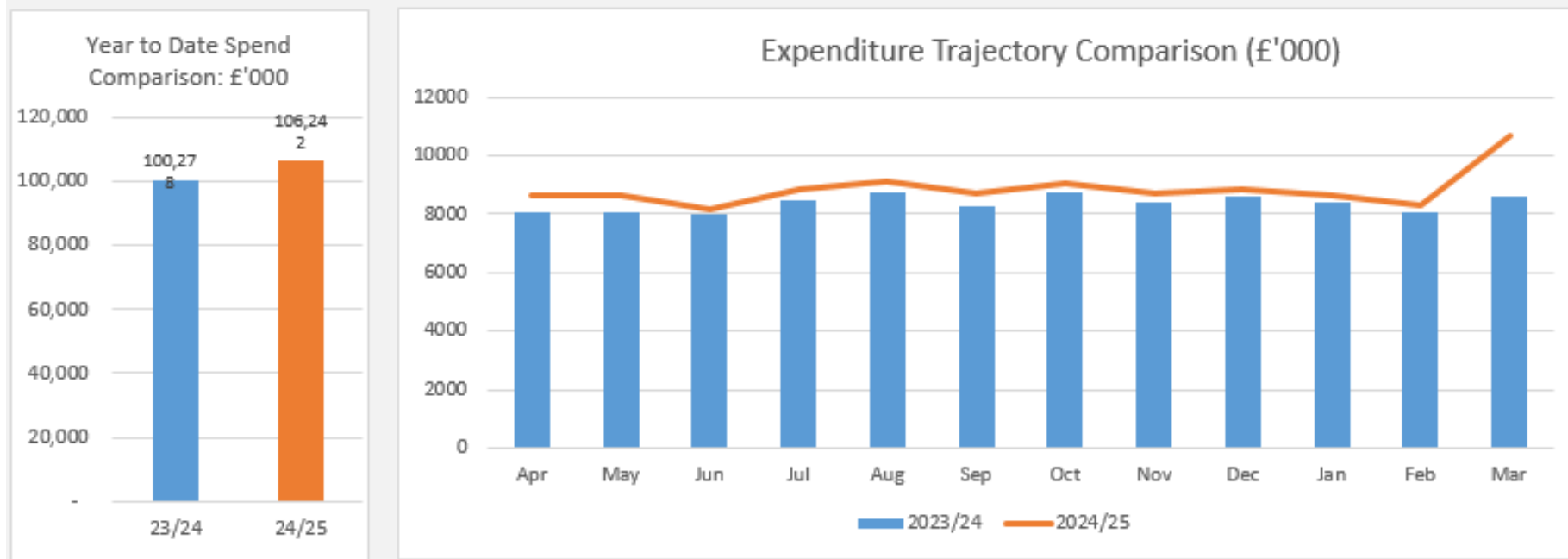
The graphs below illustrate that the Trust has experienced an increase in total nursing expenditure when compared to 2023/24. The significant increase in spend in March is due to the 2024/25 pay award. The Executive Director of Nursing has developed and implemented a Nurse Governance Framework and is 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 escalation beds are seen as key enablers to this work and continues to have a positive impact. 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. 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 revised framework. March expenditure includes arrears for the 2024/25 Agenda for Change pay award which is fully funded by SPPG.



Independent Sector Residential & Nursing Homes

One of the most significant areas of overspend in non-pay is independent homes. Expenditure to date has increased when compared to 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. In March, arrears were paid to providers for the final inflation uplift for 2024/25. Inflation uplifts are fully funded by SPPG.

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, the Permanent Secretary advised that in the context of the Regional financial gap the Trusts savings target would increase in year to £27.5m.

Directors have performed extremely well against savings plans despite significant pressures this year. Looking ahead to 2025-26, it is imperative we continue to maximise savings opportunities given the scale of the target we are expected to meet. Extensive discussions have continued into 2025/26 around savings delivery through the Trust Delivering Value Management Board as well as monthly Finance Focus meetings. Savings achieved this year are summarised in Table 10.

Table 8: Savings Target Monitoring at March 2025

Directorate	In Year Target £'m	Saving at 31 March 2025			
		Planned Savings £'m	Actual Savings £'m	(Under)/ Over Achievement £'m	% of Total Target Achieved
Community care service reduction	2.2	2.2	1.9	(0.3)	88%
High cost cases reduction	1.0	1.0	0.0	(1.0)	0%
PSI various programmes (estates etc.)	1.2	1.2	1.0	(0.2)	83%
Corporate opportunities: Workforce Controls	4.4	4.4	5.5	1.1	126%
Removal of expensive medical locums	3.0	3.0	1.6	(1.4)	54%
Nurse agency staffing reductions	3.0	3.0	1.4	(1.6)	45%
Embedding current nursing agency prices reset, removal of off contract and implementing further contractual opportunities	3.2	3.2	3.2	0.0	100%
Other including agency inflation control	3.7	3.7	3.7	0.0	100%
Acute goods & services deep dive, including specialist and non specialist drugs regime change and medical & surgical consumables	1.5	1.5	2.0	0.5	133%
Sub total	23.1	23.1	20.2	(2.9)	87%
Other non recurrent opportunities including income slippage	4.4	4.4	7.3	2.9	
Total	27.5	27.5	27.5	0.0	100%

Capital Expenditure

The Trust capital allocation (Capital Resource Limit) for 2024/25 is £42.08m. The table below details expenditure by project to 31st March 2025.

Table 9. Capital Expenditure

Project	Capital Resource Limit (CRL) £'000	Expenditure at 31st March 2025 £'000
Altnagelvin 5.1 - Tower Block Development	452	452
GP Improvement Scheme – Carrickmore HC	70	70
Research & Development	899	899
Lisnaskea	1,580	1,580
Cityside H&CC	954	954
NDNA Altnagelvin Interim Training Facilities	151	151
Regional Mammography	252	252
ICT – Various Projects	1,815	1,815
Encompass	10,658	10,658
General Capital	13,419	13,419
Car Parking - Hospital Parking Charges Act	525	525
Backlog Maintenance	5,951	5,951
Invest to Save	2,471	2,471
MH Task and Finish	460	460
IFRS16 Leases	1,578	1,578
Imaging Diagnostics	664	664
Elective Care Equipment	184	184
Disposals – other assets	-7	-7
Total	42,076	42,076

Key Messages

- The Trust is reporting a breakeven position at 31st March 2025 which was achieved through effective management of expenditure run rates, the achievement of £20.2m of savings and a reliance upon deficit funding.
- 88% of undisputed invoices were paid within 30 working days of receipt against the target of 95%.
- It has been an extremely challenging year in which Corporate Management Team have had to ensure an effective risk management approach in ensuring the balance between quality / safety, service and financial performance.

Eimear McCauley

Executive Director of Finance, Contracts & Capital Development