

 <b>Belfast Health and Social Care Trust</b> caring supporting improving together		<b>Paper Ref. Num.</b> 2026.05.28_TBP_AgendaItem12.1_P207-2026FinanceReport
<b>Belfast Health &amp; Social Care Trust Meeting Template Sheet (v11.25)</b>		
<b>Purpose of paper</b>		<b>For Oversight</b>
<b>If other purpose please specify</b>		Please enter text here
<b>Meeting TB Public</b>		
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<b>Presenter</b>		<b>Maureen Edwards</b> Director of Finance
<b>Date of meeting</b>		28 June 2026
<b>Title of paper (Maximum of 300 characters)</b> <b>Month 12 Financial Summary for 2025/26 and Update on 2026/27 Financial Plan</b>		
<b>Background (Maximum of 1500 characters)</b> This report outlines Trust financial performance, including savings delivery, for the year to 31 March 2026 and provides detail on the revised 2026/27 Financial Plan.		
<b>Date considered at Exec Team (If Applicable)</b>		Enter Date Here
<b>Options for consideration (Maximum of 1500 characters)</b> This paper provides: <ul style="list-style-type: none"> <li>❖ A report of the Trust's actual performance and savings achieved for 2025/26</li> <li>❖ A high level update on the 2026/27 financial outlook, including the Trust's opening 2026/27 financial position, its 2026/27 updated savings plan and the position in relation to the ask of DoH for a savings plan to address the opening 2026/27 deficit and a 6% savings target.</li> </ul> <p>It should be noted that whilst a draft Budget for 2026/27–2029/30 went out to public consultation in early 2026, the Northern Ireland Executive has not yet agreed a final Budget for 2026/27. As a result, Belfast Trust's draft financial plan is based on a number of planning assumptions and indicative SPPG income, including the application of a 6% savings target.</p> <p>The Trust continues to work with DoH/SPPG and other Trusts to agree next steps in relation to the significant shortfall against the 6% target given that measures beyond the low impact savings plan already in place will severely impact on the level and quality of services that the Trust can provide.</p>		
<b>Recommendations (Maximum of 1500 Characters)</b> This paper is for noting and discussion.		

<b>Proposed Onward Consideration</b>	Choose an item.
<b>If other</b>	

## HIGH LEVEL SUMMARY OF 2025/26 MONTH 12 FINANCIAL POSITION AND UPDATE ON 2026/27 FINANCIAL PLAN

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### ***The Trust is reporting a breakeven position for 2025/26***

The Trust started the 2025/26 financial year with a £143m deficit, before applying savings. A plan was created to deliver £77m in savings and non-recurrent funding of £32.7m was received, bringing the expected deficit to £32.7m before any pay award. The Minister approved elements of the Trust's proposed breakeven plan, reducing Belfast Trust's projected deficit to £8.7m prior to pay awards.

In December 2025, DoH secured £69m for the 2025/26 pay award against a £208m estimated cost, leaving a £36m shortfall for Belfast Trust. In February 2026, DoH obtained 'reserve claim' funding of £184.5m, which was sufficient to address the residual HSC deficit. The Trust subsequently received one-off funding to deliver breakeven for both baseline and pay award deficits in 2025/26.

The Trust's annual accounts will be presented at Audit Committee on 18 June 2026 before approval by Trust Board at the Trust Board meeting on 19 June 2026.

### **The Trust is reporting a technical breakeven position for the 2025/26 financial year, subject to audit.**

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### ***£100m savings delivered in 2025/26***

In 2025/26 the Trust delivered savings of just over £100m of which £47m represents annual recurrent savings and circa £22m relates to the Trust's annual workforce management savings target. This included pharmacy savings of £10.1m (£7.8m recurrent) and agency spend reductions (nursing £21.7m, social work £3.0m, medical £3.6m and admin £3.2m). An unusually high level of non-recurrent savings, including slippage in funding for new services and the one-off release of a £5.8m system-generated accrual meant that the Trust overachieved on its original savings plan for the year.

### **As well as its workforce management savings of £22m, the Trust delivered £100m savings in 2025/26 of which £47m is recurrent.**

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### ***2026/27 financial outlook***

The Trust forecasts an opening deficit of £30m for 2026/27, after factoring in recurrent SPPG deficit funding of £42m and recurrent savings of £47m, but before 2026/27 growth and other new inescapable pressures. The Trust's initial response to SPPG's draft operational planning guidance, submitted in March 2026, outlined a range of measures which could deliver an additional 6% (£123m) or 12% savings (£256m) during 2026/27. Following feedback from SPPG, a revised submission was made on 30 April 2026 to replace DoH-led savings such as charging which SPPG deemed undeliverable in-year and to exclude anticipated 2026/27 growth and other pressures from the reported underlying deficit on the basis that these would be addressed separately with SPPG.

In the revised submission, the Trust increased the level of low service impact (phase 1) savings by £2.6m to £67.9m. In relation to the outstanding £85.5m required to deliver both a 6% savings target and the Trust's £30m underlying deficit, the Trust outlined a revised list of phase 2 (higher risk of implementation)

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savings, along with a broad assessment of the risks involved and potential adverse consequences.

The revised plan sets out how in theory the Trust could deliver **£153m** of savings (**7.5%** of income) to cover both the underlying opening deficit and a 6% savings target. This would bring cumulative savings between 2024/25, and 2026/27 to 11.3%. It is important to note that many of the phase 2 savings would be considered to be severe, and in some cases catastrophic, in terms of both implementation and potential service implication. The deliverability of such measures in this financial year is based on a number of assumptions and dependencies.

The Trust is awaiting a response from SPPG on its recent submission and further clarity from DoH on the extent to which service-impact measures might need to be implemented to enable the Trust to meet its statutory obligation to breakeven. That will then inform next steps in terms of communication and consultation on savings measures which would have an adverse impact on the level or quality of services provided.

**The Trust is forecasting an opening 2026/27 deficit of £30m, and SPPG indicative allocations reflect a 6% savings target. The Trust has identified, and is progressing, £68m of low impact cash efficiency savings. A resubmitted response to SPPG’s operational planning guidance sets out a range of service impact savings to address the £85.5m funding gap.**

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***The Trust must maintain a strong focus on good financial control and efficiency***

Directorates must maintain a strong emphasis on sound financial management and controlling costs, while also seeking new ways to enhance efficiency through productivity improvements and reforms to ensure long-term financial sustainability.

The Delivering Value Programme has been strengthened to ensure the delivery of our savings plan, to continue to seek further opportunities and to improve monitoring and reporting mechanisms.

**It is important that the Trust maintains strong financial control and continues to focus on cost control, productivity and efficiency through its Delivering Value Programme.**