Department of Health
An Roinn Sláinte
Männystrie O Poustie
www.health-ni.gov.uk

DRAFT BUDGET 2026-29/30

Equality Impact Assessment

Revised August 2026

Contents

1. Introduction/ Section 75 of the Northern Ireland Act 1998

- The Department of Health has a statutory responsibility to promote and develop an integrated system of health and social care services designed to secure improvements in the physical and mental health of people; prevent, diagnose and treat illness; and develop social wellbeing. We are also responsible securing the provision of effective fire and rescue services.

- Section 75 of the Northern Ireland Act 1998 requires that in carrying out their functions, public authorities and bodies must give due regard to the need to promote equality of opportunity across nine groups outlined in the Act as below: -

    - People with different religious beliefs;
    - People from different racial groups;
    - People of different ages;
    - People with different marital status;
    - People with different sexual orientations;
    - Men and Women generally;
    - People with or without a disability;
    - People with or without dependants; and
    - People with different political opinions

- Without prejudice to this obligation, there is also a requirement to have due regard to the desirability of promoting good relations between persons of different religious beliefs, political opinions and racial groups.

- Section 75 statutory duties ensure that equality considerations are factored into the mainstream of policy making decisions and processes so that unintentional adverse impacts on different groups can be identified and eliminated or minimised and that services are accessible to the whole community. Section 75 also requires that public authorities identify and assess existing inequalities and, where possible, promote measures to address them.

Equality Scheme and Plan

- The Department has developed an Equality Scheme which sets out how it aims to fulfil its Section 75 duties including undertaking assessments and ensuring that effective arrangements are in place for monitoring and reviewing progress.

- As part of its Equality Scheme, the Department has developed an Equality Action Plan to promote equality of opportunity and good relations. The Plan is informed by audits which analyse information across Section 75 categories to identify inequalities and is subject to review and revision as appropriate throughout its life.

- The Department's Equality Scheme and Equality Action Plan can be accessed on the DoH website (https://www.health-ni.gov.uk/articles/doh-equality).

2. Policy Scoping

Policy

- Draft Budget 2026-29/30.

Is this an existing, revised or a new policy?

- This is a new policy.

- On 6 January 2026 the Finance Minister published a Draft Budget setting out for each Northern Ireland department his proposals for Resource expenditure allocations for the period April 2026 to March 2029 and Capital investment funding for the period April 2026 to March 2030 (Draft Budget 2026-2029/30 | Department of Finance).

- The budget proposals were not agreed by the Executive. Revised budget proposals have since been put forward by the Finance Minister in Version 2 of his Draft Multi-Year Budget paper and are reflected in this updated EQIA.

What is it trying to achieve?

- The Finance Minister has brought forward budget proposals setting out how the funding provided to the Northern Ireland Executive through the UK Government's budget settlement is proposed to be allocated across departments.

- This document details our assessment of the proposals for the Department of Health and the impact on service delivery, patients, and clients.

- It sets out, at a strategic level, the steps the Department will take to deliver its functions and protect the safety of patients, clients and other services users and measures that may be necessary to contain spending within the proposed limits.

Are there any Section 75 categories which might be expected to benefit from the intended policy?

- The constrained funding allocations mean that our primary focus will need to be on maintaining the most essential services and minimising negative impacts. In doing this we will seek to minimise impacts on service delivery, patients and clients and protect as far as possible negative impacts across section 75 groups.

- The provision of earmarked capital funding for the flagship Children's Hospital project is welcome and will benefit children.

- **£165m** earmarked for waiting lists and elective care is likely to particularly benefit older people, people with disabilities, and people with dependants as high service users.

Who initiated or wrote the policy?

- The Finance Minister has proposed budget allocations for all Northern Ireland departments.

Who owns and who implements the policy?

- Within the constraints of the funding available to it, the Department of Health is responsible for the implementation of this policy across its central services and Arm's Length Bodies for the delivery of health, social care and fire and rescue services. Where additional savings or service reductions may be required to reduce our funding gap, the Department and its Arm's Length Bodies will consider if further consultation with stakeholders may be required prior to the implementation of any specific measure.

2.2 Implementation factors

Are there any factors which could contribute to/detract from the intended aim/outcome of the policy/decision?

- Financial constraints and legislative requirements significantly restrict options and the timing within which actions can be taken.

2.3 Main stakeholders affected.

Who are the internal and external stakeholders (actual or potential) that the policy will impact upon?

- The provision of health, social care and fire and rescue services impact the entire population. Affected groups will include service users, staff, voluntary and community sector organisations and trade unions.

2.4 Policies and legislation with a bearing on this policy

Policy/Legislation	**Owner(s)**
Policy	
Draft Budget proposals 2026-29/30	Northern Ireland Executive and the Department of Health
Health and Social Care Reset Plan	Department of Health
Neighbourhood Model of Health and Social Care	Department of Health
Health and Wellbeing 2026 - Delivering Together	Department of Health
Programme for Government 2024-27 "Our Plan - Doing What Matters Most"	Northern Ireland Executive
Children and Young People's Strategy 2020-2030	Northern Ireland Executive
Legislation	
Health and Personal Social Services (Northern Ireland) Order 1972 Health and Social Care (Reform) Act (Northern Ireland) 2009 Fire and Rescue Services (Northern Ireland) Order 2006	This key legislation and associated subordinate legislation detail the statutory duties and obligations of Arm's Length Bodies within the Department.

3. Draft Budget Proposals 2026-29/30

Key Points to Note

- The proposed funding allocations set out the Northern Ireland Executive's plans for expenditure on public services, including health and social care. Health continues to be the largest area of spending reflecting high demand and need for hospital, family health and social care services.

Health Allocation

- The Department of Health is proposed to receive **£26,036.6 million** in day-to-day spending (Resource DEL) over the resource budget period (2026-29), making it the largest departmental allocation.
- In addition, around **£1,786.7 million** is proposed for capital investment for health services over the longer capital budget period (2026-30).
- **£495 million** resource funding is earmarked to support waiting list reduction and **£479.3 million** of capital funding is earmarked for the Flagship Mother and Children's Hospital.

Annual Breakdown (Resource DEL)

Year	Health Allocation (£m)
2026-27	£8,589.8m
2027-28	£8,635.8m
2028-29	£8,811.0m

- The Department's proposed Resource budget allocation will be incredibly challenging with the annual increases of **2.1%** in 2026-27, **0.5%** in 2027-28 and **2.0%** in 2028-29 being less than that required just to offset inflationary pressures. This is before factoring in the fact that the opening budget for 2025-26 represented a severely underfunded position and that beyond the inflationary impacts of pay and non-pay that there are additional pressures from a growing population and from increasing expectations as new drugs and treatments are developed. Taking this into account the proposed Resource DEL allocation represents a real terms budget cut over our 2025-26 position in each year.

- The Northern Ireland Fiscal Council estimates that health expenditure in Northern Ireland requires an additional premium of **7%** per capita above the equivalent level of spend in England largely reflecting our higher levels of need. The proposed budget allocation would see our funding fall below this level with the result, already unacceptable health outcomes in Northern Ireland risk falling further behind those achieved elsewhere in the UK.

- While health continues to be prioritised within overall public spending, the available funding is not sufficient to meet all our demands in full. The Department will therefore need to manage ongoing financial pressures through generating savings within its existing baselines while simultaneously trying to improve services and reduce waiting times.

- Highly ambitious savings targets have been set across the Department and its Arm's Length Bodies, and all potential opportunities for efficiencies are being actively explored. However, it is unlikely that the Department can achieve financial breakeven in 2026/27 through savings alone, even with maximum effort, without additional financial support.

- The Department is therefore continuing to seek agreement to a multi-year recovery approach, which would allow a managed path toward financial balance across the budget period. While this approach would reduce the immediate risk, it would remain highly challenging to deliver.

- The department would also reiterate that the Executive needs to take a collective approach to public sector pay in Northern Ireland. With pay increases likely to be one of the biggest pressures across all our budgets it will only be with a collective approach that we can achieve a fair settlement for all.

Annual Breakdown (Capital)

Year	Health Allocation (£m)
2026-27	£430.6m
2027-28	£446.9m
2028-29	£456.2m
2029-30	£453.0m

- While the level of Capital DEL funding shows a significant increase over the provision in 2025-26, it should be noted that this includes amounts that are earmarked for specific projects, primarily on the new Children's Hospital, and can only be used for that purpose. Taking this into account the remaining capital funding being provided to the Department is below the level required to take forward all the projects bid for in the Budget process

Resource Budget (2026-29)

- The Finance Minister has consistently stated that at the levels of funding available to Northern Ireland it will not be feasible to fully meet the funding requirements of any department. To this extent the disappointing outcome for the health sector is consistent with the overall constraints on available funding.

- In addition to annual baseline funding of **£8,223.6m** Version 2 of the Finance Ministers Draft Multi-Year Budget is proposing annual funding to Health as follows.

    - **£170.9m, £210m, £376.6m** General Allocation
    - **£165m, £165m, £165m** Reinstatement of Waiting Lists and Elective Care funding which was previously in our baseline

- Funding is also being provided separately for a range of existing commitments, including the Graduate Entry Medical School, Windsor Framework, Transformation and EU Peace Plus programmes. This funding will enable the Department to meet these existing commitments.

- It is welcome that the **£165m** funding for waiting lists and elective care has been reinstated having previously been removed from the baseline. This funding is essential to cover inescapable pressures for red flag and time critical patients and to build capacity within the system. However as earmarked funding it is only provided for identified periods, Health would require the certainty of this being allocated to our baseline recurrently.

Funding Shortfall 2026/27

- The table below provides our assessment of the funding shortfall we are facing in 2026/27 based on the Finance Minister's budget proposals.

2026-27 Projected Gap to be Managed / Absolute Minimum

	£ million
2025-26 Reserve Claim – non-pay element	64
2025-26 Non-Recurrent Savings (excluding Trusts)	181
Funding reductions (excluding elective)	66
2025-26 shortfall brought forward (excluding pay)	**311**

	£ million
Pay 2025-26 and 2026-27 (2026-27 reflects latest pay award recommendations)	440
Price inflation at 2%	50
National Living Wage	40
Real Living Wage Domiciliary Care (differential to National Living Wage)	50
Real Living Wage AfC	14
Pre Commitments	10
Additional GP Funding	14
Additional funding required to manage Trust pressures (growth/high-cost drugs)	35
Additional Requirement Pharmacy Rebate Scheme	15
Funding Gap 2026-27	**979**
Additional Funding Allocation (non ring-fenced)	171
2026-27 Gap to Be Managed	**808**

- We are facing a funding gap of some **£0.8 billion**, and we would have to generate funding internally of some **9%** through savings and efficiencies to cover these inescapable commitments and balance the budget in a single year. It is our assessment that savings at this level would not be feasible without serious harm to our service users.

- It should be noted that several of the figures and assumptions remain subject to further refinement however our requirement is not expected to materially change.

Savings

- In the light of the funding gap we are facing, the Department commissioned targeted exercises with the Trusts, Non-Trust Arm's Length Bodies (ALBs), and our internal admin and programme budgets to identify and deliver savings of some **6%.**

- However, following receipt of Trust plans and to ensure service users are protected we are now targeting a **4%** saving with a summary of savings measures provided below.

Savings 2026/27

Savings 2026/27	£'million
Trusts (4%)	258
Non-Trust ALBs	9
DoH Programme	19

Savings 2026/27	£'million
DoH Admin	3
SPPG	15
TOTAL	**304**

- Delivery of savings at this scale is highly uncertain and carries a significant risk to safe and sustainable service delivery. Progress will be closely monitored and managed throughout the year.

- The impact of the savings measures above on the overall financial position is set out below.

Assessment of the Funding Gap

	£'million
Funding Gap	808
Planned Savings	(304)
Revised Funding Gap after application of savings	**504**

- This shows that if we receive the additional funding we are expecting from the draft budget and the savings are delivered in full then this still leaves a funding gap of some **£0.5 billion**. Therefore, there is currently insufficient funding to support the discretionary expenditure relating to the 2026-27 Pay Award and the Real Living Wage. Any decision to proceed with these measures would require a Ministerial Direction.

- Even if we were to set aside this funding requirement which amounts to some **£280m** the department would still require additional support of over **£220m** to break even.

- If the funding assumptions or savings above are not realised in full, then the funding gap would increase accordingly.

Further Reform

- The Department's Health and Social Care Reset Plan sets out a clear ambition to reform and transform services to improve outcomes and ensure long-term sustainability.

- However, delivering reform requires upfront investment and financial stability, both of which are constrained in the current environment.

- The Department has widened the scope of its System Financial Management Group which was established in the previous financial year to incorporate the wider Reset agenda; recognising that, to drive long term financial sustainability, we must change fundamental aspects of how care is delivered in Northern Ireland. The new System Financial Management and Reset Programme provides a single, structured framework to support the system to navigate the immediate financial challenge, whilst standing up and delivering projects which will support recurrent and sustained cost improvement.

- In March 2026 the Department published detail of its Neighbourhood Model of Health and Social Care setting out plans to deliver more services locally making services more accessible and reducing pressures on acute hospital provision.

- Together these measures will contribute to a focus on early interventions, improve customer service and make the health and social care system more resilient and affordable in the long-term. However, many of these changes require an element of initial investment and the speed with which change can be affected and benefits can be secured is constrained by the level of funding available in the short-term.

- Without sufficient sustained investment in transformation, there is a risk that the system will become increasingly unsustainable, with growing demand outstripping capacity.

Resource Summary

- Even with ambitious and high-risk savings assumptions, the Department faces a significant residual funding gap. We are taking all possible steps to progress our plans and maintain service delivery as effectively as we can in the absence of a confirmed Budget, maximising the use of available resources and driving efficiencies wherever feasible. However, there are clear limits to what can be achieved without funding certainty.

- Without additional, sustainable funding and the early agreement of a multi-year Budget, there is a substantial risk of adverse impacts on service delivery, workforce stability, and the delivery of reform.

Capital Budget

- While the 2026-30 draft budget for capital of **£430.6m/£446.9m/£456.2m/£453.0m** shows an increase over the provision in 2025-26, the proposed allocations include amounts that are ring-fenced for expenditure on the flagship new Children's Hospital project, the City Deal Strabane Health and Care Centre project, as well as Inclusive Futures Fund projects for the Altnagelvin Medical Education Centre and Research and Development Expansion. Taking this into account the remaining capital funding being provided to the Department is below the level of need identified as being required to take forward all the projects that have been proposed. However recent experience and the need for realistic lead times for major projects would suggest that the HSC sector may not have capacity to deliver a significantly higher level of capital investment if the required additional funding was made available at short notice.

- The Department's ability to transform and rebuild our Health Service is directly linked to the level of capital resources that are made available each year. There is a significant capital investment programme that the Department is planning to develop which will set out the projects and programmes to be taken forward over the next 10 years and will see investment in acute, primary care, social care, our ageing mental health facilities, cancer strategy, digital technology and emergency services.

- Based on the draft Budget proposals our intention would be to take forward investment in the following areas.

Flagship Projects

- The Mother and Children's flagship project will provide a new Regional Children's Hospital which will deliver integrated and contemporary paediatric healthcare services. The Maternity Hospital Project aims to replace the provision of maternity services currently being delivered in the Royal Maternity Jubilee Hospital.

- The flagship project will serve multiple Section 75 groups particularly young people and women.

City Deal and Inclusive Future Fund projects

- Three projects are moving forward under the City Deal and Inclusive Futures Fund programme.

    - Strabane Health and Care Centre - this project involves a part new build and a part refurbishment of an existing listed building, to deliver a modern, fully functional and high-quality health care facility. Services will relocate from three existing buildings in Strabane, to the new facility, include primary care and a range of Trust community services including mental health.
    - Altnagelvin Medical Education facilities - to support the expansion of medical education places at the Ulster University Magee campus.
    - R&D Expansion at the Altnagelvin Hospital site - this project will support collaboration and growth in research, development and innovation activities in the North West region.

Contractual Commitments

- Contractual commitments are inescapable and reflect amounts the HSC sector is obliged to fund to ensure the projects are delivered to the agreed completion date. There are a number of projects which are contractually committed where the main construction has commenced or is near completion. These projects, which between them will serve all Section 75 groups, are:
    - Glenmona Replacement Intensive Support Unit (ISU)
    - Belfast City Hospital Haematology Unit
    - Midwife led unit at Antrim Area Hospital
    - Daisy Hill Hospital Low Voltage project
    - Lisnaskea Health Centre
    - Cushendall and Fintona Fire Stations
    - Congenital Heart Disease Professorship Academic Programme
    - Managed Equipment Service (MES) Contract

Critical ICT

- The pace of change over the next few years across the HSC ICT programme will require significant investment over and above routine funding. The projects below are regarded as critical to the continuity of service and functioning of the health service to serve all Section 75 groups.
    - Encompass
    - Northern Ireland Picture Archiving and Communication System (NIPACS)
    - NI Digital Identity Service
    - BloodPaT
    - Equip
    - GMS ICT Device Refresh, Infrastructure and Digital Signage
    - Microsoft Enterprise Agreement (MSEA) Renewal
    - VMWare
    - Data Centre Refresh
    - Multi-Disciplinary Teams
    - EPES Recompile
    - GP Out of Hours

Maintaining Services

- Funding in this category whilst not fully contractually committed is required to provide regular and ongoing investment to the Health Service and the Northern Ireland Fire and Rescue Service. It should be noted that the cost to maintain a hospital is much higher than any other public sector building and as a result the Department has to direct a significant portion of its annual budget to this category. Regular ongoing investment is also required in vehicle fleets, in particular for the Northern Ireland Ambulance Service and the Northern Ireland Fire and Rescue Service, for the replacement of medical equipment, replacement of vaccine stocks, research and development, costs of leases and funding of the GP Improvement scheme.

Income and Receipts

- The capital budget is a net allocation and income from asset sales, including disposals of surplus property, is used to enhance expenditure. In addition, the HSC Research and

Development team in the Public Health Agency (PHA) secures funding from external organisations such as Cancer Research UK and the Medical Research Council while our five main Trusts receive commercial income from carrying out clinical trials.

4. Consideration of Available Data and Screening Decision

- In assessing the impact of the Budget policy against obligations under Section 75 of the 1998 Act the Department has concluded that there is evidence of differential impacts in respect of several Section 75 categories. Impacts were considered against available data and the stated policy intent to determine whether differential impacts were adverse.

- The Department will continue to work with its Arm's Length Bodies to monitor the impact of the Budget outcome on service delivery, the potential impacts of the policy on the various Section 75 groups and how negative impacts may be mitigated.

Screening decision

- An initial consideration assessed that the proposed Draft Budget policy would impact on several Section 75 groups, namely 'Age', 'Racial Group', 'Gender', 'Disability', 'Sexual Orientation' and 'Dependant Status'. Consequently, a full Equality Impact Assessment was undertaken and the results of this are set out in the Impact Assessment section (Chapter 5).

Data sources

- Data utilised in assessing potential policy impacts was derived from a number of sources including:

    - Addiction Centre (2024). Relationship between physical disabilities and addiction. https://www.addictioncenter.com/addiction/disability/
    - All Ireland Traveller Health Study THS_Summary_Complete.indd (assets.gov.ie)
    - At the Centre of Government Planning (2024) At-the-Centre-of-Government-Planning-The-Programme-for-Government-and-preparing-for-an-ageing-population.pdf
    - Belfast Health Development Unit (2010): Barriers to Health - Migrant Health and Well-being in Belfast Layout 1 (hscni.net)
    - Belfast City Council (2022) Inequalities Experienced by Black, Asian, Minority Ethnic and Traveller people residing in Belfast Inequalities Experienced by

Black, Asian, Minority Ethnic and Traveller people residing in Belfast (belfastcity.gov.uk)

- Carers NI The Impact of Unpaid Caring on mental health in Northern Ireland (2024) the-impact-of-unpaid-caring-on-mental-health-in-northern-ireland.pdf
- Carers NI (2024) State of Caring 2024. SOC NI 24 - Finances & Employment_Final Version
- Career or care, Women, unpaid caring and employment in Northern Ireland, Women's Regional Consortium & Carers NI, February 2024 Career or Care
- Children in Northern Ireland: Left Out: Disabled Children's Rights and Experiences in Northern Ireland (2026): Left-Out-Disabled-Childrens-Rights-in-Northern-Ireland.pdf
- Department for Communities - Social Inclusion Strategy Expert Advisory Panel Report - Anti-Poverty (2021) Report from the Anti-Poverty Strategy Expert Advisory Panel | Department for Communities
- Department for Communities - Social Inclusion Strategy Expert Panel Report - Disability (2021) Report from the Disability Strategy Expert Advisory Panel | Department for Communities
- Children and Young People's Strategy 2020-2030 Children and Young People's Strategy 2020-2030 | Department of Education (education-ni.gov.uk)
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- Department of Health (2018). Health and Social Care Workforce Strategy 2026. https://www.health-ni.gov.uk/publications/health-and-social-care-workforce-strategy-2026
- Department of Health (2025) Health Inequalities Annual Report 2025. https://www.health-ni.gov.uk/publications/health-inequalities-annual-report-2025
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- Department of Health (2021). Mental Health Strategy 2021-2031. doh-mhs-strategy-2021-2031.pdf (health-ni.gov.uk)
- Factors Affecting Mental Health and Wellbeing in Children and Young People in Northern Ireland | Mental Health Champion Northern Ireland
- Frailty on the island of Ireland: evidence from the NICOLA and TILDA studies | European Journal of Public Health | Oxford Academic (oup.com)
- Gender Equality Strategy (2020) Gender Equality Strategy - Executive Summary (communities-ni.gov.uk)
- Health Inequalities in NI: The Impact of the Cost of Living Crisis on Women's Health https://static1.squarespace.com/static/66c475c740e7194ba8ee6a81/t/670e4ed9768bdf24dd237fd1/1728990940765/WRDA-Research-Chapter-2-Cost-of-Living-Crisis-Womens-Health.pdf
- Inequalities in Dementia: Unveiling the Evidence and Forging a Path Towards Greater Understanding. [Office for Health Economics (2024). https://www.ohe.org/publications/inequalities-in-dementia - OHE
- Institute for Conflict Research (2013). Grasping the nettle: The Experiences of Gender Variant Children and Transgender Youth Living in Northern Ireland. Gender Variant Children and Transgender Youth in Northern Ireland (executiveoffice-ni.gov.uk)
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- The Cost of Late Intervention in Northern Ireland (2018) Peter Fitzsimons and William Teager The cost of late intervention in Northern Ireland | Early Intervention Foundation (eif.org.uk)
- Three-year Plan https://www.health-ni.gov.uk/publications/health-and-social-care-ni-three-year-plan
- Health and Social Care Reset Plan https://www.health-ni.gov.uk/publications/health-and-social-care-reset-plan
- Women's Policy Group Northern Ireland: Feminist Recovery Plan (2021) Feminist Recovery Plan — Womens Resource and Development Agency
- Women's Policy Group NI: Response to Consultation on Help With Health Costs (2025) WPG+NI+Response+to+Help+With+Health+Costs+consultation.pdf
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- Women's Regional Consortium Women, Skills and Barriers to Work (2024) - Women-Skills-Barriers-to-Work-1.pdf
- Women's Regional Consortium: Women's Experiences of the Cost of Living Crisis in Northern Ireland (2023) Womens-Experiences-of-the-Cost-of-Living-Crisis-in-NI-2.pdf
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- Women's Resource and Development Agency (WRDA): Health Inequalities Research: The Impact of the Maternal Advocacy and Support Project (2023) WRDA-MAS-Research-Report-2023-1+(1).pdf
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5. Impact Assessment

- This section considers the impact of the proposed Draft Budget on various Section 75 groups. People may fall into one or more Section 75 group and where a change in funding levels affects more than one group its impact is considered in relation to each group.

- As detailed in the Budget Outcome section (Chapter 3), there is a very significant shortfall between the funding needed to maintain services at existing levels and the funding provision in the Draft Budget proposal. The requirement to keep spending within allocated budget limits means that it is likely that difficult and unpalatable decisions which are not in the best interests of health and social care services may need to be considered.

- Consideration is therefore given in this section to the potential impacts on Section 75 groups of savings measures that may be required and of delays in developments and reforms that may not be possible at the proposed levels of funding.

5.1 What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories?

Summary impact

- The table below provides a high-level summary of the impacts of the proposed Draft Budget allocation on each Section 75 group. Version 2 of the Draft Budget allocation has not changed this high-level assessment.

	Religious belief	Political Opinion	Racial Group	Age	Marital Status	Sexual Orientation	Men and Women generally	Disability	Dependants	Good Relations
Department of Health										

Red = major negative impacts, Amber = minor negative impacts, Green = no impacts, Blue = major or minor positive impacts

- Detail of how the Budget allocation will impact on each Section 75 group is set out in the following paragraphs.

Religious belief

- Whilst the Department has no specific data to determine the impact of the overall budget on this group, the 2021 Census breakdown of religious belief in NI showed that 44% of the population are Protestant, 46% Catholic, 1% other religions and 9% no religion.

- At this time there is no evidence to indicate that the Draft Budget allocation would negatively impact any part of this Section 75 category more than the general population.

Political opinion

- In the 2022 NI Assembly Election unionist parties received 40% of first preference votes, nationalist parties 40% and other parties 20%. The 2021 Census found that 43% of people living here identified solely or along with other national identities as British, 33% identified as solely or along with other national identities as Irish and 32% identified solely or along with other national identities as Northern Irish.

- The Department has found no evidence to indicate that the Budget allocation would negatively impact any part of this Section 75 category more than the general population.

Racial group

- The 2021 Census recorded 3.5% of people as being from ethnic minority groups although a review by the Northern Ireland Civil Service suggests this may be an understatement and that a more comprehensive figure may be around 8% if a wider definition including ethnic group, national identify and religion are applied.

- The Equality Commission for Northern Ireland has noted that Roma, Traveller, Black and minority ethnic (BME) and newcomer communities in Northern Ireland may face a range of

problems which can contribute to health inequalities. Various reports, including by the Belfast City Council and the Public Health Agency, highlight longstanding health inequalities for people from minority ethnic backgrounds including poorer life expectancy, high rates of infant mortality and higher rates of suicide. Research also reports lower life expectancy, higher rates of infant mortality and higher rates of suicide within the Traveller community.

- Some BME groups report difficulties in accessing services and that a lack of cultural awareness within healthcare systems can exacerbate the challenges they face. Most difficulties centre on language barriers however other issues include a lack of awareness, accessible information on access to services, low levels of GP registration in certain groups and fears about entitlements to healthcare.

- The proposed Draft Budget allocation does not allow for the development or reform of services, and it will make it challenging to invest in improving access to health and addressing inequalities.

- As people from BME and other minority communities tend to suffer from greater health inequalities, we have determined the proposed draft budget allocation may have a negative impact on people from different racial groups.

Age

- The budget allocation may have a differential negative impact on older people and children.

- The median age of the population of Northern Ireland is increasing as is the proportion of older people in population. Between 2011 and 2021 the population increased by 5% however the number of people over age 65 increased by 24% and now stands at 17% of the population. These increases are projected to continue.

- In the 2021 Census 17% of people aged 65 and older reported that they had bad or very bad health and 57% of our over 65 population reported that their daily activities were limited by a long-term health problem or disability. The Northern Ireland Cohort for the Longitudinal Study of Ageing suggests that 29% of people aged 50 plus in the community live with frailty which

also affects over half of adults in hospital or care home settings. Frailty is increasing as people are living longer with multiple long-term health conditions.

- Older people experience the most complex health needs and as the numbers of people over 65 and in older age groups increase both in total and as a percentage of the population, the number and proportion of people experiencing complex health issues will also increase.

- This poses challenges for Old Age Mental Health services. People with serious mental illness are living longer and often face added challenges from physical comorbidity, increasing frailty, polypharmacy and psychosocial difficulties associated with ageing. People in this group often require comprehensive multidisciplinary support and increased time and resource for the assessment and management of their needs. The Commissioner for Older People for Northern Ireland has warned that without adequate preparation for the challenges of demographic ageing; older people will be the first to experience the consequences of any reduction in the provision of health services.

- Children may also be disproportionately affected by the budget allocation. The Youth Wellbeing survey by SPPG found that one in eight children and young people in Northern Ireland experience emotional difficulties, one in ten had conduct problems and one in seven problems had hyperactivity. In the five years from March 2017 to March 2022 there was an 8% increase in the number of children in need, a 10% increase in children on the child protection register and a 21% increase in the number of children in care with the demand for children's services continuing to rise.

- The Children and Young People's Strategy 2020-2030 states that children and young people would benefit from actions such as addressing waiting lists and investing in primary care and social care while in The Independent Review of Children's Social Care Services, Prof Ray Jones stated that significant investment is needed to tackle the challenges faced by children's social care services and to ensure that children and families are adequately supported.

- The proposed draft budget allocation does not provide sufficient funding to fully meet our existing pressures, and these will need to be covered by internal savings. Consequently, it will be extremely challenging to generate funding to invest in the development or reform of services and this is likely to have a negative impact on service provision for children and young people.

- Capital investment in developing the flagship Children's Hospital will benefit children.

Marital Status

- At this time there is no evidence to indicate that the Budget allocation would negatively impact any part of this Section 75 category more than the general population.

Sexual Orientation

- The draft budget allocation is likely to have a negative impact on people with different sexual orientations.

- Multiple research reports have found that people from the LGBTQ+ background are more likely to suffer from mental health problems including from depression related to their sexual orientation or gender identity while many have disclosed issues about self-harm or that they have had or are currently experiencing suicidal ideation. These figures tend to be particularly high for Trans individuals.

- A Report from the Sexual Orientation Strategy Expert Advisory Panel published by the Department for Communities noted that transgender individuals often need access to healthcare services to transition in the way they need or wish. At present these services are oversubscribed, inaccessible and inappropriate for the needs of many trans and questioning individuals.

- The proposed draft Budget allocation means it will be extremely challenging to invest in the development or reform of services, and this is likely to have a negative impact on people with different sexual orientations.

Disability (those with and without disabilities)

- Data from the 2021 Census found that 18% of people have a long-term health problem or a disability and 44% of households have at least one resident with a long-term health problem or a disability.

- The NHS estimates that 1 in 2 people will develop some form of cancer during their lifetime and while cancer patients are not an identified Section 75 group the Equality Commission for Northern Ireland deems that people with cancer may be classed as disabled from the point of diagnosis.

- The draft budget allocation may disadvantage cancer patients as they are greater users of the health service however cancer patients may be positively impacted by the focusing of available funding to the areas of greatest need including red flag cancer referrals within the proposed waiting list funding. Through driving savings and efficiencies to deliver more from the funding provided, the Department will seek to safeguard the most critical front-line services and mitigate negative impacts.

- Generally, it is considered the proposed draft budget allocation is likely to impact people with a disability as they need more access and support and that this will particularly impact those managing multiple conditions who may need to access to services more than other groups.

Dependant status (with or without dependants)

- Persons with dependants include those with personal responsibility for the care of a child, a person with a disability or a dependant older person. Any reduction in spending which affects people with disabilities, frailty or children is therefore likely to have a negative knock-on effect on people with caring responsibilities for dependants.

- The Northern Ireland Census 2021 found that 224,539 out of 768,089 households (29%) had dependent children and that over 220,000 people were providing some form of unpaid care for a sick or disabled family member or friend.

- Pressures on services and an increasing need to rely on unpaid care are likely to negatively impact those with dependents.

Gender (men and women generally)

- The Northern Ireland Census shows that approximately 51% of the population are female and 49% male. The Life Expectancy Report 2022-24 showed a life expectancy of 82.6 years for females and 78.8 years for males and a healthy life expectancy of 60.2 years for women and 59.3 years for men. The census information also shows that 80% of the employees in the Health and Social Care sector are female.

- The Department will have to prioritise funding to meet existing commitments arising from pay awards to staff awarded 2025-26 and other pay costs including increased employer national insurance contributions. The commitment to fairly remunerate employees in labour intense services creates continuing cost pressures. The Minister is fully committed to ensuring that fair pay settlements will be a priority for the Department, however the Minister can only deliver against this commitment when there is clarity about the Department's budget. Any delay in implementing pay awards would have a differential impact on women compared to men due to the high proportions of female employment in the health and care sectors. However, as savings will need to be generated to cover pay commitments, there may be potential knock-on effects to other groups if spending on pay must be offset by reductions on other services.

- The State of Caring 2024 report found that 82% of unpaid carers were female. The Gender Strategy 2020 reported that women have a 70 per cent chance of providing care in their adult life, compared to 60 per cent for men. Providing unpaid care for sick or disabled adults often falls to women and by the time they are 46 half of all women have been a carer (11 years before men). Female responsibility for the care of older and other dependents has limited their access to paid work and participation in public life. Data from the 2021 Census and other research has also highlighted how unpaid caring can have a negative impact on a

carer's financial circumstances, health and wellbeing. A lack of funding for increased investment in social care could mean that levels of unmet need are leading to an increasing reliance on unpaid carers.

Potential impacts of savings measures that may be required.

- As noted in **Section 3** above, we are facing a funding gap of some **£0.8 billion**, and we would have to generate funding internally of some **9%** through savings and efficiencies to cover these inescapable commitments and balance the budget in a single year. The department assessment would be that savings at this level would not be feasible without serious harm to our service users.

- Highly ambitious savings targets have been set across the Department and its Arm's Length Bodies, and all potential opportunities for efficiencies are being actively explored. However, it is unlikely that the Department can achieve financial breakeven in 2026/27 through savings alone, even with maximum effort, without additional financial support.

- It is our assessment that balancing the 2026/27 budget within a single year is not realistic. The Department is therefore continuing to seek agreement to a multi-year recovery approach, which would allow a managed path toward financial balance across the budget period. While this approach would reduce immediate risk, it would remain highly challenging to deliver and not without risk.

- Should we be required to balance our budget in a single year the additional reductions in expenditure would likely require consideration of service reductions at a level that would have catastrophic impact on our population. These would be particularly severe negative impacts on those Section 75 groups who are heavy service users including groups with greater need (age and disability), those with caring responsibilities (gender and dependent status) and groups that have greater difficulty accessing services (sexual orientation and racial groups).

- The budget sets out funding proposals at a strategic level. When detailed savings measures are being considered for implementation the Department's policy/business areas and Arm's Length Bodies will take additional responsibility for considering and meeting Section 75

obligations in terms of conducting equality screening and where necessary undertake further EQIA on these specific decisions.

Potential impacts on areas where there is no additional funding to support the development or reform of services.

- As part of the Budget information gathering process the Department identified several areas for service redesign and improvement should funding be available. It would have been expected that these would have had a positive impact across all section 75 groups, but particularly those who are high users of health and social care services such as children and older people, people with disabilities in addition to those who may be managing multiple conditions and people with dependants as they may be more affected in the delay of services with increased caring requirements.

5.2 Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories?

- As part of its mitigating actions the Department will prioritise available funding towards the areas of greatest need and critical care, reducing the impact of the cuts to section 75 groups and better promoting equality of opportunity within the Health Service where possible.

- The Department is also taking forward measures to improve productivity and efficiency. Through delivering efficiencies and reducing non-essential expenditure the Department will seek to deliver more from the funding allocated to it and to safeguard the funding and delivery of front-line services. Through this we aim to best protect and promote equality of opportunity for all our citizens within health and social care services and to benefit the whole population particularly those who are high service users such as older people, people with disabilities and people with dependants.

5.3 To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group?

- Differential impacts have not been identified for people of different political opinion. While impacts of the Draft Budget proposals have been identified as having a disproportionate impact on religious and racial groups, this is in the context of their greater need for certain

health services, and it is not expected that this would cause a significant adverse impact on good relations between groups.

5.4 Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?

- See responses to 5.2 and 5.3 above.

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6. Mitigating Actions

- In considering budget allocations, the aim of the Department at a strategic level is to protect the most essential health and care services delivered to citizens, to maintain service provision as far as possible and, through this, to minimise impacts on patients and clients. The Finance Minister's proposals do not fully provide for the cost increases we are faced with because of pay and price inflation and rising demand. Additionally, it will be incredibly challenging to generate funding for the necessary developments in services.

- The Department will aim to prioritise funding to meet the most critical services. Our primary goal, as in previous years, is to direct available funding to the areas of greatest need and to minimise the impact on front line services. At the level of funding proposed our focus would be on how to deliver the required level of savings while at the same time ensuring safe health and social care services.

- Through our impact assessment we have recognised that the proposed budget allocation may have a differential impact on several Section 75 categories. The budget outcome for Health will therefore potentially impact more upon older and younger people, persons with a disability and persons with dependants as these groups are generally higher users of health services compared to other groups. It is not possible to fully mitigate the potential adverse impacts on Section 75 groups or provide alternatives given the scale of the funding gap.

- For 2026/27 at least we will have to generate funding internally through savings and efficiencies to cover our inescapable commitments. The department will continue to make the case for the flexibility to balance its budget over the multi-year budget period as it will not be possible to achieve break-even in a single year.

Delivery of Savings, Productivity and Efficiency

- The Department has continued to take forward a number of measures in relation to savings, productivity and efficiency to reduce impacts on frontline services and through this to safeguard patients and protect the population including Section 75 groups. The need for

productivity and efficiency savings has never been more pressing and will be a continuing relentless focus for the Department throughout the budget period.

- The Department has taken steps to reduce administrative costs, with the People and Organisational Development Committee formed to deliver recurrent savings from within the department's staffing budget which will contribute to the overall target of reducing the cost base of the HSC. In May 2026, an interim recruitment freeze was applied to the Core department as part of the department's drive to deliver savings.

- In December 2024 the Department published a 3-Year Strategic Plan for the Health and Social Care System based around the three pillars of Stabilisation, Reform and Delivery. In July 2025 the Health and Social Care Reset Plan developed themes in the Strategic Plan to reset the system in terms of financial sustainability, focus, priorities, culture and self-belief and created a road map for delivering change to stabilise the system, drive forward reform and improve how services are delivered. In March 2026 we published detail for a Neighbourhood Model of Health and Social Care to deliver more services locally making them more accessible and reducing pressures on acute hospitals.

- We have widened the scope of its System Financial Management Group to incorporate the wider Reset agenda; recognising that, to drive long term financial sustainability, we must change fundamental aspects of how care is delivered in Northern Ireland. The new System Financial Management and Reset Programme provides a single, structured framework to support the system to navigate the immediate financial challenge, whilst standing up and delivering projects which will support recurrent and sustained cost improvement. Senior Sponsors within the system will be responsible for defining the metrics for their respective projects, which will include operational, financial and quality targets.

- A key focus of the new approach is to support the NI HSC in the regional scaling of initiatives which improve patient care at reduced cost. This includes interventions such as the expansion of digital technologies and the implementation of Virtual Wards, and other digitally enabled solutions to manage chronic illness, which are intended to reduce hospital admissions, optimise bed utilisation, and improve patient outcomes, while contributing to overall cost reduction.

- There are projects advancing to drive system productivity and efficiency, including the use of patient-level costing data to identify productivity opportunities and drive targeted cost improvement across services and the exploration of tariff-based incentives to increase productivity in elective care by rewarding higher activity and more efficient use of capacity.

- Through delivering savings, efficiencies and reducing non-essential expenditure the Department aims to deliver best value from expenditure and to safeguard the funding of front-line services. This will benefit the whole population particularly those who are high service users such as older people, people with disabilities and people with dependants.

- We have made significant improvements to increase the productivity and efficiency of HSC services, including for example:
    - Our waiting lists have been extensively validated and waiting times were shown to have significantly reduced in 2025/26;
    - Advanced clinical triage is being rolled out to ensure patients are seen by the right team in the right location by virtual or physical appointments as appropriate, and patient initiated follow up (PIFU) is being scaled at pace in outpatients to release capacity for new patients to be seen more promptly;
    - Early Review teams have been introduced to ensure the appropriate level of home care package is in place and appropriately releasing hours back into the system to address unmet need for support in our communities;
    - Shifting care from hospital to our own homes or in a community setting, such as our Community Respiratory, Cardiology and Mental Health teams, who work with patients to avoid the need for admission to a hospital;
    - Long ambulance handovers of patients into our Emergency Departments have also significantly reduced, releasing ambulance resource to be able to respond to community need more promptly;
    - Development of high-quality primary care elective services with our General Practices which provide a local alternate to traditional secondary care services; and
    - The introduction of a wider range of skills in children's services which has broadened the expertise available to children and will make best use of professional social work

time.

- Our Trusts have increased their ability to work on a whole systems approach with the introduction of Committees in Common which provides a platform to take shared decisions and deliver tangible benefits and service improvements, particularly in relation to our most fragile services. This will undoubtedly lead to further sharing of resources and management of patients on a regional perspective.

- This is not an exhaustive list, and our ambition is to continue to drive more preventative action and transformation towards a Neighbourhood model of care, making our Health and Social Care system more productive and able to sustain itself into the future.

Digital Innovation

- The HSC has significantly advanced its digital foundations and data capabilities, with all Trusts now on the same encompass platform since May 2025. Our aim in 2026/27 and beyond is to drive improvements that deliver the greatest possible impact, releasing more clinical time with the introduction, for example, of ambient voice technology, empowering and enabling citizens through extending use of and functionality within the My Care app, and exploring the potential for a single digital front door to services across Northern Ireland.

- All Trusts now utilise the one rostering system, work is progressing to standardise usage and compliance across NI. Workforce is our greatest assets and cost within the HSC, standardising the utilisation of the workforce system across all Trusts will be key to ensuring real-time data, maximising workforce utilisation to help drive down costs by reducing reliance on agency and temporary staffing.

- Our 2026/27 Year of Data initiative will drive confidence and trust in data through its purposive use by leaders, colleagues, partners, service users and the wider community. Our Data Institute, in conjunction with providers and partners like the Public Health Agency will help put information into the hands of those most able to act on it, to inform decisions, design better services, and improve outcomes.

Indicative Opening Allocations 2026/27

- As explained above, the proposed draft budget will not allow us to deliver all the service developments and improvements that we would wish to achieve in 2026/27. As in recent years, the primary focus must remain on preserving and protecting existing services, despite their current limitations, and ensuring continuity of service delivery without causing harm to service users.

- Indicative opening allocations were issued in May 2026 to provide Health and Social Care organisations with an early indication of likely funding levels for 2026/27. This enabled preliminary planning, prioritisation and resource allocation activity to commence in advance of final budget decisions.

- The paragraphs below outline the additional funding included within the indicative opening allocations for 2026/27. Additional resources beyond baseline funding have been targeted at unavoidable commitments and the areas experiencing the greatest pressures due to unmet demand. Additional allocations are expected to help mitigate the impact of savings measures on Section 75 groups. Where a particular allocation is anticipated to provide a specific benefit to one or more Section 75 groups, this has been highlighted accordingly.

- A number of the additional allocations for 2026/27 relate to pay costs. The total additional recurrent funding required in 2026/27 to meet the ongoing costs of the 2025/26 pay settlement is approximately **£220 million**. The Department has prioritised this recurrent pay commitment within its available budget allocation. The Department has also met its statutory obligations, including providing funding to support increases in the National Living Wage (NLW). The NLW for workers aged 21 and over increased by 4.1% (50p), rising from £12.21 per hour in 2025/26 to £12.71 per hour from 1 April 2026. It is estimated that this increase will result in additional costs of approximately **£40 million** in 2026/27.

- The funding provided to meet these pay related commitments is expected to help mitigate the impact of wider savings measures on staff, particularly women, who represent the majority of the HSC workforce.

- In addition to the costs associated with the 2025/26 pay settlement and National Living Wage increases, the Department continues to face significant pay-related pressures in 2026/27. While provision has been made for known commitments within the indicative opening

allocations, the Department is not currently in a position to make a pay offer for 2026/27 and any future pay award remains subject to Ministerial direction and the availability of funding.

- Other examples of additional funding provided in 2026/27 indicative opening allocations are included in the paragraphs below.

- The Department has allocated **£50 million** in 2026/27 to address non-pay inflationary pressures across health and social care services. This funding is intended to help meet increased costs associated with the provision of services, including supplies, utilities, equipment, transport, contracts and other operational expenses that have risen because of inflation. The allocation will assist Health and Social Care organisations to maintain existing levels of service provision and reduce the need for additional savings measures that could otherwise impact on frontline services. While the funding is not expected to meet all inflationary pressures faced across the system, it will help mitigate some of the most significant cost increases and support service continuity. No specific differential impacts have been identified for individual Section 75 groups arising directly from this allocation. However, by helping to sustain health and social care services and avoid further reductions in service provision, the funding is expected to provide a broadly positive impact across all service users, including those within Section 75 groups who are more likely to rely on public services, such as older people, people with disabilities, children and those with caring responsibilities.

- The Department has allocated an additional **£35 million** in 2026/27 to help address inescapable pressures associated with increasing service demand and high-cost drugs. While this funding will not be sufficient to meet all pressures reported by Health and Social Care Trusts and other service providers, it is expected to assist organisations in managing the most critical pressures and reduce the need for further savings measures or service reductions. This investment will support the continued delivery of essential health and social care services and help maintain access to treatments for patients with complex and ongoing healthcare needs. In particular, the funding is expected to have a positive impact on people with disabilities, older people and children, who are more likely to rely on health and social care services and specialist medicines. By helping to sustain services and treatment pathways for these groups, the allocation is expected to mitigate some of the adverse impacts that could otherwise arise from growing demand and financial pressures within the health and social care system. However, as the funding does not fully address all identified

pressures, challenges relating to service capacity and demand are likely to remain during 2026/27.

- **£10 million** has been included within the 2026/27 budget position to meet pre-committed expenditure arising from previously approved Executive and departmental decisions, ongoing programmes and contractual obligations. A proportion of this funding will continue to be held centrally pending confirmation of specific requirements and affordability assessments during the financial year. Funding for pre-commitments helps ensure continuity of existing programmes and services and reduces the risk of disruption to service delivery. As these allocations largely support the continuation of existing commitments rather than the introduction of new services, no specific differential impacts on Section 75 groups have been identified at this stage. However, by supporting the ongoing delivery of services and programmes, these allocations are expected to contribute to maintaining outcomes for service users and may help to mitigate some of the adverse impacts that could otherwise arise from financial constraints across the health and social care system.

- Funding has been prioritised to support the implementation of a one-off Meningococcal B (MenB) vaccination programme for adolescents in Northern Ireland, consistent with vaccination programmes operating elsewhere in the UK. Current cost estimates for the programme are **£1.6 million**. The programme is expected to have a positive impact in relation to age by providing protection against MenB disease to an age cohort that is at increased risk of infection, helping to improve health outcomes and ensure equitable access to vaccination for eligible adolescents.

- Additional one-off funding has also been directed to help address the current financial challenges facing hospices comprising of **£1.1 million** for adult services and **£0.5 million** for the Children's Hospice. The funding is expected to have a positive impact in relation to age by supporting the continued delivery of hospice services to both children and adults. It may also contribute positively to outcomes for people with disabilities and those with dependants through the continued provision of specialist care and support services.

- **£165 million** for waiting lists and elective care in 2026/27 will support the continued implementation of the Elective Care Framework and efforts to reduce waiting times across Health and Social Care services. Prolonged waits for assessment and treatment can have a

disproportionate impact on older people, people with disabilities, children and young people, and individuals with caring responsibilities. Continued investment in elective care and waiting list initiatives will help mitigate some of the consequences of unmet demand by improving access to timely assessment, diagnosis and treatment. In doing so, it is expected to support more equitable access to services across the population, including for those Section 75 groups disproportionately affected by extended waiting times.

- Earmarked funding will continue to be provided in 2026/27 to support the Graduate Entry Medical School (GEMS) (**£12.5 million**), the EU PEACEPLUS Programme (**£2.7 million**) and costs associated with implementation of the Northern Ireland Protocol/Windsor Framework (**£4.3 million**). These allocations reflect the latest estimated funding requirements for 2026/27. No differential impacts have been identified in relation to the funding provided for the Graduate Entry Medical School or the implementation of the Northern Ireland Protocol/Windsor Framework.

- The allocation for the EU PEACEPLUS Programme is expected to have a positive impact across a range of Section 75 groups. The programme supports peacebuilding, social inclusion, community cohesion and cross-community engagement initiatives, which are intended to benefit people of different religious beliefs and political opinions. It is also expected to have positive impacts for people of different ages, women and men generally, people with disabilities and people with dependants through improved opportunities for participation, inclusion and community wellbeing.

- Continued investment in these areas will support the delivery of strategic priorities, contribute to wider social and economic outcomes, and help ensure that the benefits of public investment are shared across communities.

- Within departmental programme budgets, funding has been prioritised by individual Groups within the context of an overall reduced resource allocation. Available funding has been directed towards maintaining existing services, meeting contractual and statutory obligations, and supporting key strategic and operational priorities. This approach reflects the need to balance competing demands within a constrained financial environment while seeking to minimise adverse impacts on service delivery and service users. Although difficult prioritisation decisions have been required, the focus has been on sustaining essential

services, managing risks to patient safety and service continuity, and ensuring that available resources are targeted towards areas of greatest need and pressure. The equality impacts of these prioritisation decisions have been considered by individual Groups as part of the budget planning process.

Additional Funding

- While our Budget does not allow for significant increased investment, the Department has been proactively exploring sources of additional funds to assist with our Reset. These have been from a variety of sources and would allow us, once confirmed, to support the HSC system to deliver specific reset objectives with a particular focus on establishing the Neighbourhood model of care.

- The Department has made several bids to the Executive's Transformation Fund. Our bid to further roll out Multidisciplinary (MDTs) staff teams in General Practice was successful in 2025-26 and this programme will continue throughout the multi-year budget period. MDTs are supporting both General Practice Demand and the Neighbourhood model. Transformation funding ensures two thirds of General Practice will have access to MDTs by March 2029. This programme supports, sustains and provides greater access locally to General Practice, and brings further integration between primary care and Trust providers, supporting our development of the Neighbourhood of care.

- Additionally, the Department has now been advised that we have been successful in securing funding for two further transformation projects to support the new Neighbourhood model and the development and strengthening of primary care and social care services.
    - The Department has secured public transformation funding of **£42m** to take forward ePharmacy digital solutions through the Go Pharmacy NI and Electronic Transfer of Prescriptions (ETP) projects. These solutions will be part of the ePharmacy Digital Reform Programme and will transform primary care in both the community pharmacy and general practice sectors.
    - The Department has secured **£29.2m** Public Sector Transformation funding for Together for Families (TfF), a relational, tiered, neighbourhood-based model for children, young people and families that focuses on early intervention and community-based family support that keeps families safely together. The National Lottery Community Fund

(NLCF) has also committed an additional **£30m** to the project bringing the total fund to **£59.2m** over 3 years until 2028/29.

- Macmillan have indicated their desire to invest up to **£10m** in Northern Ireland through their Neighbourhood Transformation Fund, over the coming three to five years, to develop a new approach to proactive care to address frailty and provide end of life care with the tailored support needed. Officials are working with Macmillan and partners to develop a proactive care service proposal and the governance arrangements required to support this social investment.

- The Department has been working with Social Finance Ltd. to seek opportunities for socially motivated investment in improving health and social care systems. The structure of support from potential funders may come in the form of repayable social impact bonds but these would be significant assets in supporting the Reset Plan with particular importance in funding for the new Neighbourhood model. Interest has been expressed in funding schemes to help Integrated Neighbourhood Teams (INTs) address dementia and to improve the quality of life for people in their final years of life.

- During 2025/26 the Department set in place the conditions to harness the power of our digital investments and the data opportunities these create at an NI level across Government, Academia, Life Sciences and Commercial partners. These building blocks will see the establishment in 2026/27 of a new Academic, Health and Economic Partnership which alongside enhancements of local oversight for innovation for HSC Trusts will target inward commercial investments for research, continuous improvement and innovation programmes. This will advance our existing research and development programmes and capabilities delivering benefits for patients and opportunities for entrepreneurs through frictionless innovation and access to global, leading-edge practice.

Revenue Raising

- The Department continues to consider the potential revenue raising options of Prescription Charging and Domiciliary Care Charging. While this will not impact on the 2026-27 financial year it could improve the future sustainability of health finances as any revenue raised from

these measures would be used to supplement our budget to either stabilise the service by meeting inflation and demand pressures or be used to transform services. The Department would redirect any funding raised from these measures to ease pressures on the areas of greatest need and where possible to mitigate impacts on Section 75 groups.

Savings Decisions

- Health and Social Care Trusts were asked to develop plans to achieve financial balance under both 6% and 12% savings scenarios. While the 12% scenario was considered largely illustrative, reflecting the scale of reduction that would be required in the absence of additional funding, planning has focused on the 6% target, equivalent to **£387.5 million**.

- However, the Minister has made clear that he does not wish to progress savings measures that could lead to patient harm. Consequently, it is unlikely that the full 6% target will be deliverable and planning assumptions have therefore been revised to reflect a 4% savings target of approximately **£258 million**.

- Current planning assumptions require Arm's Length Bodies (ALBs) to deliver **£9 million** in savings. Given the relatively small size of several ALBs and the nature of their functions, further reductions would risk having a disproportionate and detrimental impact on service delivery. ALBs have also been asked to absorb emerging pressures within existing baselines wherever possible and, where achievable, contribute further towards the overall savings requirement.

- Departmental programme budgets have been reduced by 6%, generating savings of approximately **£18.7 million**. While this contributes significantly to the overall savings requirement, delivering reductions at this level will be challenging in the current operating environment. Any proposals with significant service, operational or policy implications will be subject to Ministerial approval before implementation.

- Programme budgets will continue to be reviewed throughout the year considering the Executive's Budget decisions and any additional funding allocations. Priorities that have been paused, scaled back or deferred due to financial constraints may be reconsidered, subject to affordability and approval.

- As referenced above within the Delivery of Savings, Productivity and Efficiency section, the Department's has applied a recruitment freeze with a plan to generate 6% savings of approximately **£2.8 million** from its administration budget.

- Strategic Planning and Performance Group (SPPG) is planning to deliver savings of some **£15 million** during 2026/27. These savings are expected to be achieved primarily through the primary care element of the MORE programme, alongside managed risks within demand-led dental and ophthalmic budgets and further efficiencies across management and administrative expenditure.

- While substantial savings have been identified across Trusts, ALBs, departmental programmes, administration budgets and SPPG, the Department remains committed to ensuring that measures taken to restore financial sustainability do not compromise patient safety or result in unacceptable impacts on service delivery. Savings proposals will therefore continue to be assessed against affordability, operational feasibility and their potential effect on health and social care outcomes.

- In developing and implementing savings proposals, the Department, Trusts and ALBs will continue to have due regard to their statutory obligations under Section 75 of the Northern Ireland Act 1998 and associated equality duties. Equality, human rights and rural needs considerations will be incorporated into decision-making processes, with screening and, where necessary, more detailed assessments undertaken in line with established guidance.

- The Department's approach to savings has been informed by the principle of minimising adverse impacts on patients, service users and staff. This is reflected in the Minister's position that savings proposals which could result in patient harm should not be progressed. Nevertheless, given the scale of the financial challenge, it is recognised that some measures may affect access to services, service delivery or planned developments, and these impacts will require ongoing assessment and mitigation where possible.

- While every effort will be made to protect frontline services and priority areas, the Department acknowledges that the cumulative effect of savings across the health and social care system may have implications for health inequalities and outcomes. These impacts will be monitored throughout the year as plans are implemented and refined.

Wealth Inequality

- The Department is aware that wealth inequality has a large impact on health outcomes. The Life Expectancy in Northern Ireland 2022-24 report showed that males living in the 20% most deprived areas of NI could expect to live 7.2 years less than those living in the least deprived areas (74.6 years compared to 81.8 years). Female life expectancy was 5.5 years less in the 20% least deprived areas (79.4 years compared to 84.9 years). The Dying in Poverty report published by Marie Curie stated that one in every seven people who died in Northern Ireland was below the poverty line. Wealth inequality is outside the scope of Section 75 but its impact on health is one of the factors considered as part of budget allocations.

- Research has shown that only 20% of health outcomes are driven by the clinical care we receive, 40% are related to the socio-economic environment in which people live, 10% are related to the physical environment, and the final 30% are the result of a range of behaviours. Consequently, it is important to note that improving health and wellbeing and addressing health inequalities requires inputs across government to tackle issues including poverty, social exclusion, educational attainment.

- Health inequalities are one of the Department's key areas of focus and the Programme for Government contains a reference to the development of a new targeted, place-based approach called Live Better. Live Better is designed to help address health inequalities by bringing targeted health support to communities which need it most. This focuses initially on health and social care services and will look at better alignment of and access to existing resources and services. This is being delivered within existing resources and contracts however the potential for expansion is constrained by the availability of funding.

7. Monitoring

- On 15 December 2025 the Department published its new Equality Action Plan covering the period from April 2025 to March 2030 which details 21 health inequalities that are being monitored against affected Section 75 groups.

- The plan can be accessed on the Department of Health website at Equality Action Plan 2025-2030 | Department of Health.

- The Department's Information Analysis Directorate carries out various pieces of statistical and research work on behalf of the Department. The Health Inequalities report is published annually and plays a vital role in monitoring regional differences focusing on the impact of wealth inequality on health outcomes. Some of the data collected and monitored is related to Section 75 equality impacts, for example differences between health outcomes for men and women.

- The Department's primary mechanism to monitor equality impacts of its budget decisions will be at each opportunity to seek additional funding and the assessment of equality impacts which form part of this. High-level assessments of equality and good relations impacts are collated and considered as part of this process, supporting the continuing monitoring and consideration of equality and good relations impacts.

- The Department will also continue to monitor equality of opportunity or good relations when considering allocations should any additional funding become available. Policy teams' knowledge of the Equality issues in their areas will be collated to inform allocation decisions.

8. Conclusion

- The Department completed an Equality Impact Assessment (EQIA) on the proposed budget allocations to Health which were published by the Finance Minister of 6 January 2026. We subsequently published this EQIA on 9th March 2026 for public consultation which was open until midnight on 1st June 2026.

- Following a review of public responses to the consultation and revised budget proposals, the Department has updated its Equality Impact Assessment. Available evidence has been used to consider the potential impacts of Draft Budget 2026-29/30 on all 9 Section 75 equality groups, and it has been concluded that there will be negative impact on the 6 groups identified below:

    - Age
    - Gender
    - Sexual Orientation
    - Disability (with and without)
    - Dependent Status (with and without)
    - Racial Groups

- The Department will continue to raise its concerns with the Department of Finance (DoF), and the Northern Ireland Executive to highlight the need for additional funding to provide a basis for the sustainable and safe transformation and rebuild of health services as set out in the Reset Plan. However, it is recognised that the current financial position for public services in Northern Ireland is very constrained and the only available option to provide any additional funding would be to secure further allocations from the UK Government.

- The Department remains committed to working with DoF in the development of budget proposals to secure the additional recurrent funding required from the UK Government to improve outcomes for the Northern Ireland population including those in Section 75 groups which may potentially be impacted.

- The Department thanks everyone who responded to the consultation.