Health Budget Oversight Group

Meeting: Monday, 13th March 2023, 14.30

DPENDR, South Block

1. Minutes from Previous Meeting

- HSE will follow up with feedback on the minutes of the previous meeting.

2. Review of HBOG

- DPENDR introduced an item on a review of HBOG which follows on from discussion at previous meetings, outlining work done to date and the outstanding areas to be finalised. The positive work undertaken in recent weeks was acknowledged and it was noted that the arrangements should be seen as iterative with further improvements targeted where necessary.
- DOH noted their intention to share what they have agreed on reporting with the HSE with DEPNDR, and emphasised the importance of the HSE providing reporting in line with timelines.
- There was some discussion on the scheduling of HBOG meetings in order to ensure all group members are available to attend.

3. Update on Expenditure Position

a. End Year Position

- DOH introduced their analysis of the end year position, acknowledging a deficit for the year of €30m in I&E terms.
- DPENDR noted some concern and queried the components of the expenditure in terms of the composition against the agreed supplementary estimate.
- HSE noted that they are working on an analysis of the outturn across service areas. DOH emphasised the importance of understanding the expenditure breakdown given that funding provided through the supplementary process for specific service areas.
- DPENDR reiterated the importance of having this understanding and requested that an outstanding note on the end year position, cash disbursement and service area expenditure be provided without delay.
- DOH informed DPENDR that they are engaging with the HSE on this. There was some discussion about the impact of non-transaction elements (e.g. stock dynamics and write offs) and how this impacts the overall end year position. HSE committed to providing a paper in the following days.
- DPENDR raised the issue of the cash balance of €310m at end year and the fact that other documentation and correspondence alluded to a higher figure. DPENDR asked for further clarity in relation to this issue as part of the committed paper.
- HSE clarified that this discrepancy related to cash that was paid out but had not yet been received due to a timing issue with banking partners (cash in transit).

- DPENDR asked for clarity in relation to the impact on the opening position for 2023 and the HSE responded that it would lead to lower cash requirements but a reciprocal issue may emerge at the end of the year.
- DOH acknowledged that there is more work to do on the end year position and reiterated that they are engaging with HSE colleagues on this, including on the drafting of a walk from the supplementary allocation to the final expenditure.
- DPENDR raised the issue of the large deficit in acutes post supplementary while there was a surplus in other areas including support services, and queried what underpinned the decision to allocate the supplementary this way. DOH noted that they are going to meet the HSE to get clarity on how the supplementary was allocated and acknowledged underlying issues in the acutes sector.
- DPENDR also briefly raised the issue of unusual items in the draft HSE annual financial statements for DoH consideration.

b. 2023 Expenditure Position

- DPENDR expressed concerns regarding high acute and community covid expenditure reported until end of February and the potential risk that if expenditure continues at this level it could lead to a significant overspend. DPENDR also expressed concern regarding the high level of risk highlighted in the draft NSP and emphasised the need to manage risk down.
- It was noted that the Budget for 2023 had provided the amount requested by DOH in this area and that it is a matter for DoH and the HSE to plan and deliver spend within allocated amounts.
- DOH also noted concerns and in particular the lack of clarity on the rationale underpinning some of the remaining measures and the capturing of costs, which they consider to be a major issue. It was noted by DoH that large elements of the Covid acute and community expenditure should be stood down.
- There was some discussion between DOH and HSE on the necessity of these measures continuing. HSE noted that they are doing work internally to assess what measures in their view should be retained and what measures could be stepped down.
- DPENDR asked if there is a timeline available for the work the HSE and DOH are doing on assessing this spend. DOH responded that this is a significant priority, however, discussions on the draft NSP have led to delays. DPENDR emphasised that work in the area should be prioritised and the overall response should be delivered within the requested allocation.

4. Emergency Department Crisis

- DPENDR asked for an update on the assessment of the emergency department crisis and the availability of expenditure data on the temporary response measures put in place.
- DOH noted that work is ongoing, costs are starting to be provided but figures recorded to date do not reflect the total cost. There was some discussion on broader policy issues related to planning and drivers of trends.
- DPENDR asked for confirmation that the temporary measures had ceased and queried if the costs associated with overtime are reflected in the January FPR.

- DOH confirmed that the temporary measures had ceased. DOH expressed concern on the lack of visibility of spend on these measures to date. HSE noted that some of the expenditure likely has been recorded but assessment of some costs remains ongoing.
- DOH noted that despite the lack of clarity in relation to the measure they had received a request to stand up measures again for St. Patrick's Day weekend.
- DPENDR noted the issue of utilising overtime as a solution and that it would not be a viable response long term, which DOH agreed with. DPENDR noted that the measure had been ceased and that any future issues would require appropriate engagement and sanction.

5. AOB

a. New Consultant Contract

- DPENDR sought an update on the status of the new consultant contract.
- DOH informed the group that the new contract has been initiated and all consultants hired in the future will be given the new contract.

b. IFMS

- DPENDR sought an update on the IFMS.
- HSE informed the group that the intended go live date is still July.

c. Brexit Funding

- There was some discussion on ongoing work across sections regarding Brexit Adjustment Reserve funding, with DPENDR to revert back to DOH with clarity on the responsible Departments for one of the identified funding areas.