Health Budget Oversight Group

Meeting: Tuesday 6th June 2023, 2:30pm

DPENDR, 7-9 Merrion Row - Thekla Beere

Minutes

Minutes from Previous Meeting - 02/05/2023 and 17/05/2023

- The HSE provided feedback on the Minutes which has been reviewed and by DPENDR. Changes will be made following on from this feedback.

Acute Hospitals Expenditure Challenges

- Very significant levels of overspend were incurred in the Acute Hospitals sector for the first quarter of 2023 - this was discussed by the group.
- DoH emphasised that there is a real concern as to the extent to which the Financial Control Framework will bring a controlled environment on expenditure. DoH is of the view that particular focus needs to be placed on the key measures that can be taken to reduce expenditure. DoH does not yet fully understand the impact the current measures will have on the expenditure trajectory.
- DPENDR noted the importance of measures to mitigate the emerging overrun in the acutes service area.
- DPENDR enquired as to the main drivers of Access to Care spend – DoH states that the reported spend on COVID side is low and doesn't reflect totality of this spend as it is difficult to extract this information. As of yet there is no final view on the Access to Care Spend for 2023.

Covid Acute and Community Expenditure

- DoH pointed to the need for some Covid items to be transferred into core because having a Core and Covid line for some similar services is not fully transparent. DoH noted that some of this expenditure is unscheduled winter care funding. The HSE agreed with this point, as money that was previously coded as Covid is no longer relevant to Covid.
- DoH and HSE also updated DPENDR that a few Covid measures have been agreed to be ceased as a result of the Covid expenditure control meetings. However, this is a small amount of expenditure.
- DPENDR has requested a clear explanation and assessment of the items which DoH think should be transferred from Covid to core, including the areas within Covid that will cease. DPENDR noted again that any such transfers are subject to prior approval as discussed at the previous HBOG.

- DPENDR reminded DoH that any transfer to a different subhead and/or from Covid to core requires a business case and appropriate sanction prior to any transfers, even if there is a mistake in coding which can be explained in advance of any re-allocations. This had been previously agreed and is consistent with the Public Financial Procedures. DPENDR also noted that a core base increase will have significant implications for budget management into the future.

Overall Expenditure Management Programme by Department of Health and HSE – Actions and Timelines

- DPENDR flagged that the Minister for PENDR has strong concerns on Expenditure Management. It is difficult to understand how expenditure has run so far above profile. It noted that it was still awaiting a detailed narrative on the drivers of the overrun (price and volume) or a plan to control and curtail these costs.
- DoH is of the view that the next quarterly expenditure memo needs to be focused on the measures being taken and the impact of said measures on the trajectory of expenditure. DPENDR agreed with this point.

AOB

- DoH aim to have the Q2 expenditure memo to Government by 18 July.
- There was also a discussion regarding irregularities in the recording of some demand led expenditure on State Claims spending and whether such spending is appropriately included in FPRs.

Actions

- DoH is to send a more comprehensive note on the key drivers of Acute Expenditure year-to-date
- The bed census is to be provided to DPENDR by the HSE as this is an outstanding request from a number of previous HBOGs)
- A list of all COVID measures that are proposed to be either ceased or re-classified is to be provided to DPENDR by DoH and HSE. The focus in the first instance should be on measures to be ceased.
- DoH to provide further details of two miscellaneous categories of Covid Acute and Community spend – DPENDR to send the referenced Acute and Community Covid response table to DoH for clarity.
- DoH to provide a forecast of end year position within a week of HBOG.
- DoH agreed to share the PNS forecast of time related savings.