Health Budget Oversight Group

Meeting: Tuesday 13th February, 2:30pm

DPENDR, South Block

Minutes

Minutes from Previous Meeting - 13/12/2023

- The Minutes remain under review from DoH and will be published once the review is completed.

HBOG Work Programme and Structure

- A discussion was had as to the format of HBOG for the forthcoming year.
- DPENDR proposed having a high level meeting once every three to four HBOG's to have more strategic discussion on expenditure and staffing control and longer term issues.
- DoH stressed the need for a greater understanding of financial risk to the Health Sector over the course of the year. DoH outlined that while HBOG members may not always have the same interpretations of the data, HBOG and its subgroups should be the forum to develop a shared understanding
- DoH is of the view that a greater understanding is required of the relationship between finance and productivity, and HBOG should have greater access to HPVP and ABF models to gain this understanding.
- The HSE agreed that a more coherent view is required at HBOG. A technical session with HBOG members could be provided in a number of areas to observe the platforms and data mentioned by DoH (e.g. productivity tool). The HSE also requested to view a copy of the reporting schedule agreed by DPENDR and DoH, preferably before the end of March.
- DPENDR acknowledged that a better understanding of the key productivity and activity data would be useful, but without the connection to detailed expenditure tools (e.g. IFMS) the data is limited in the context of HBOG.
- DPENDR noted that the primary mandate for HBOG is expenditure control and that while more insight on productivity and key data would be welcome, expenditure monitoring and control will remain the core function and focus of HBOG in 2024.
- HBOG proposed various sessions that could be held over the course of the year:
  - An info session was proposed on NISRIP/IFMS and the value that it's reporting provides.
  - DoH outlined that discussions on RHA's will be necessary from a technical/administrative perspective, as the Vote could potentially be restructured to reflect the RHA's.
  - Pensions expenditure will be a feature of HBOG in 2024, and it was proposed that pensions is discussed at HBOG following the granting of pension increases throughout the year.
  - Procurement will also be discussed over 2024, as a circular on central procurement is being prepared. Hospitals will be within the scope of this circular.

End-Year Expenditure Position

- Both DPENDR and DoH enquired as to when IFMS data will be available for year-end 2023, in addition to January 2024.
- The HSE informed HBOG that as a result of the recent industrial action, there is now a backlog in the IFMS data. Each individual month of reporting from September 2023 to January 2024 has to be uploaded on to the system and reviewed.
- Each month has to be completed individually and this process cannot be completed in parallel. Each month will take approximately 3-4 working days to review and upload.
- The HSE proposed a soft-closing of the period September-November, with a hard close of December with end-of-year commentary provided.
- As a result of this, the HSE proposed an estimated date of completion for 8th/9th March for September – December performance reports.
- HBOG agreed to discuss the provision of January 2024's performance report when HSE have a clearer idea of when January data will be available.

Quarterly Expenditure Memo

- DPENDR are considering changes to the operation of Quarterly Expenditure memos as regular reporting to Government by the major spending sectors as this is an important element of the overall expenditure management framework.
- Better coordination on timing and a consistent reporting requirements across departments are the key elements under consideration.
- DPENDR will inform DoH when any decision has been made.

Savings and Productivity Update

- The third meeting of the group is to be held on Wednesday 21 February.
- The Medicines taskforce will be presenting at this meeting in relation to savings. A programme of identifiable savings will be presented.
- Productivity will also be discussed as the Secretary General of DoH and the CEO of HSE will provide observations. This discussion will centre on the definition of productivity, and through this lens, the creation of a system that incentivises productivity.
- The focus of the first two meetings has largely been on savings. Details will be included within the official Minutes of the meetings. These minutes, along with other associated documents will be published.
- A presentation was delivered by the HSE in the previous meeting on procurement. All sites will have a targeted reduction on non-pay spend imposed and support/guidance will be provided in order to assist in achieving this reduction.

AOB

- HSE informed DoH that a significant Cash Acceleration will be requested for February.

- DPENDR noted concerns on a monthly overspend this early in the year, particularly when the expenditure profiles were only set in the last week.
- DPENDR queried the overall acute bed targets in the context of recent communications that indicated a lower funded level of beds than was understood in 2023 Budget agreement. DoH asked DPENDR to clarify and committed to clarifying the query.
- DoH requested an update on sanction for Virement for 2023. DPENDR committed to responding on this.
- DPENDR committed to providing delegated sanction on current expenditure to DoH by end Q2.