Health Budget Oversight Group

Meeting: Wednesday 13 December 2023, 2:30pm

DPENDR, B13

Minutes

1. Minutes from Previous Meeting

- Minutes from the November meeting were circulated on the 6th December.
- DoH and the HSE have committed to providing amendments to the Minutes by Tuesday 19th December
- Actions from the previous meeting were discussed and timelines have been agreed for outstanding items.

2. Finance Update:

- The Department of Health has reported that there are no further reports on HSE expenditure as a result of industrial action. The last report provided was in August.
- Industrial action may escalate in January, this issue is not expected to be resolved in the immediate future. As a result, it is envisaged the reporting situation will worsen.
- DPENDR noted its concerns on the lack detailed reporting of expenditure which is impacting on the effectiveness of HBOG and on reporting to Government on one of the largest areas of Government expenditure.
- A discussion was had on ways in which expenditure can be reported in the interim as industrial action is in process.
- As it currently stands, the HSE only has WTE data and cash data, there is no data provided on an I&E basis which makes analysing expenditure difficult.
- The HSE will be forecasting I&E expenditure, this will be the basis of the year-end position.
- The HSE will reflect on potential reporting alternatives and will discuss potential options with DoH.
- The HSE has confirmed that there will be a cash balance between €50 and €100 million at the end of the year.
- DPENDR reminded DoH of its obligations under Circular 13/2014 to request for sanction for the retention of end-year balances.

3. Cash Acceleration Request: New Process Proposals

- A discussion was had on the Cash Acceleration (CAR) process.
- The HSE has worked on providing additional detail within CAR's
- On account of industrial action, a full level of detail cannot be provided.
- It was agreed that a short paper on the new CAR process will be provided to HBOG members in January.

4. Draft Productivity Taskforce ToR

- DPENDR outlined that the Terms of Reference as it currently stands lacks detail in terms of financial control, definitive timelines and targets for actions outlined and it is unclear where the new Taskforce will sit in terms of the existing health expenditure reporting structures.
- DoH sees the Taskforce as updating Government and HBOG, which sets targets and timelines for delivering savings whilst reporting these updates to multiple existing structures such as SOG, Cabinet Committee and HBOG. It will not replace any existing structures.
- DoH has confirmed that the Taskforce will have a timeline with targets by February 2024.
- A discussion was had in relation to a reference of the use of external expertise within the Taskforce.
- Activity based funding will be re-introduced as a funding mechanism in 2024 and a further discussion with DPENDR will be provided on this area.
- On the topic of Agency Conversion, DPENDR stated its position is that any conversion of Agency into full-time staff will be a first call from the 2024 funded WTE limit for the HSE.
- DPENDR reiterated a point stated at November's HBOG, where any WTE that exceeds the funded capacity of 6,010 WTE will be a first call from the 2024 funded WTE.
- The HSE noted that realising the full Agency conversion target will be unachievable if this is the case.
- DoH recognised the position of DPENDR with WTE being the overriding control factor. DoH stated that an informed discussion needs to be had on affordability as well as the WTE count, and a clear view of the overall funded pay budget needs to be provided. There are a number of options being considered to address this issues, some of which require political input.
- In relation to the section referring to Structural Issues within the Savings and Productivity draft Terms of Reference, DPENDR has flagged that this section requires further work and development, and should focus on specific improvements to financial governance within the HSE and Acute System.
- DoH and HSE flagged that there is very significant non-pay Acute pressures, but accepts that performance management can be improved.

5. AOB

- A discussion was had on the outstanding Quarterly Expenditure memos to Government. DoH reported that Q2 and Q3 memos have not been provided to Government as there is insufficient detail in the eyes of DoH.
- DPENDR noted that there was full reporting up to end August. This allows for full reporting on Q2 and a sufficient level of reporting for Q3, with the caveat that one month's data (i.e. September) was not available. DPENDR also highlighted the importance of providing these memos in a timely manner to Government in order for Government to have an informed discussion on Health finances.
- HBOG agreed to discuss a reporting structure at first meeting in 2024,

Actions for Next HBOG

- DoH and HSE to provide amendments to November's Minutes.
- HSE to provide a note to HBOG on updates to the Cash Acceleration Request Process.
- The savings and productivity taskforce is to have a timeline of actions, with monetary savings targets by February 2024.
- Provision of a new reporting structure in January for 2024, which provides times for the meetings of HBOG and relevant subgroups.
- Outstanding notes agreed at previous HBOGs to be provided by DoH and HSE in relation to:
    - hospital-by-hospital pay deficit analysis;
    - monthly reports on core and non-core Waiting List/Access to Care expenditure;
    - financial plan to address the agency overrun in particular including the individual actions (agency conversion, reduction in usage, etc.); and
    - and a note on the note on the impact the control measures are having on recruitment across certain grades and the potential end-year position.