Northern Health and Social Care Trust

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TRUST BOARD

FINANCIAL POSITION REPORT – February 2024

Prepared & Issued by Finance Department

Contents

Section 1: Financial Performance 2023/24

Financial Performance Targets	RAG STATUS
1. Agree in-year break-even financial plan agreed with SPPG and DoH	**R**
The Trust has worked with SPPG to produce an outline draft Financial Plan; this is set out in section 2. A formal Financial Plan submitted to SPPG on the 30th June 2023 with some further updates. Following a mid-year review and further allocation from SPPG this deficit has been revised.	
2. Achieve in-year break-even outturn within allocated Revenue Resource Limit (RRL)	**R**
At Mth 11 the forecast deficit is £16.74m. This is set out in section 3.	
3. Achieve 2023/24 Savings Target	**G**
The SPPG has set the Trust a savings target of £29.4m. The Trust has identified savings plans of £23.6m, all of these savings are projecting to be achieved. This is set out in section 4.	
4. Reductions to Agency Spend **a) Cease all off Framework Social Work Agency 01/04/23 and all Social Work Agency from 01/07/23** **b) Cease all off Framework Nurse Agency Spend by 15th August 2023**	**G**
Social Work Agency cessation has commenced, costs showing are due to timing of invoices. The cessation of Off Framework Nursing & Healthcare Agency has commenced and is being demonstrated in reports. See section 5a.	
5. Prompt Payment Target - 95% of suppliers within 30 days	**G**
Trust performance measure indicates that for February 2024 almost 94.10% of invoices have been paid per prompt payment target.	

Section 2: Financial Plan 2023/24

The Trust has engaged over the last number of months with SPPG finance colleagues to develop a Financial Plan. This has included submission of draft plans from January 2023 and adjustments to those plans following further analysis, additional information and indicative allocations notified to the Trust via SPPG letters from the Chief Executive and Director of Finance.

As part of those letters the SPPG have set the Trust a savings target of £29.4m, this target has been retracted from the Trusts budget.

Following a letter from Sharon Gallagher, Deputy Permanent Secretary at SPPG, the Trust submitted a 2023/24 Financial Plan on the 30th June 2023. This included identified savings opportunities of £23.6m, of these £17.2m would have little or no service impact, but £6.4m may have some service impact.

Further adjustments to this financial plan have been actioned in since June – these include:

1. Confirmation of further £1.99m funding towards PPE consumables;
2. Confirmation of £20,000 funding for SAS leads;
3. Reduction of cost estimate on Nmabs by £150,000 following introduction of Community based model effective 1st July 2023.
4. Allocation of £11m in deficit funding.
5. Inclusion of additional pressures as set out in Mid-Year Review of £7.8m, less £0.7m of SPPG slippage on Children's allocations – leaving a net £7.1m increase to deficit.
6. SPPG Re-alignment of Baseline funding to Covid PPE (ie increase Covid PPE funding, Reduce Baseline funding).
7. Additional non-recurrent funding of £0.4m for No More Silos – Key Action 6 Ambulance Handover.
8. Additional £191K of allocation received for Mental Health Complex Discharges.
9. Further allocations not being assumed for Ukrainian Refuges of £314K and UASC of £350K.

Based on these meetings, letters and indicative allocations and adjustments the current draft Financial Plan for 2023/24 is set out below:

Table 1: 2023/24 Draft Financial Plan

	£'M
Deficit Reported to Permanent Secretary May 22	64,444
Less Energy, Allocations plus FYE tails	(94)
Less recurrent funding agreed in 2022/23	(16,294)

Less Recurrent Adjustments & Allocations 2023/24	(9,385)
Less Recurring Deficit funding per SPPG DoF Letter	(34,480)
Plus 2023/24 Savings Target Retractions	29,379
Less 2023/24 Savings Plans	(23,606)
Plus 2023/24 Covid Essentials & PPE	6,900
Less 2023/24 Covid Support Funding	(6,900)
Plus Service Pressures 2023/24	23,679
Less Additional Support funding SPPG 27 June 23	(1,370)
Less Additional support funding per CE SPPG Letter	(12,774)
Less Additional Support funding per DoF SPPG Letter	(11,000)
Plus SPPG transfer of Baseline funding to Covid PPE	2,392
Less Ambulance Handover funding	(375)
Less SPPG Slippage Children's	(688)
Less Mental Health Complex Discharges funding	(191)
Less Ukrainian Refugee & UASC Funding	(664)
Plus Mid-Year Review Pressures (incl, Community Winter & payments)	7,766
SUB-TOTAL DEFICIT	**16,739**

Assumptions

1. That all assumed funding is released to the Trust by SPPG;
2. That current expenditure trends remain as projected;
3. This includes any additional costs for additional enhanced supervision IS packages, in MHLDCW and CC – for discharges from Holywell, Service users in custody, Antrim and Causeway Hospitals.

Section 3: Financial Position at February 2024

The Income and Expenditure position at February 24 is:

Table 2: 2023/24 Month 11 (February 2024) Income & Expenditure

	Actual Expenditure (Mth 10) £'000
Income	941,269
Total expenditure	956,613
Pay	599,451
Non-Pay	357,163
(Surplus)/Deficit at February 24	15,344
Projected (Surplus)/Deficit at February 24	16,739
% (Surplus)/Deficit against RRL	1.63%

The projected outturn as at 31st March 2024 is set out in Table 3 below and includes an analysis of the main over/underspends by Division. Note that funding from SPPG towards the deficit as set out in the Financial Plan has not yet been allocated to Divisions and is included as part of Corporate Cost/Pressures.

Also included in Corporate Cost/Pressures are other central costs such as Waiting List Initiative, PPE, Surestart as well as Service Developments not yet started.

In Year Position

The Year to date expenditure position per the Trust Monitoring Returns is £956,613.

Recurrent Position

The recurrent position is set out in the draft Financial Plan of 2024/25 as a deficit of £70.2m.

Division Financial Position at February 2024

Table 3: 2023/23 Projected Outturn by Division

Division/Directorate	Budget £'000	Expenditure £'000	Mth 11 Variance £'000	Projected Outturn May 2023 £'000
Medicine & Emergency Medicine	113,813	125,453	11,640	
Surgical & Clinical Services	146,609	151,698	5,089	
Community Care	184,062	194,654	10,592	
Children & Young People	83,880	84,578	698	
Mental Health, Learning Disability & CW	198,759	200,597	1,838	
Medical & Governance	18,972	18,627	(345)	
Nursing, Paediatrics, Women & Corporate Services	88,450	90,708	2,258	
Strategic Planning, Performance & ICT	9,859	9,839	(20)	
Infrastructure & Capital	14,952	14,379	(573)	
Corporate Overheads	16,117	16,262	145	
Finance	11,103	10,794	(309)	
Prototype	2,310	2,144	(166)	
Human Resources, OD & Corp Comms	6,364	6,348	(15)	
Chief Executive & Trust Board	419	373	(46)	**£16.74M**
Corporate/Cost Pressures (including PPE expenditure)	45,600	30,159	(15,441)	**DEFICIT**
Totals	**941,269**	**956,613**	**15,344**	

In Month 10 and 11 Payroll Shared Services Centre (PSSC) actioned a number of Change Requests (CR) through the payroll system, These were backdated to 2014 and resulted in cost fluctuations throughout the Trust. There remains some fixes that will be actioned in Month 12, these are not expected to be material.

Key Drivers of Variances are:

- Medicine & Emergency Medicine – deficit is £12.70 m projected less £4.8 m of costs included in financial plan. This deficit continues to be one of the overall key areas of financial risk to the Trust. The most significant deficit is in ED – where across both ED's and their Obs departments there is a projected £7.213 m deficit – which is a 32% overspend on the budget.

Across the rest of the Division, there continues to be significant overspends on Nursing and Medical Staffing – both due to utilisation above budgeted hours and Agency premium.

In month forecast move: Improvement of £328 k. This primarily is due to additional non-recurring funding, received in February, for Winter Escalation Beds and NIMDTA Trainees, combined with a reduction in the nurse agency premium for NMS and other reductions in agency medics. This has been offset by a deterioration in the locum usage against 48 beds, resulting in a net improvement of £328 k in February.

- Surgical & Clinical Services – deficit is £5.55 m less £1.35m of costs included in the financial plan. This position has improved from prior month by £387 k. This is primarily, as a result of additional non-recurring funding received in February for Radiology, HPV Testing in the Lab and NIMDTA Trainees. Key Deficits still remain within Surgery, Anaesthetics and Radiology. Cost drivers within medical and nursing being: Utilisation of nursing above budgeted hours and agency premium, on vacant posts.

- Community Care – total deficit is £11.6m projected less financial plan deficits of £4.6m. The biggest issues in this Division remain 1:1's / Bespokes, but the position on District Nursing and Community Hospitals Nursing pay staff significantly deteriorated. There is also an over spend on IS Domiciliary Care and Direct Payments – but this is offset by an underspend in MHLDCW in the same categories. Community Care continued to increase spend in those areas in the Financial Plan, the Demography Spend in the Financial Plan is now at the forecast – increased costs here will increase the deficit. There has been a deterioration over the year in Intermediate Care / Contingency beds that were not stood down at the end of Winter Run Through and also increases in 1:1/Bespoke Costs. This Division has also significantly deteriorated against the expected 2023/24 outturn in the initial plan.

  In month forecast move: Deterioration of £300K.

- Children & young People – total deficit is £0.8m – of which £0.06m is included within the Financial Plan. There continues to be pressures on the Corporate Parenting side of the Division, but these are being off-set by surpluses due to vacant posts in the rest of the Division, in particular in CAMHS. Forecast has slightly improved this month against the forecast at month 10.

- Mental Health, LD & CW – total deficit is £2.0m less £2.6m of costs in financial plan. While this leaves core position at break-even there are still some concerning deficit areas including the continued nursing pressures in Acute Inpatients (including in Inver 4), Bespoke 1:1 packages and discharges/resettlements from Holywell. There is also a large underspend in IS

Domiciliary Care and Direct payments (see note under Community Care). Note also that some of the bed pressure in CCD relate to service users who are managed by MHLDCW, Dementia in particular, and these costs are not recharged. The Division has deteriorated over the last number of months – particularly on placements and IS Domiciliary Care.

In month forecast move: Deterioration of £100K.

- Nursing, PWCS – total deficit is £2.5m projected. The key driver of this deficit continues to remain within Corporate Support Services, mainly catering and domestics. The service continues to struggle to recruit roles in these areas and is heavily reliant on agency at additional cost to cover vacant posts. Catering costs for food have continued to rise, with the decision to try and recover costs where possible taken with the increase of canteen prices. Public Health Nursing remains challenged with cost pressures in particular within delivery of vaccinations. There has been a deterioration on month 10 forecast by £100K.

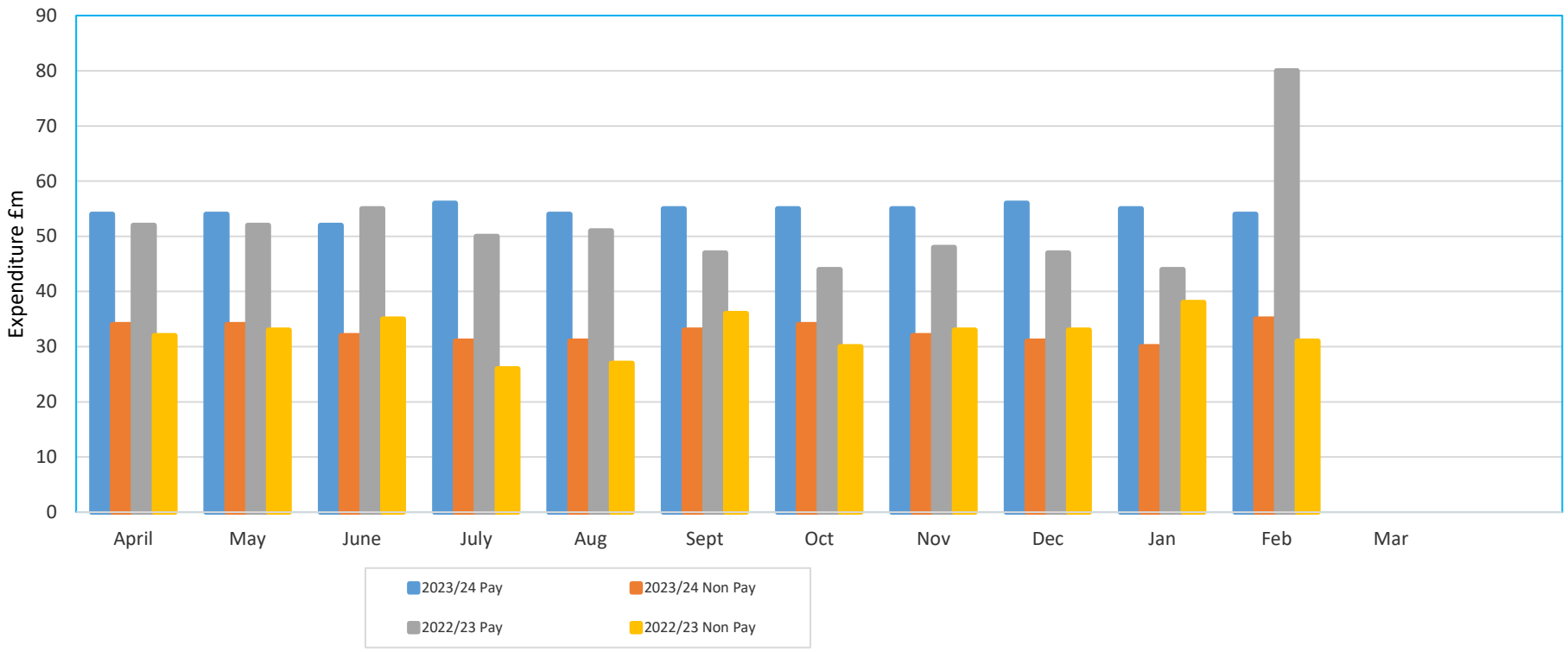
- Other Directorates – The other Directorates forecast an improved outturn against month 10 of £0.4m.

- Acute Winter Pressures – The Trust has experienced increased pressures over the start of the Winter period in the Acute Hospitals with the need to increase bed capacity to ensure patient safety. Some of these costs have stood down from the start of February. It is important that this spend does not grow beyond this level otherwise the Trusts forecast deficit will increase.

- Other Directorates – The DoH and SPPG have indicated indicatively that funding of £61.06m will be allocated to cover the costs of the 2023/24 pay award – including the non-consolidated element and the knock on effect on purchased social care and Community & Voluntary contracts. This income has been assumed in the Mth 11 MMR (forecast to incur in Mth 12) and expenditure has been accrued (forecast for Mth 12).

The profile of the expenditure in the Trust on Pay and Non-Pay cumulatively to Month 11 for 2022/23 and 2023/24 is set out below in Chart 1.

Chart 1: Spend Profile 2022/23 and 2023/24



Notes: The pay segment is impacted by the number of weeks which fall within the reporting month

Section 4: Savings Target 2023/24

The Trust has been set a savings target of £29.4m by DoH/SPPG and have had funding retracted at that level. As part of the Trusts overall contribution to savings we have developed a savings plan that will have no or minimal service impact. The total of this plan comes to £23.6m leaving a gap of £5.8m between the retracted savings target and the identified plans, this gap is presented in the Trusts financial forecast as part of the underlying in-year deficit.

The planned £23.6m of savings plans are made up of non-recurrent elements delivered in previous years that can be delivered again in 2023/24, one-off achievable savings that are not deliverable in future years, recurrent Pharmacy Savings and savings on Agency staffing and 1:1's and additional paybill savings. These paybill savings may have service impacts, particularly with discharge and flow in both Acute Hospitals. In October 23 the Trust identified savings that could not be met and also Contingency measures to replace, this forms part of the revised savings plan.

The savings plan and the savings achieved to date are set out in table 4 below. These savings are monitored (including agreement on baseline) and will be reported to the Trusts Delivering Value group. All savings are now forecast to be achieved.

Table 4: Savings Plans 2023/24

Scheme	Oct 23 Revised Plan £'000	Achieved Feb 24 £'000	To Achieve Rest of Year £'000	RAG Rating
Savings Achieved				
Technical Adjustments N/R	1,100	1,100	0	
Continuation of Savings Achieved Previous Years N/R	1,020	1,020	0	
Apprentice Levy N/R surplus	500	500	0	
Service Development Slippage N/R	1,416	1,416	0	
Travel Savings N/R	1,508	1,508	0	
MORE Savings	747	747	0	
Further Technical Adjustments N/R	2,750	2,750	0	
Non Pay Efficiencies N/R	352	352	0	
Delayed Procurement N/R	1,324	1,324	0	
Planned Savings – low Risk to achievement				
Further More Savings	383	383	0	
Planned Savings – Medium to high Risk of achievement				
Medical Agency Savings	100	100	0	
Nurse Agency Savings	3,275	3,275	0	
Further Agency & Absence Savings Management	0	0	0	

Reduction of Acute, Community & MHLDCW 1:1's	0	0	0	
Winter – Release of Winter funding	3,000	3,000	0	
Paybill Management	2,755	2,755	0	
Contingency Measures	3,376	3,376	0	
Grand Total	**23,606**	**23,606**	**0**	

Section 5: Flexible Staff Costs as at 29th February 2024

The Trust continues to have a high level of spend on Flexible Staffing. A significant proportion of the Trust's expenditure is on Agencies and on off Framework Agencies. There is now regional focus on reducing Agency spend and in particular reducing off Framework spend, this has commenced in Social Worker and Nursing Agency staff.

This section of the report is therefore split into a) Monitoring the targets set for Agency across Social Work and Nursing Agency and b) presenting the position on overall flexible staffing and c) Total Trust WTE including estimated flexible staffing WTE against FSL.

a) Regional Initiatives for Agency Staffing

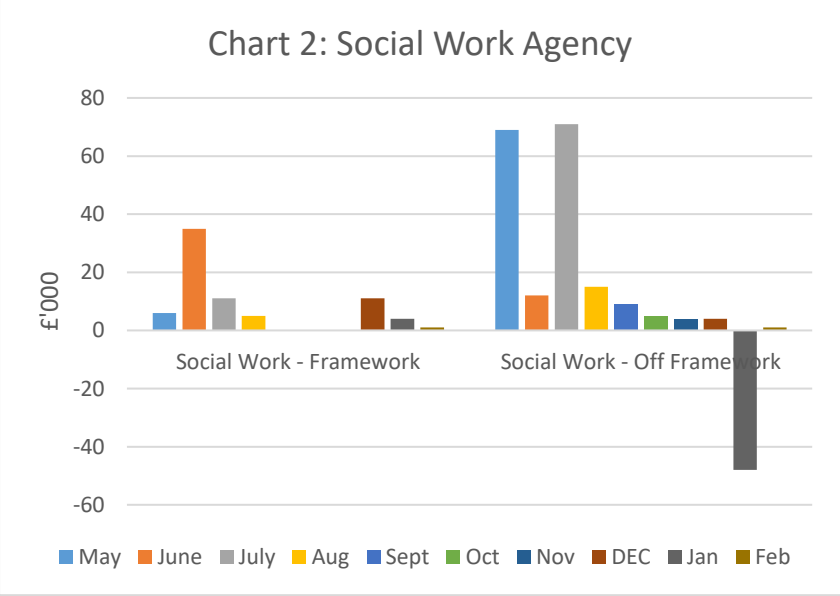
As part of the Regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

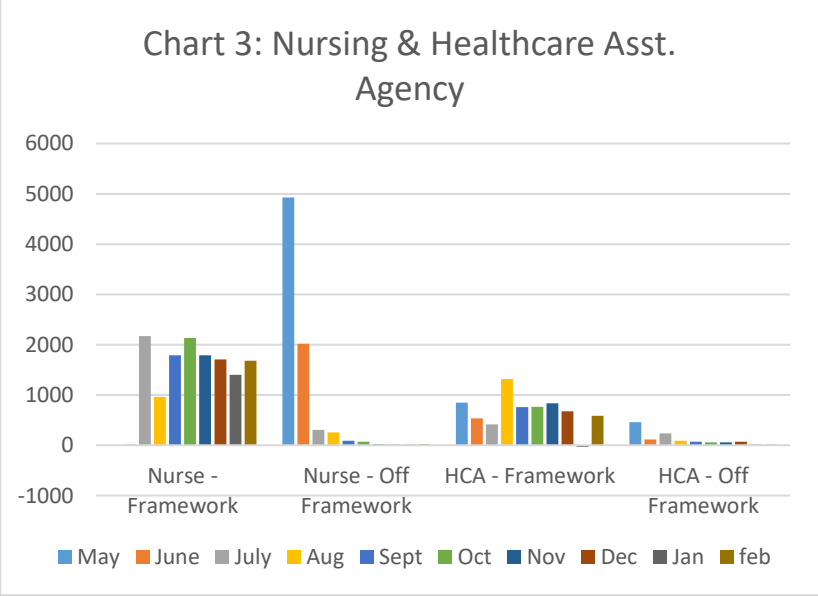
- Social Worker: From the 1st of April 2023 all off framework social worker agency utilisation ceased across the HSC including NHSCT;
- Social Worker: By the 1st of July 2023 all Social Worker Agency utilisation is due to cease across the HSC [except in exceptional situations which will be defined by the escalation process being worked up by the social worker task and finish group];
- Nursing: By the 15th August 2023 there should be no further off-framework Nursing Agency utilisation across the HSC.

These initiatives will form part of the delivery of savings in Agency schemes. Any savings that they contribute to will be shown as part of the savings section. Note that a reduction in spend as a result of success in these initiatives will not correlate to a saving of equal value – as part of the plan to reduce Agency staffing may for example include recruiting staff – therefore savings would only be marginal cost difference.

It was previously agreed regionally that Social Work will be reported from the Social Care family group on Agency Staff at B5 and above, but from October onwards (but not backdate) this has been revised to be B6 and above. This may mean that some Care Assistant Agency is captured within that, this may be reviewed.

From the charts below the Social Work spend has reduced, residual value is likely to be Care Assistants or late invoicing. The Off Framework negative spend in January relates to analysis of invoices that related to posts below B6 – these have been recoded. The Nursing & Midwifery and Health Care Assistants off contract Agency spend has significantly reduced. Note that there is approval for Nursing Off-Framework spend in 1 area, which is a Community Package.





Non Contract Agency Spend

Overall the total Agency spend at 29th February 2024 was £69.9m, of this 42.9% (£30.0m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 78% of this total Agency spend and 87% of the total off-framework spend. Note that the expenditure incurred to date on Nursing off-framework agencies includes spend before the introduction of the new framework, this mix will change over the next number of months as the new framework rolls out. The split of this framework and off-framework spend by category and Division is in Table 4 below:

Table 4: Cumulative Agency Spend February 2024 by Director and Family Group

Directorate	Contract £'000	Non Contract £'000	Total £'000
Medicine & EM	16,559	14,589	31,148
Surgical & Clinical Services	7,752	6,821	14,573
Community Care	2,297	1,096	3,393
Children & Young People	2,015	540	2,555
Mental Health, LD & CWD	5,403	3,878	9,281
Medical & Governance	271	17	288
Nursing, Paeds, Women & CS	4,760	2,092	6,852
SPP&ICT	92	288	380
Infrastructure	88	262	350
Finance	311	52	363
Prototype	10		10
HR	55	29	84
Other Corporate	306	345	651
TOTAL	**39,919**	**30,009**	**69,928**

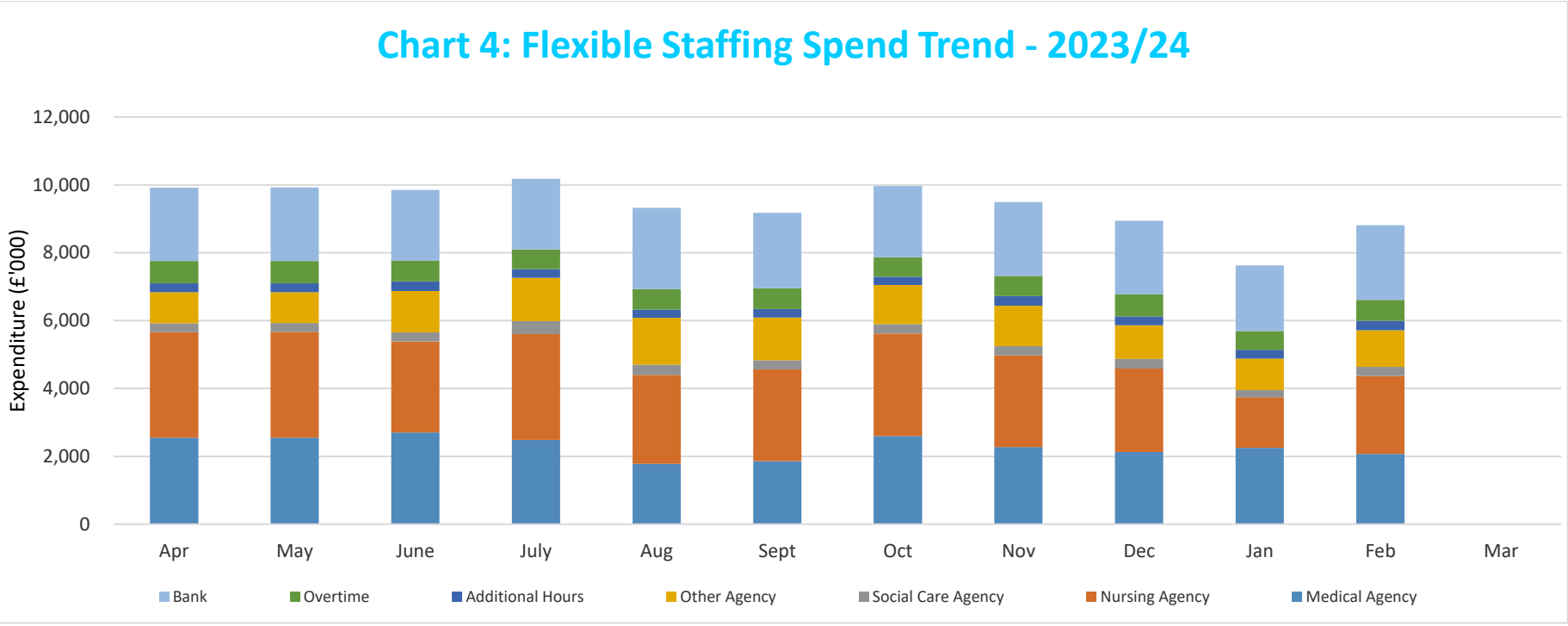
Family Group	Contract £'000	Non-Contract £'000	Total £'000	Contract %
Admin & Clerical	3,708	652	4,360	85
AHP	282	443	725	39
Ancillary	4,167	773	4,940	84
Health Care Support	6,707	1,261	7,968	84
Medical	8,061	17,166	25,227	32
Nursing & Midwifery	13,645	7,735	21,380	64
Other	20	150	170	12
P&T (mto)	159	280	439	36
Pathology	348	142	490	71
Pharmacy	8	17	25	32
Radiography	195	958	1,153	17
Social Care	2,619	432	3,051	86
TOTAL	**39,919**	**30,011**	**69,928**	**57**

b) Total Spend on Flexible Staffing

The total spend in these areas is summarised below:

Table 5: Flexible Spend at February 2024

Division/Directorate	Cum to February 2024						Cum to Feb 23	Movement	
	Agency Locum £000's	Agency Other £000's	Bank £000's	Overtime £000's	Add hrs £000's	Totals £000's	£000's	£000's	%
Medicine & Emergency Medicine	13,488	17,660	3,437	614	100	35,299	27,472	7,827	28
Surgical & Clinical Services	6,845	7,728	2,247	1,922	470	19,212	16,753	2,459	15
Community Care		3,393	7,308	1,401	616	12,718	10,921	1,797	16
Children & Young People		2,555	1,572	1,377	240	5,744	5,968	(224)	(4)
Mental Health, LD & CWD	2,891	6,390	4,556	573	253	14,663	14,089	574	4
Medical & Governance		288	56	76	66	486	539	(53)	(10)
Nursing, Paeds, Women's & Corp Serv.	2,111	4,741	3,614	430	1,043	11,939	11,318	621	5
Others	(109)	1,947	897	314	99	3,148	16,276	(13,128)	(81)
TOTALS	**25,226**	**44,702**	**23,687**	**6,707**	**2,887**	**103,209**	**103,336**	**(127)**	**(0)**



This report has been updated and restated for prior months to include both ACTUAL invoices on the system and accruals included in the financial position where it is anticipated that they might be missing.

Expenditure on Flexible nursing is £46.4m cumulative to February 24 and projects to £50.6m (£50.9m in January 24) for the financial year. However the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £29.3m cumulative at February 24, projecting to £32.0m (£32.5m in January 24).

Total flexible staffing expenditure is 17% of the total payroll costs at February 24.

c) Funded Staff Establishments

The Trust has a funded level of staffing posts, which is continually being updated for both recurrent and non-recurrent service developments.

The budgetary process monitors the contracted hours for staff appointed and on our payroll against the budgeted level; this is in line with the Trust's Standing Financial Instructions. An adjustment has been made to account for Domiciliary Care staff who work above contracted hours. In addition, where there is a need to avail of medical and non-medical agency cover (for vacancies, sickness, and maternity), this expenditure is indicatively adjusted to provide an estimated level of WTE. Other backfill flexibility is sourced from bank, overtime and additional hours and this expenditure has also been adjusted to provide an indicative WTE.

Table 6: FSL against Indicative total WTE

Category	Total FSL (WTE) (including Non recurrent)	Staff on Payroll		Agency Indicative (WTE)	Flexible Backfill Indicative (WTE)	Total Indicative Staff (WTE)	Variance (WTE)
		Perm (WTE)	Temp (WTE)				
Admin & Clerical	1,863	1,675	117	119	35	1,946	83
Estates	178	160	3	5	6	174	(4)
Medical & Dental	770	602	26	149	0	777	7
Nursing & Midwifery	3,957	3,551	85	364	211	4,211	254
Professional/Technical	1,726	1,574	92	77	65	1,808	82
Social Services	2,822	2,481	113	83	270	2,947	125
Support Services	985	776	28	135	67	1,006	21
TOTALS	**12,301**	**10,819**	**464**	**932**	**654**	**12,869**	**568**

Currently the Trust has in the region an additional 568 WTE staff over the funded staffing level; that equates to a staffing level of 4.6% above FSL. The majority of this additional staff is in Nursing Staff.

Note previously this report excluded Medical Staff paid by the Single Employer (NIMDTA) and recharged, these have now been included under temporary staff.

Whilst maternity and sickness backfill will account for the majority of this, there will be a small number of staff who have been appointed as a result of:

- Career breaks or peripatetic appointments.
- Advancement appointment where funding has not yet been received from the Commissioner but is confirmed (timing delay).

Section 6: Prompt Payment

The Late Payment of Commercial Debts Regulations 2002 (updated 2013) allows commercial organisations to levy both interest and penalty charges on invoices that are deemed overdue for payment. The measure is generally payment is to be made within 30 days of receipt of the invoice or the delivery of the goods or services.

To negate the impact of this potential late payment liability, the Trust endeavours to settle all outstanding invoices within the required period and currently the Trust performance measure indicates that for February almost 94.10% of invoices have been paid.

Section 7: Debtors Position – February 2024

Active cases are subject to ongoing recovery actions through the issue of 3 Dunning letters after which cases under £5k are referred to Small Claims Court. DLS are engaged in respect of higher value debt recovery and where possible the Trust will secure debt against property though the application of an Order Charging Land.

Credit control for social care payments is managed by the Financial Support Services team. The Accounts Receivable Shared Services (ARSS) team in BSO provide a credit control function for all other Trust debtors, with performance overseen by the Financial Accounting team. Payroll overpayment recovery is managed in the first instance by Payroll Shared Services but falls to the Trust when staff have left or refuse a repayment plan.

Category	At Mar22		At Mar23		At Jan 24	
	£'000s	No of Invoices	£'000s	No of Invoices	£'000s	No of Invoices
Independent Homes	14,020	3,852	15,823	4,684	16,255	4,876
Direct Payments	105	128	110	139	212	148
Staff Related Debt	391	1,440	427	1,696	717	2,781

Commercial	110	164	393	121	362	136
Health Centre / GP Charges	66	77	111	99	208	133
Inter NHS/Government Bodies	325	92	620	154	750	155
Private Patients	85	54	101	54	158	89
Client Meals / Services	140	291	136	216	44	77
Other	7	3	7	2	22	3
Total	**15,249**	**6,101**	**17,728**	**7,165**	**18,728**	**8,398**
Debt related to social care payments					**16,467**	**5,024**
ARSS debt					**2,261**	**3,374**

Key points to note:

Independent Homes invoice recovery - 91% in month invoices recovered, 30 day invoices 62%, 60 day invoices 26% and 90 day invoices 16% recovered.

Independent Home additional information:-

- Independent Homes – Feb 24 DLS cases £182k payments received
  - 3 clients debt fully paid £33k
  - 11 clients debt partially paid £140k
  - 30 clients entered into a payment plan £9k

- Independent Homes DLS write-offs completed £37.7k
  - July 23 - 1 client £6k
  - Aug 23 - 1 client £8k
  - Sept 23 – 1 client £10k
  - Dec 23 - 2 clients £5k
  - Jan 24 – 1 Client £0.7k
  - Feb 24 – 1 Client £8k

- Independent Homes Trust write-offs completed £18k
  - July 23 – 3 clients £4k
  - Nov 23 – 4 client £4k
  - Dec 23 – 7 clients £5k
  - Jan 24 – 2 clients £1k
  - Feb 24 – 1 client £4k

- Independent Homes 10 clients pending write-off approval £126k – (DLS cases)
  - April 23 - 1 client £12k
  - June 23 - 1 client £19k
  - July 23 - 3 clients £26k
  - Aug 23 - 2 clients £44k
  - Nov 23 - 1 client £7k
  - Jan 24 – 2 Client £18k

- Independent Homes 11 clients pending write-off approval £17k – (Non DLS cases)
  - Oct 23 – 3 clients £9k
  - Nov 23 – 1 client £1k
  - Dec 23 – 3 clients £3k
  - Jan 25 – 4 clients £4k

Direct Payment debt is currently part of the FSS internal dunning process.

- Staff Related Debt – 31.7% of ARSS debt relates to salary overpayments with 46.3% less than 3 months old. Three system change requests were processed by PSSC in January 2024 which resulted in a number of overpayments to leavers, necessitating invoices to be issued iro recovery;
- Commercial – 82% of the debt is recent (0-90 days). Two cases (£24k) are being actively progressed by DLS;
- Health Centre/GP Charges –Notification of the increase due for financial year 2023/24 was implemented this quarter and invoices for arrears were issued in January 2024 which resulted in an increase in the current outstanding amounts. The ongoing dispute with GPs in respect of the annual increased continue to impact this debt as GPS are continuing to only to pay non disputed accounts.41.8% of the debt is less than 90 days.

- Inter NHS and Government Bodies – 94.2% of ARSS debt is less than 6 months old;
- Client meals/services – 40.9% of client meals/services is with private nursing homes and are not in dispute; and
- Overall ARSS debt – 64.9% is less than 90 days old and with the number of repayment plans continuing to increase which reduces the risk of debt becoming statute barred.

Section 8: Covid Cost Implications

The Trust expects to continue to incur costs on Covid Essentials and PPE in 2023/24. Due to changes in guidance this will be at a much reduced level compared to previous years. However the level of funding that is available from SPPG is still less than the Trust's current estimate of expenditure for 2023/24.

Overall the Trust expects to spend in 2023/24 £6.9m, most of which will be on PPE consumables, against funding of £6.9m (excluding vaccinations which we expect to be fully funded). The Trust will continue to monitor spend into 2024/25 Financial Year and will stand down costs that are no longer required

Table 8: Forecast Covid Expenditure at February 2024

Classification	Projected Expenditure £000's
Staffing Costs (incl. Long Covid)	1,024
Loss of Income	150
Equipment & Warehousing hire	89
Lab Testing	692
Nmabs	445
PPE Consumables	4,500
Total	**6,900**

Section 9: Key Assumptions and Risks

A number of financial assumptions and risks were made in relation to the Financial Plan for 2023/24 and also with regard to the overall financial position.

The Trust continues to experience pressures across the Acute setting, in particular in ED. This is driving increased attendances, admissions and complex discharges and the need for bed capacity in Community to allow for discharges. There continues to be pressures in Acute MH which is also driving bed pressures and increased discharges.

- Financial Plan and Forecast are based on a number of expenditure assumptions and income assumptions all of which continue to be reviewed with SPPG.
- The Trust is forecasting and therefore assuming full delivery of £23.6m of savings.
- The Trust continues to experience a shortfall in the recruitment and retention of mainly medical and nursing staff. As a result, there is a reliance on high cost off contract agency appointments. This continues to be a financial pressure, which will impact into 2023/24. A range of Trust and Regional initiatives are underway to mitigate these pressures including the management of the new Regional Frameworks, recruitment drives and reviews of agency and locum utilisation, including a medical scrutiny committee and Trust Agency Utilisation Group. The Trust continues to review, monitor and drive down costs where applicable.
- Cost pressures continue to be raised by providers in the Independent Sector with regard to the impact of the National Minimum Wage in Social settings, and other inflationary pressures i.e. within Nursing and Residential Care settings and with Domiciliary Care providers. The Trust continues to liaise with Providers to quantify and contain this pressure, but NLW uplifts have been applied to Nursing & Residential, Community & Voluntary and Supported Living Providers.
- A number of job evaluations are pending and will if successful impact on both the Trust recurrent position and the provision of arrears. From 2022/23 it has been agreed regionally that the PSNI holiday and sickness accrual will now be recognised in the Trust Accounts as a provision.
- The HRPTS (Payroll) has a range of outstanding issues, which impact on our current position. It is understood that the Payroll system requires a number of 'fixes' in order that these issues are corrected and fit for purpose. The Trust continues to liaise with the BSO Customer Forum to drive these issues forward. In January and February 2024 some fixes to the system were actioned, these resulted in some issues. The current forecast includes assumptions around those fixes, these are not material. There are further corrections to be actioned in month 12, the impact of these are unknown – but are assumed not to be material, but this will be kept under review.
- The Trust is reporting a cumulative average absence rate of 8.08% as at 31st January 2024. The DoH target for 2023/24 is 7.30% (a 7.50% reduction on 2022/23 position of 7.89%).
- The Trust does not have a break-even Financial Plan for 2023/24 and therefore there is a risk that Statutory Break-even is not achievable.

Our Vision

To deliver excellent integrated services in partnership with our community

If you would like to give feedback on
any of our services please contact:
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Northern Health and Social Care Trust

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