Northern Health and Social Care Trust

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TRUST BOARD

FINANCIAL POSITION REPORT – October 2023

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**
The Projected outturn at month 7 is in line with the adjusted plan of £17.97m. This is set out in section 3.	
3. Achieve 2023/24 Savings Target	**R**
The SPPG has set the Trust a savings target of £29.4m. The Trust has identified savings plans of £23.6m, to date £13.5m projected of these have been 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 October 2023 almost 96.69% 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As part of those letters the SPPG have set the Trust a savings target of £29.4m, this target has been retracted from the Trusts budget.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).

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 SPPG Slippage Children's	(688)
Plus Mid-Year Review Pressures (incl, Community Winter & payments)	7,766
SUB-TOTAL DEFICIT	**17,969**

Assumptions

1. That all assumed funding is released to the Trust by SPPG;
2. That current expenditure trends remain as projected;
3. That Energy Pressure will be fully funded;
4. That all RCCE funding (including 48 Beds) will be received;
5. That all identified savings are achieved;
6. This assumes that estimated High Cost Drugs costs in 2023/24 of £2.8m, less additional allocation of funding of £1.5m and Senior Executives Pay Award costs of £1.3m will be funded as indicated as plan in S Gallagher letter of 14th June 2023.
7. That all costs incurred in respect of New Entrants into Northern Ireland will be fully funded;
8. This excludes any additional costs associated with new Job Evaluations.
9. That there will be no additional costs because of ESF cessation and move to UK Prosperity fund;
10. 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 October 2023

The Income and Expenditure position at October 2023 is:

Table 2: 2023/24 Month 7 (October 23) Income & Expenditure

	Actual Expenditure (Mth 7) £'000
Income	597,404
Total expenditure	607,302
Pay	379,002
Non-Pay	228,300
(Surplus)/Deficit at September 2023	9,898
Projected (Surplus)/Deficit at September 23	17,969
% (Surplus)/Deficit against RRL	1.75%

The projected outturn as at 31st March 2023 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 £607,302

Recurrent Position

The Recurrent positon continues to be under review pending the final submission of the 2023/24 Financial Plan and agreement on funding streams.

Division Financial Position at October 2023

Table 3: 2023/23 Projected Outturn by Division

Division/Directorate	Budget £'000	Expenditure £'000	Mth 7 Variance £'000	Projected Outturn May 2023 £'000
Medicine & Emergency Medicine	72,320	79,489	7,169	
Surgical & Clinical Services	92,694	96,063	3,369	
Community Care	117,259	123,951	6,692	
Children & Young People	51,201	53,486	2,285	
Mental Health, Learning Disability & CW	119,852	126,339	6,487	
Medical & Governance	11,899	11,782	(117)	
Nursing, Paediatrics, Women & Corporate Services	56,142	56,950	808	
Strategic Planning, Performance & ICT	5,870	5,895	25	
Infrastructure & Capital	9,025	8,631	(394)	
Corporate Overheads	10,287	10,512	225	
Finance	6,951	6,760	(191)	
Prototype	1,457	1,388	(69)	
Human Resources, OD & Corp Comms	4,033	4,083	50	
Chief Executive & Trust Board	266	235	(321)	**£17.97M DEFICIT**
Corporate/Cost Pressures (including PPE expenditure**)**	38,149	21,739	(16,410)	
Totals	**559,197**	**585,563**	**26,366**	

Key Drivers of Variances are:

- Medicine & Emergency Medicine – deficit is £12.0m projected less £5.2m of costs included in financial plan. This deficit continues to be 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 £7.1m deficit – which is a 28% overspend on the budget. Across the rest of the Division there continues to be significant overspends due to Nursing and Medical Staffing – both due to utilisation above budgeted hours and Agency premium.

In month forecast move: Deterioration of circa. £0.5m. Primarily due to:

- £100k for arrears to Renal and ED doctors in respect of PA adjustments.
- £100K for extensions and increased Locum hours for sick leave and also in NMS.
- £300K in Nursing across all wards – the majority of which relates to increased enhanced care (1:1's).

- Surgical & Clinical Services – deficit is £5.8m less £1.3m of costs included in the financial plan. This position has deteriorated significantly from roll forward – primarily in Nursing Costs, Medical Costs, Pharmacy Costs and Pathology and Radiology. This deterioration has continued month on month, including in October. This Division has deteriorated the most significantly from expected 2023/24 outturn in the initial plan and has also deteriorated significantly month on month over the 2023/24 financial year.

  In month forecast move: Deterioration of circa. £1.3m. Primarily due to:

  - £500K Medical Staffing. This is for additional payments made backdated in Pathology and CWH Anaesthetics, additional locums AAH Surgery and AAH Anaesthetics and Haematology (mix of Agency and payroll) and adjustments to forecasted end date for AAH Surgery and AAH Gastro Agency Locums.
  - £100K AAH C3 and AAH Day Surgery - Nursing due to increased temporary staff in post and increased Agency use.
  - £150K increased Laboratory Supplies – across all labs and for re-agents, equipment and consumables.
  - £150K increased drugs and consumables spend (excluding High Cost drugs) particularly in AAH Theatres and ICU.
  - £400K across G&S including Travel, Uniforms, Medical Supplies, Postage, B&E and patient appliances. Some of this could be one off and therefore be over-projected and some of it could be inflationary. This will be reviewed over the next month.

- Community Care – total deficit is £11.5m projected less financial plan deficits of £5.3m. 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 circa. £0.4m. Primarily due to:

- £200K increased cost of Enhanced Care (1:1) packages in the community.
- £200K increased cost of IS Care Home beds.

- Children & young People – total deficit is £3.9m – of which £3.0m 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. Deterioration in previous months of £0.8m due to increased costs in Foster Care and LAC costs and inflationary pressures of £0.2m on Foster Care Agencies and in Article payments.

  In month forecast move: Deterioration of circa. £0.2m. Primarily due to:
  - £100K increase in Articles spend which has primarily been due to taxi usage. Average monthly usage was circa. £35K per month – this has increased this month to £84K and the run-rate has been uplifted to reflect this increase.
  - £50K legal fees, level of invoices that have come in for Mth 6 is above trend and our run-rate forecast has been adjusted to account for this.
  - £50K increase due to new starts.

- Mental Health, LD & CW – total deficit is £11.1m less £11.1m 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 circa. £0.3m. Primarily due to:
  - Increase is primarily in IS Domiciliary Care and Direct Payments.

- Nursing, PWCS – total deficit is £1.4m projected less £0.2m included in financial plan. The key driver of this deficit is Medical and Nursing costs in O&G and Paediatrics, although there is also pressure in Catering/Domestics that the service are working through.

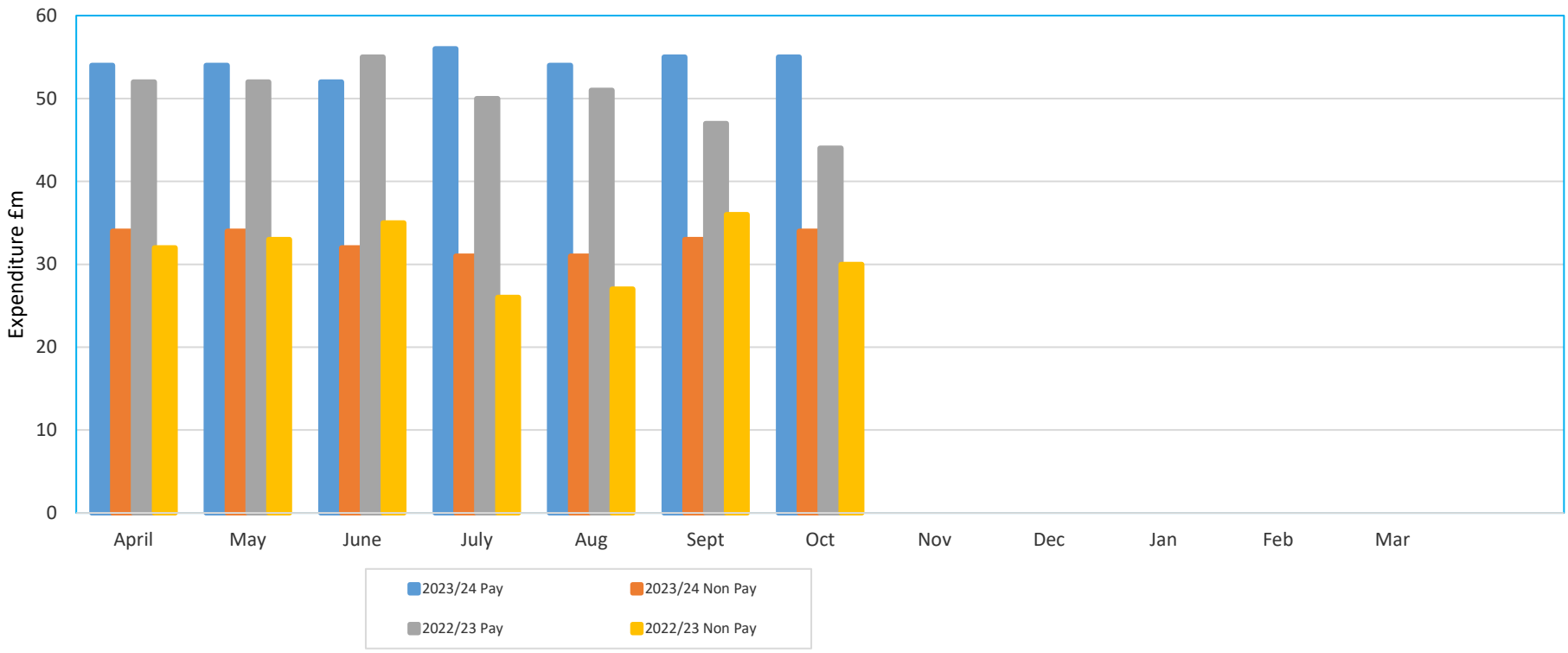
  In month forecast move: Deterioration of circa. £0.2m. Primarily due to:

  - £100K in Public Health Nursing – this is a lot of small moves across a lot of cost centres. Primarily it will be due to Students completing their qualification and moving up to B6 and moving into a vacant post. This happens most Octobers.
  - £50K within AAH Paediatric Unit for increased Agency usage and arrears paid.
  - 50K Paediatrics increase in Drugs – this has been queried and we are waiting for further information.

- Corporate Overheads – deterioration of £300K. Of this £100K is inflationary and we will look to resource this cost. Of the remaining £200K, it is possible that £60K of this could be avoided by the new O2 mobile phone contract and the remainder we are reviewing with the Energy Manager.
- Other Directorates – In month forecast move: Deterioration of circa. £0.7m. Primarily in:
  - *Medical Directorate* – deterioration £100K. This is in pharmacy consumables where there has been a spike in this month.
  - *SPPICT* – deterioration £150K. This is due to us changing position on capitalisation of salaries. Staff were previously capitalised, but we haven't had confirmation of the funding. Therefore to be prudent this adjustment has been removed until further clarification has been received.
  - *Infrastructure* – deterioration of £100K across a range of cost centres.
  - *HR* – deterioration of £50K due to staff appointments and training courses. This projection could be reduced next month with more analysis between financial positons.

The profile of the expenditure in the Trust on Pay and Non-Pay cumulatively to Month 6 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: Statement of Financial Position

Statement of Financial Position as at 30 September 2023

This statement presents the financial position of Northern HSC Trust. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	30-Sep-23 Trust £000s	31-Mar-23 Trust £000s	Note
Non Current Assets			
Property, Plant and Equipment	494,362	507,995	No significant change. Movements largely due to
Intangible Assets	6,383	8,249	amortisation of intangible assets and deprecation of
Total Non Current Assets	**500,745**	**516,244**	Property, Plant and Equipment
Current Assets			
Assets Classified as Held for Sale	181	410	Asset with a NBV of £230k brought back into use by NHSCT and no longer held for sale
Inventories	5,745	5,371	No significant change
Trade and Other Receivables	27,623	27,667	No significant change
Other Current Assets	6,217	4,752	The increase is the result of an increase in prepayments which fluctuate throughout the year.
Cash and Cash Equivalents	13,055	3,827	Timing issue in relation to cash drawn down from DoH and payments processed over Sept23 month end. This value is monitored closely and will reduce at year end.
Total Current Assets	**52,821**	**42,027**	
Total Assets	**553,566**	**558,271**	
Current Liabilities			
Trade and Other Payables	(72,226)	(143,880)	The reduction is primarily due to decreases of Trade Capital PPE, Revenue Payables/Accruals (£51m) and Payroll Payables (£21m) that are only finalised at year end.
Other Liabilities	(409)	(730)	RoU liabilities to be realised within the next FY. Varies due to number and value of leases held.
Provisions	(29,203)	(28,187)	Indicative of expected amount to settle in the current and next financial year and subject to change
Total Current Liabilities	**(101,838)**	**(172,797)**	
Total Assets less Current Liabilities	**451,728**	**385,474**	
Non Current Liabilities			
Provisions	(76,351)	(78,958)	Indicative of expected amount for future years and subject to change
Other Payables	(998)	(1,059)	ROU liabilities to be realised later than within the next FY. Varies due to number and value of leases held.
Total Non Current Liabilities	**(77,349)**	**(80,017)**	
Total Assets less Liabilities	**374,379**	**305,457**	
Taxpayers's Equity and Other Reserves			
Revaluation Reserve	204,729	204,798	
SoCNE Reserve	169,650	100,659	
Total Equity	**374,379**	**305,457**	
	0	0	

Section 5: 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.

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. To date a projected £13.5m of savings have been achieved, plans are in place for a further £6.6m in the remaining months. This would leave a shortfall of £3.5m, further contingency savings measures have been identified to cover this gap. There continues to be some risk with all savings.

Table 4: Savings Plans 2023/24

Scheme	Initial Plan £'000	Achieved Oct 23 £'000	To Achieve Rest of Year £'000	Mid-Year Projection of Achieved £'000
Savings Achieved				
Technical Adjustments N/R	1,100	1,100	0	1,100
Continuation of Savings Achieved Previous Years N/R	1,020	1,020	0	1,020
Apprentice Levy N/R surplus	500	500	0	500
Service Development Slippage N/R	1,416	1,416	0	1,416
Travel Savings N/R	1,508	1,508	0	1,508
MORE Savings	747	747	0	747
Further Technical Adjustments N/R	2,750	2,750	0	2,750
Non Pay Efficiencies N/R	352	352	0	352
Delayed Procurement N/R	1,324	1,324	0	1,324
Planned Savings – low Risk to achievement				
Further More Savings	383	0	383	383
Planned Savings – Medium to high Risk of achievement				
Medical Agency Savings	1,200	296	904	296

Nurse Agency Savings	2,179	1,585	594	3,280
Further Agency & Absence Savings Management	1,096	0	1,096	0
Reduction of Acute, Community & MHLDCW 1:1's	1,581	0	1,581	0
Winter – Release of Winter funding	3,000	0	3,000	3,000
Paybill Management	3,450	867	2,583	2,773
Grand Total	**23,606**	**13,465**	**10,141**	**20,057**

Section 6: Flexible Staff Costs as at 31st October 2023

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

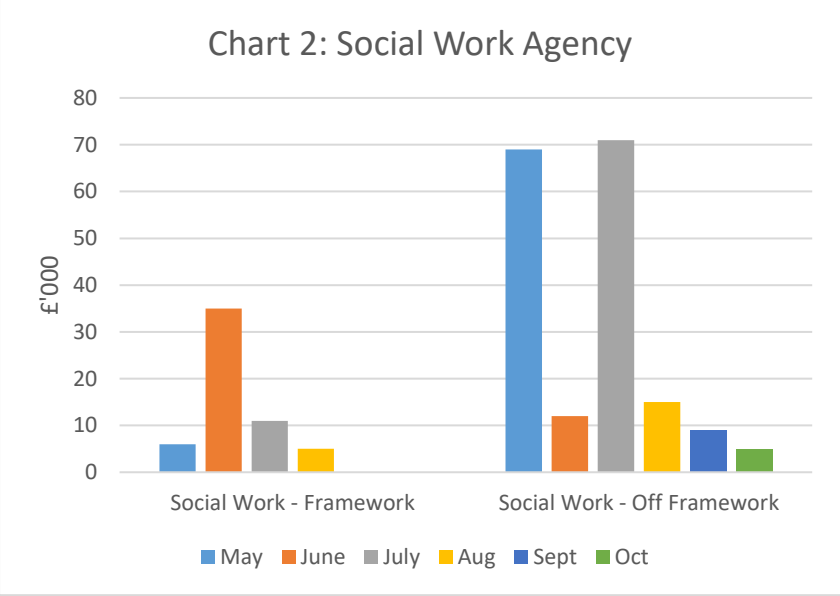
As part of the Regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

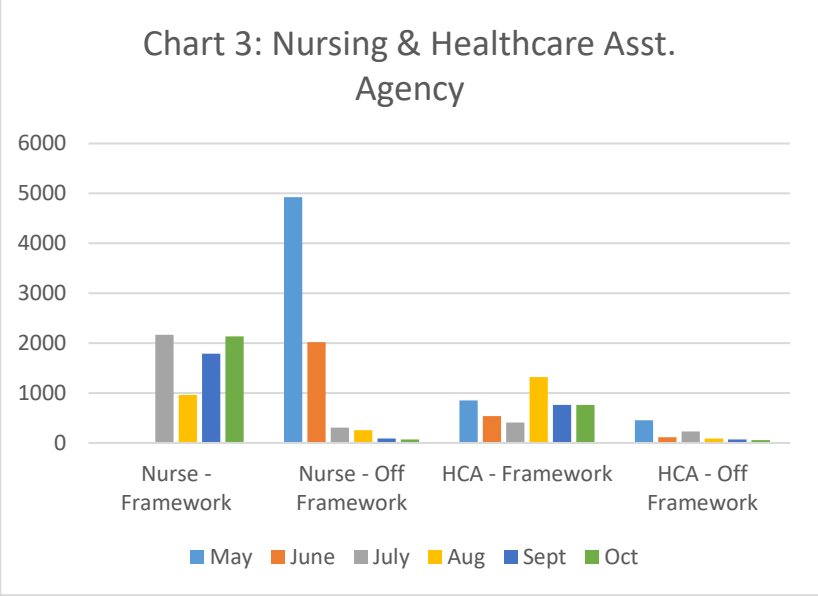
- Social Worker: From the 1st of April 2023 all off framework social worker agency utilisation ceased across the HSC including NHSCT;
- Social Worker: By the 1st of July 2023 all Social Worker Agency utilisation is due to cease across the HSC [except in exceptional situations which will be defined by 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, the residual value is likely to be either late invoices or Care Assistants and that will be reviewed for the next report. 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 31st October 2023 was £47.0m, of this 48.2% (£22.7m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 78% of this total Agency spend and 89% of the total off-framework spend. Note that the majority of the expenditure incurred to date on Nursing off-framework agencies is 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 October 2023 by Director and Family Group

Directorate	Contract £'000	Non Contract £'000	Total £'000
Medicine & EM	9,662	11,065	20,727
Surgical & Clinical Services	4,755	5,120	9,875
Community Care	1,270	1,012	2,282
Children & Young People	1,237	375	1,612
Mental Health, LD & CWD	3,477	2,783	6,260
Medical & Governance	162	14	176
Nursing, Paeds, Women & CS	3,203	1,399	4,602
SPP&ICT	54	219	273
Infrastructure	41	199	240
Finance	211	41	252
Prototype	6	0	6
HR	52	29	81
Other Corporate Services	219	429	648
TOTAL	**24,349**	**22,685**	**47,034**

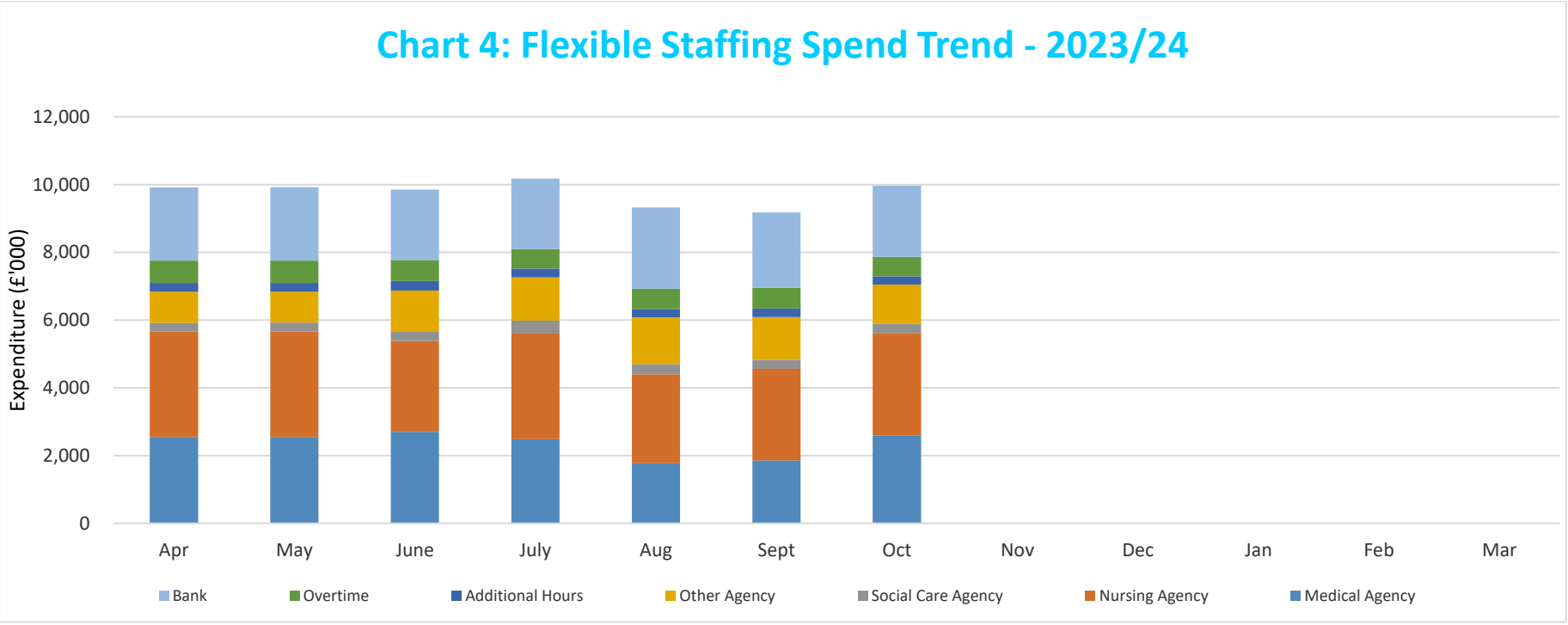
Family Group	Contract £'000	Non-Contract £'000	Total £'000	Contact %
Admin & Clerical	2,469	464	2,933	84.2%
AHP	179	265	444	40.3%
Ancillary	2,793	450	3,243	86.1%
Health Care Support	4,637	1,016	5,653	82.0%
Medical	5,037	11,476	16,513	30.5%
Nursing & Midwifery	7,073	7,666	14,739	48.0%
Other	14	115	129	11.1%
P&T (mto)	97	204	301	32.1%
Pathology	221	93	314	70.5%
Pharmacy	8	14	22	36.7%
Radiography	167	564	731	22.9%
Social Care	1,653	359	2,012	82.1%
	24,348	**22,686**	**47,034**	**51.8%**

b) Total Spend on Flexible Staffing

The total spend in these areas is summarised below:

Table 5: Flexible Spend at October 2023

Division/Directorate	Cum to October 2023						Cum to Oct 2022	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	8,707	12,019	2,167	334	53	23,280	19,018	4,262	22
Surgical & Clinical Services	4,638	5,238	1,397	1,223	299	12,795	9,999	2,796	28
Community Care		2,282	4,600	901	372	8,155	6,869	1,286	19
Children & Young People	1	1,611	997	929	160	3,698	4,131	(433)	(10)
Mental Health, LD & CWD	1,769	4,492	2,955	366	156	9,738	9,007	731	8
Medical & Governance		176	36	45	39	296	350	(54)	(15)
Nursing, Paeds, Women's & Corp Serv.	1,423	3,179	2,286	270	651	7,809	6,533	1,276	20
Others	(24)	1,524	770	227	65	2,562	9,658	(7,096)	(73)
TOTALS	**16,514**	**30,521**	**15,208**	**4,295**	**1,795**	**68,333**	**65,566**	**2,767**	**4**



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 £31.2m cumulative to October 2023 and projects to £53.5m (£53.3m in September 23) for the financial year. However the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £20.4m cumulative at October 2023, projecting to £34.9m (£34.7m in September 23).

Total flexible staffing expenditure is 18% of the total payroll costs at October 2023.

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 staff appointed and on our payroll against the budgeted level; this is in line with the Trust's Standing Financial Instructions. 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	1,835	1,656	115	126	35	1,932	97.1
Estates	175	161	2	6	6	174	(1.0)
Medical & Dental	746	648	23	153	0	824	77.6
Nursing & Midwifery	3,811	3,508	84	397	211	4,201	389.7
Professional/Technical	1,688	1,583	99	78	67	1,826	138.2
Social Services	2,772	2,276	119	86	272	2,753	(18.7)
Support Services	957	779	16	139	68	1,003	45.4
TOTALS	**11,985**	**10,611**	**458**	**984**	**659**	**12,713**	**728.2**

Currently the Trust has in the region an additional 728 WTE staff over the funded staffing level; that equates to a staffing level of 6.07% 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 7: 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 October almost 96.69% of invoices have been paid.

Section 8: Debtors Position – October 2023

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.

Table 7: Breakdown of Debtors October 2023

Category	At Mar 22		At Mar 23		At Oct 23	
	£'000s	No of Invoices	£'000s	No of Invoices	£'000s	No of Invoices
Independent Homes	14,020	3,852	15,823	4,684	16,327	4,826
Direct Payments	105	128	110	139	217	159
Staff Related Debt	391	1,440	427	1,696	565	1,773
Commercial	110	164	393	121	286	228
Health Centre / GP Charges	66	77	111	99	269	144
Inter NHS/Government Bodies	325	92	620	154	693	146
Private Patients	85	54	101	54	153	68
Client Meals / Services	140	291	136	216	112	113
Other	7	3	7	2	22	3
Total	**15,249**	**6,101**	**17,728**	**7,165**	**18,644**	**7,460**
Debt related to social care payments					**16,544**	**4,985**
ARSS debt					**2,100**	**2,475**

Key points to note:

- Independent Homes – Oct 23 DLS cases £189k payments received
  - 5 clients debt fully paid £59k
  - 7 clients debt partially paid £126k
  - 22 clients entered into a payment plan £4k
- Independent Homes 16 clients pending write-off approval £141k
  - April 23 - 5 clients £37k
  - June 23 - 3 clients £21k
  - July 23 - 6 clients £38k
  - Aug 23 – 2 clients £45k

- Staff Related Debt - 22.8% of ARSS debt relates to salary overpayments and 23.2% of the debt pertains to repayment plans. As part of the Salary Overpayment Working Group, in conjunction with HR, FA commenced training for all managers across the Trust in July 2023 to increase understanding and help reduce the number of over/under payments occurring. This is supplemented by streamlining of information available on the Trust's new Staffnet alongside an ongoing review of existing guidance and development of new guidance, where necessary;
- Commercial – 71% of debt relates to 0-90 days. Two cases (£24k) are being actively worked on by DLS;
  - Health Centre/GP Charges – This increase is due to the ongoing withholding of payment due to a dispute regarding the annual rate increases and quarterly invoices raised current month;
  - Inter NHS and Government Bodies – 96% of ARSS debt is less than 6 months;
  - Client meals/services – A large invoice £52k, being managed by DLS, was settled in full during October 2023. Over 60% of client meals/services is with private nursing homes and are not in dispute; and
  - Overall ARSS debt – 52.7% is less than 90 days old and the repayment plans continue to increase which reduces the risk of debt becoming statute barred. £18k of debt, which is now statue barred or all debt recovery actions have been exhausted, will be written off in November 2023.

Section 9: 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 £4.4m (excluding vaccinations which we expect to be fully funded). While we continue to review cost estimates and stand down schemes that no longer meet guidance, this is a financial risk.

Table 8: Forecast Covid Expenditure at October 2023

Classification	Projected Expenditure £000's
Staffing Costs (incl. Long Covid)	605
Loss of Income	200
Equipment & Warehousing hire	150
Lab Testing	1,000
Nmabs	445
PPE Consumables	4,500

Total	**6,900**

Section 10: 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. While the deficit has been adjusted to take account of these pressures, there continues to be a cost pressure risk associated with them – especially over the Winter period.

- 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, of which £12.0m relate to reduction of Paybill, Agency and 1:1 Bespoke packages, all of which could present challenges to achievement.
- 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.

- The Trust is reporting a cumulative average absence rate of 7.89% as at 30th September 2023. 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:
Email: user.feedback@northerntrust.hscni.net
Telephone: 028 9442 4655

Northern Health and Social Care Trust

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www.northerntrust.hscni.net

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