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Northern Health and Social Care Trust

## Northern Health and Social Care Trust Board Meeting in Public – Cover Sheet

| **Subject:** | **Trust Board Financial Position Report – October 2024** | **Date of Meeting: 28th November 2024** |
|---|---|---|
| **Prepared By**: | Financial Management | |
| **Approved By:** | Owen Harkin | |
| **Presented By:** | Owen Harkin | |

| **Purpose** | | |
|---|---|---|
| To provide an update to Trust Board on the Forecast Financial Outturn of the Trust as at Period 7 (October 24). | **Approval** | |
| | **Assurance** | X |
| | **Update** | |
| | **Noting** | |

| **Strategic Objectives** | | | | |
|---|---|---|---|---|
| ***Build Northern Partnerships and Integrate Care*** | ***Continue to improve Outcomes & Experience*** | ***Deliver value by optimising Resources*** | ***Nurture our People, Enable our Talent & Build Our Teams*** | ***Improve population Health & address health & social care inequalities*** |
| | | X | | |

| **Risk – please note if links to any principal, corporate or divisional risk** | | |
|---|---|---|
| 28 | Principle Risk | Failure to break-even |

**Committees/groups where this item has been presented before**

N/A

**Acronyms**

BSO: Business Services Organisation
DoH: Department of Health
PHA: Public Health Authority
SPPG: Strategic Planning & Performance Group
FSS: NHSCT Financial Support Services
ARSS: BSO Accounts Receivable Shared Services
FAS: NHSCT Financial Accounting Services

**Executive Summary**

The Trust is forecasting to break-even in 2024/25, this is due to deficit funding from DoH of £31m. The Trust also has an in-year Savings Target of £19.3m, current forecasts are for an overachievement of £2m.

The month 7 Report also includes the Statement of Financial Position at Mth 6 for noting.

*We provide compassionate care with our community, in our community*

Trust Board Reference Number: TB161/12/G

Northern Health and Social Care Trust

INVESTORS IN PEOPLE®
We invest in people Silver

# TRUST BOARD

# FINANCIAL POSITION REPORT – October 2024

Prepared & Issued by Finance Department

# Contents

## Section 1: Financial Performance Targets 2024/25

| Financial Performance Targets | RAG STATUS |
|---|---|
| **1. Agree in-year break-even financial plan agreed with SPPG and DoH** | G |
| 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 the DoH on the 21st May 2024. This plan set out a DEFICIT of £35.0m, the Trust was asked to achieve a further £4.0m in-year in savings, leaving a deficit of £31m. The DoH has written to all Trust to notify that they will hold remaining deficit in the centre – and so has allocated funding to cover the remaining deficit. | |
| **2. Achieve in-year break-even outturn within allocated Revenue Resource Limit (RRL)** | G |
| At Mth 7 the Trust is forecasting a break-even, this is achieved through non-recurrent funding from DoH/SPPG. | |
| **3. Achieve 2024/25 Savings Target** | G |
| The Trust has prepared a Low/Medium Recovery and Contingency Savings Plan, including MORE Savings, of £19.3m This is set out in section 4. The Trust is forecasting to overachieve on these savings by £2m. | |
| **4. Reductions to Agency Spend**<br>**a) Cease all off Framework Social Work Agency 01/04/23 and all Social Work Agency from 01/07/23**<br>**b) Cease all off Framework Nurse Agency Spend by 15th August 2023** | G |
| The cessation of Off Framework Nursing & Healthcare Agency and all of Social Work 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 2024 96.44% of invoices have been paid per prompt payment target. | |

## Section 2: Financial Plan 2024/25

A draft Financial Plan was submitted to the Permanent Secretary and SPPG in January 2024. Following further analysis of costs and Indicative Allocation letters from both SPPG and PHA and some work on Low and Medium Recovery & Contingency Savings an updated Financial Plan was submitted to the Permanent Secretary and SPPG on the 21st May 24. In July 2024 the Permanent Secretary wrote to the Trust requesting a further £4.0m of non-catastrophic/high savings. Following the Trust response the DoH/SPPG confirmed (2nd August 2024) that the remaining deficit would be funded and all deficits would be held centrally.

**Table 1: 2023/24 Draft Financial Plan**

| | **£000** |
|---|---|
| **24/25 Net Deficit Reported at January 2024** | **70,207** |
| Less Funding Set out in Indicative Allocation letter | (11,783) |
| Add Retraction of funding IRO Vasectomies | 195 |
| **24/25 Revised Net Opening Deficit at May 2024** | **58,619** |
| Less Low Impact Recovery Measures 2024/2025 | (7,409) |
| Less Non-Recurring Contingency Measures proposed | (6,450) |
| Less Cost Containment Measures (Enhanced Placements) | (11,766) |
| **24/25 Net Deficit at May 2024** | **32,994** |
| Add Estimated Growth 2024/25 | 10,800 |
| Less Indicative Growth Funding 2024/25 | (8,763) |
| Additional Savings Request (July 24) | (4,000) |
| DoH / SPPG Funding | (31,031) |
| **24/25 Net Financial Plan Position – August 24** | **0** |

Assumptions

1. That all assumed funding is released to the Trust by SPPG;
2. That current expenditure trends remain as projected;
3. This includes estimates for packages in respect of discharges from Acute (including MH&LD) and Community Hospitals and Transitions from LD Children's to LD Adult services;
4. This assumes full achievement of 2024/25 Savings Plan including the additional £4m.

## Section 3

## Statement of Financial Position as at 30 September 2024

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-24 Trust £000s | 31-Mar-24 Trust £000s | Note |
|---|---|---|---|
| **Non Current Assets** | | | |
| Property, Plant and Equipment | 518,146 | 521,136 | No significant change. Movements largely due to amortisation of intangible assets and deprecation of Property, Plant and Equipment |
| Intangible Assets | 4,739 | 6,461 | |
| **Total Non Current Assets** | **522,885** | **527,597** | |
| | | | |
| **Current Assets** | | | |
| Assets Classified as Held for Sale | 2 | 2 | No significant change |
| Inventories | 4,789 | 4,571 | No significant change |
| Trade and Other Receivables | 26,043 | 25,978 | No significant change |
| Other Current Assets | 5,614 | 4,122 | The increase is the result of an increase in prepayments which fluctuate throughout the year. |
| Cash and Cash Equivalents | 16,945 | 4,533 | Timing issue in relation to cash drawn down from DoH and payments processed over Sept24 month end. This value is monitored closely and will reduce at year end. |
| **Total Current Assets** | **53,393** | **39,206** | |
| **Total Assets** | **576,278** | **566,803** | |
| | | | |
| **Current Liabilities** | | | |
| Trade and Other Payables | (120,203) | (187,561) | The reduction is primarily due to decreases in Payroll Payables (£65m) that are only finalised at year end. |
| Other Liabilities | (384) | (644) | RoU liabilities to be realised within the next FY. Varies due to number and value of leases held. |
| Provisions | (38,584) | (37,073) | Indicative of expected amount to settle in the current and next financial year and subject to change |
| **Total Current Liabilities** | **(159,171)** | **(225,278)** | |
| | | | |
| **Total Assets less Current Liabilities** | **417,107** | **341,525** | |
| | | | |
| **Non Current Liabilities** | | | |
| Provisions | (100,877) | (109,643) | Indicative of expected amount for future years and subject to change |
| Other Payables | (1,208) | (1,300) | ROU liabilities to be realised later than within the next FY. Varies due to number and value of leases held. |
| Total Non Current Liabilities | **(102,085)** | **(110,943)** | |
| Total Assets less Liabilities | **315,022** | **230,582** | |
| | | | |
| **Taxpayers's Equity and Other Reserves** | | | |
| Revaluation Reserve | 216,170 | 216,327 | |
| SoCNE Reserve | 98,852 | 14,255 | |
| **Total Equity** | **315,022** | **230,582** | |

## Section 4: Financial Position at October 2024

The Income and Expenditure position at October 2024 is:

**Table 2: 2024/25 Month 7 (October 2024) Income & Expenditure**

| | Actual Expenditure (Mth 7) £'000 | Forecast Expenditure 2024/25 £'000 |
|---|---|---|
| Pay Expenditure | 403,165 | 688,322 |
| Net Non-Pay Expenditure | 257,013 | 439,259 |
| Total Expenditure | 660,178 | 1,127,681 |
| Total Income | 660,178 | 1,127,681 |
| (Surplus) / Deficit at October 2024 | 0 | 0 |
| **% (Surplus)/Deficit against RRL** | **0%** | **0%** |

The projected outturn as at 31st March 2025 is set out in Table 3 below and includes an analysis of the main over/underspends by Division. This includes accruals and forecasting assumptions, these will be reviewed as part of the mid-year review.

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

## In Year Position

The Year to date expenditure position per the Trust Monitoring Returns is £660,178,000.

## Recurrent Position

The recurrent position is set out in the draft Financial Plan of 2024/25 is to be confirmed following confirmation of allocations on FYE basis.

## Division Financial Position at October 2024

**Table 3: 2023/23 Projected Outturn by Division**

| Division/Directorate | Budget £'000 | Expenditure £'000 | Mth 7 Variance £'000 | Projected Outturn October 2024 £'000 |
|---|---|---|---|---|
| Medicine & Emergency Medicine | 78,791 | 84,697 | 5,906 | |
| Surgical & Clinical Services | 101,218 | 101,629 | 411 | |
| Community Care | 127,935 | 133,980 | 6,045 | |
| Children & Young People | 56,643 | 57,670 | 1,027 | |
| Mental Health, Learning Disability & CW | 140,566 | 139,645 | (921) | |
| Nursing, Paediatrics, Women & Corporate Services | 61,543 | 61,951 | 408 | |
| Medical & Governance | 13,339 | 12,571 | (768) | |
| Strategic Planning, Performance & ICT | 7,812 | 7,317 | (495) | |
| Infrastructure & Capital | 11,437 | 10,801 | (636) | |
| Corporate Overheads | 10,227 | 10,193 | (34) | |
| Finance | 6,977 | 6,953 | (24) | |
| Vaccinations & MDT | 1,454 | 1,367 | (87) | |
| Human Resources, OD & Corp Comms | 4,258 | 4,096 | (162) | |
| Chief Executive & Trust Board | 348 | 338 | (10) | **£0M B/E** |
| Corporate/Cost Pressures (including Covid, WLI, Corp Deficit and deficit funding**)** | 37,630 | 26,970 | (10,660) | |
| **Totals** | **660,178** | **660,178** | **0** | |

This positon includes a number of accruals, estimates and forecasts. This includes assumes full achievement of savings and full expenditure incurred on growth.

Key Drivers of Variances are:

- Medicine & Emergency Medicine – deficit is £10.1m projected. This deficit continues to be one of the overall key areas of financial risk to the Trust. The most significant deficits are in Medical and Nursing. Medical, as a result of agency premium

on agency doctors, covering vacant posts and gaps in rotas. Nursing, as a result of extended ED footprint and Enhanced Care, across a range of wards. This deficit includes spend on growth – allocation not assumed in Divisions position – but included part of Corporate/Cost Pressures.

- Surgical & Clinical Services – deficit is forecast to be £0.7m. Key Deficits still remain within Surgery, Anaesthetics and Radiology – this is mostly all with respect to medical and nursing staff. Cost drivers within medical and nursing being: Utilisation of nursing above budgeted hours and agency premium, on vacant posts. The position is net of WLI funding of £2.2m, for Radiology, which is non-recurring.

- Community Care – total deficit is £10.4m projected. The biggest issues in this Division remain 1:1's / Bespokes and Intermediate Care and Contingency beds, there is also an overspend on IS Domiciliary Care and Direct Payments. However offset against all of this is an underspend in IH Domiciliary Care – due to vacancies. As with the Acute Divisions there is an overspend in Nursing Staff – this is both due to utilisation of hours above budget and also premium paid to Nurse Agency staff. This deficit includes spend on growth – allocation not assumed in Divisions position – but included part of Corporate/Cost Pressures.

- Children & young People – Children & young People – total deficit is forecast to be £1.8m. There continues to be pressures within Corporate Parenting mainly driven by increased activity resulting in cost pressures on Children's expenditure, but this is being off-set by surpluses in pay driven by vacant posts in other areas in particular CAMHS. The Division continues to strive towards savings targets for FY24/25 made more challenging by the increase in activity numbers. The outturn has remained consistent for a number of months.

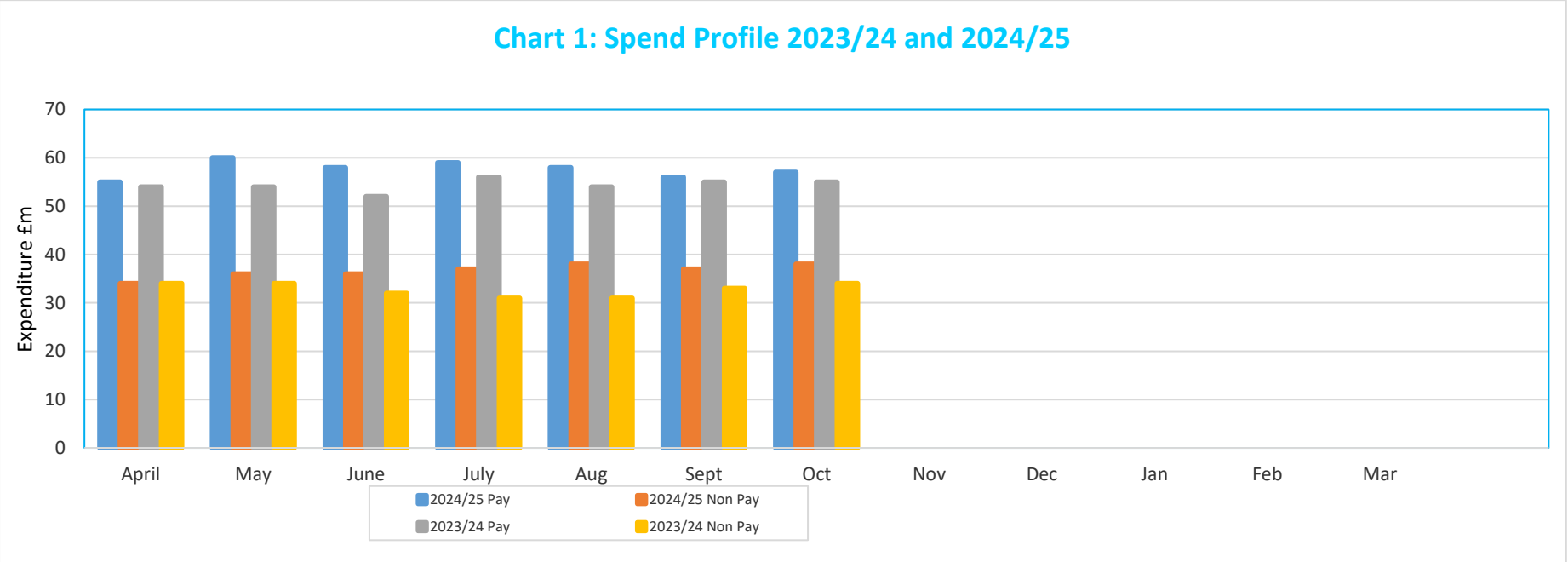
- Mental Health, LD & CW – total surplus of £1.6m forecast. While forecasting a surplus there are still some concerning deficit areas including the continued nursing pressures in Acute Inpatients (including in Inver 4), Bespoke 1:1 packages and discharges/resettlements from Holywell (although SPPG Indicative Allocations accrued have eased this pressure). There are also a number of vacant posts in the Community Mental Health, Community LD and Clinical Psychology Services which are also abating the over-spends. This surplus includes spend on growth – allocation not assumed in Divisions position – but included part of Corporate/Cost Pressures.

- Nursing, PWCS – Nursing, PWCS – total deficit is £0.7m projected, however should financial plan deficit be resourced and all savings achieved this would bring Division closer to breakeven at year end. The key areas of concern remain in B2 catering and domestics pay, medics requiring the use of locums in order to deliver care, catering supplies and

pharmacy. Underspends in other areas e.g. maternity nursing and other areas where there are vacant posts are offsetting these areas of overspend. The Division has actively worked on absence management which is helping ease the pressure in areas where historically the overspends have been larger.

- Other Directorates – The other Directorates are forecasting to be underspend by £3.8m, the most significant Directorate being Medicine & Governance and Pharmacy Services in particular. Across all these Divisions surpluses are being driven by vacancies. Indicative Waiting List funding for 2024/25 from SPPG is £12.9m and it is currently forecast that this will be fully utilised. This has all been assumed within the forecast positon reported.

The profile of the expenditure in the Trust on Pay and Non-Pay cumulatively to Month 7 for 2023/24 and 2024/25 is set out below in Chart 1.




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

## Section 5: Savings Target 2024/25

The Trust has identified Low and Medium Recovery and Contingency Savings of £15.3m for 2024/25. This includes savings against the MORE Pharmacy Savings programme – SPPG has identified a Savings Target of £1.45m. The overall MORE Savings Plan needs to be completed and signed off by the Regional MORE Project Board, however the Trust assumes that we will fully achieve. The Trust also identified at year-end review £11.8m of costs that were avoided or reduced from Jan 2024 submitted draft plan – these are in addition to the savings included'

The DoH/SPPG have requested a further additional savings target of £4m from the Trust. The Trust has responded that we will look to develop these savings over the next number of months but these will not come from High or Catastrophic scenarios.

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 forecast to be achieved. Those schemes that are green have started and are expected to fully achieve. Those that are Amber have not commenced per the plan or are not expected to fully deliver. Those that are Red are not expected to deliver.

The current forecast is for an overachievement against savings target of £2m.

**Table 4: Savings Plans 2024/25**

| Scheme | Savings Per Plan £'000 | Achieved at October 24 – Forecast to Year-end £'000 | Forecast Savings Yet to Start £'000 | Total Forecast Variance v Plan £'000 | RAG Rating |
|---|---|---|---|---|---|
| Clinical Fellow | 26 | 0 | 0 | 26 | |
| MIU, MU Reduced Hours | 105 | 0 | 0 | 105 | |
| Medical Workforce Reform | 1,800 | 2,413 | 0 | (613) | |
| Enhanced Care | 500 | 0 | 500 | 0 | |
| Sustainability | 315 | 315 | 0 | 0 | |
| Medical Imaging | 86 | 0 | 0 | 86 | |
| Taxis | 50 | 0 | 50 | 0 | |
| Nurse Stabilisation | 2,726 | 3,526 | 100 | (900) | |
| Corporate Services Efficiencies | 527 | 456 | 10 | 61 | |
| Cease use of Foster Care Agencies | 400 | 311 | 0 | 89 | |
| Absence Measures | 274 | 346 | 0 | (72) | |
| Children's Order Article Spend | 225 | 0 | 161 | 64 | |

| | | | | | |
|---|---|---|---|---|---|
| Revised Contracts | 375 | 375 | 0 | 0 | |

| | | | | | |
|---|---|---|---|---|---|
| Holding Minor Works | 300 | 300 | 0 | 0 | |
| Service Development Slippage | 2,000 | 2,000 | 0 | 0 | |
| Technical Adjustments & holding non-urgent spend | 4,000 | 4,822 | 0 | (822) | |
| Vacancy Control – Corporate Service | 150 | 150 | 0 | 0 | |
| MORE Savings | 1,466 | 1,466 | 0 | 0 | |
| Additional Savings – July 24 | 4,000 | 4,000 | 0 | 0 | |
| **Grand Total** | **19,325** | **20,480** | **821** | **(1,976)** | |

*Green: Savings have commenced. Amber: Savings are yet to start or are not expected to fully deliver. Red: Savings are not expected to deliver.*

## Section 6: Flexible Staffing Costs as at 31st October 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.

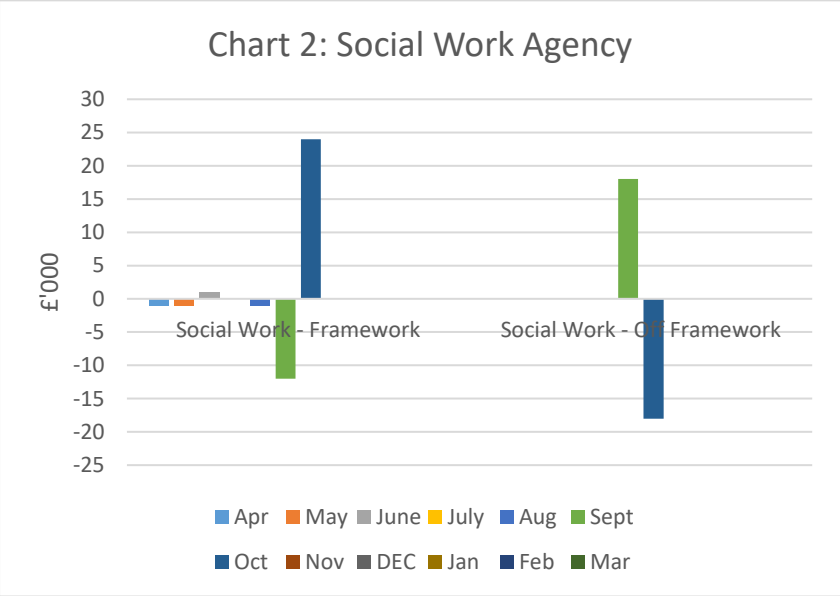
### a) Regional Initiatives for Agency Staffing

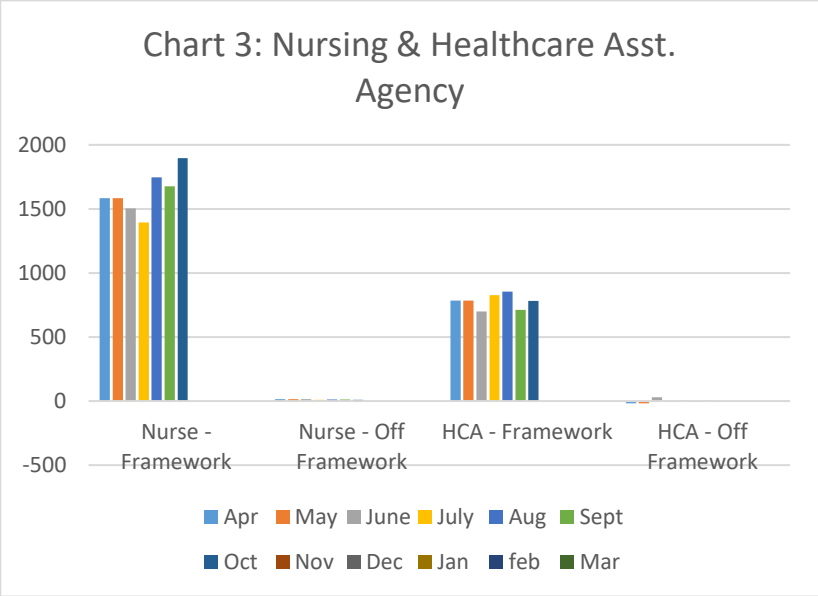
As part of the Regional work on Agency Staffing there has been 2 initiatives for removing off Framework and over all Agency expenditure. A range of employer's statements to staff and DoH press releases have supported these initiatives. These 2 initiatives are:

- 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

All Off-Framework spend in these arears should have ceased completely by 2024/25, except for deviation approved regional for 1 service in Complex Health in Community Care. From Charts below you can see that for Nursing and HCA Off-Framework has been removed (apart from the 1 case in CC).

For Social Work Agency, there are some issues with coding of invoices – these appear in month and are then investigated and recharged to correct professional heading the following month.




## Non Contract Agency Spend

Overall the total Agency spend at 31st October 2024 was £40.2m, of this 30.4% (£12.2m) was on off-framework Agencies. Nursing, Healthcare Assistants and Medical Locum Agency spend represent 79% of the total Agency spend. Medical Agencies represent 86% of the total off-framework spend. Only 28% of all Medical Agency spend and 20% of all Radiographer Agency spend is Framework spend.

The Divisions with the biggest Off-Framework expenditure are MEM (Medical Agencies), SCS (Medical & Radiographer Agencies), MHLDCW (Medical Agencies) and NPWCS (Medical & Ancillary Staff Agencies). The forecast spend in these Divisions is on off-Framework Agencies is £20.0m.

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

| Directorate | Contract £'000 | Non Contract £'000 | Total £'000 |
|---|---|---|---|
| Medicine & EM | 12,271 | 5,743 | 18,014 |
| Surgical & Clinical Services | 4,507 | 3,227 | 7,734 |
| Community Care | 2,209 | 83 | 83 |
| Children & Young People | 1,134 | 167 | 167 |
| Mental Health, LD & CWD | 4,230 | 1,301 | 1,301 |
| Nursing, Paeds, Women & CS | 2,554 | 1,409 | 1,409 |
| Medical & Governance | 177 | 11 | 11 |
| SPP&ICT | 121 | 158 | 158 |
| Infrastructure & Capital | 100 | 30 | 30 |
| Finance | 151 | 7 | 7 |
| Vaccinations & MDT | 14 | 0 | 0 |
| HR | 3 | 0 | 0 |
| Other Corporate | 506 | 68 | 68 |
| **TOTAL** | **27,977** | **12,204** | **40,181** |

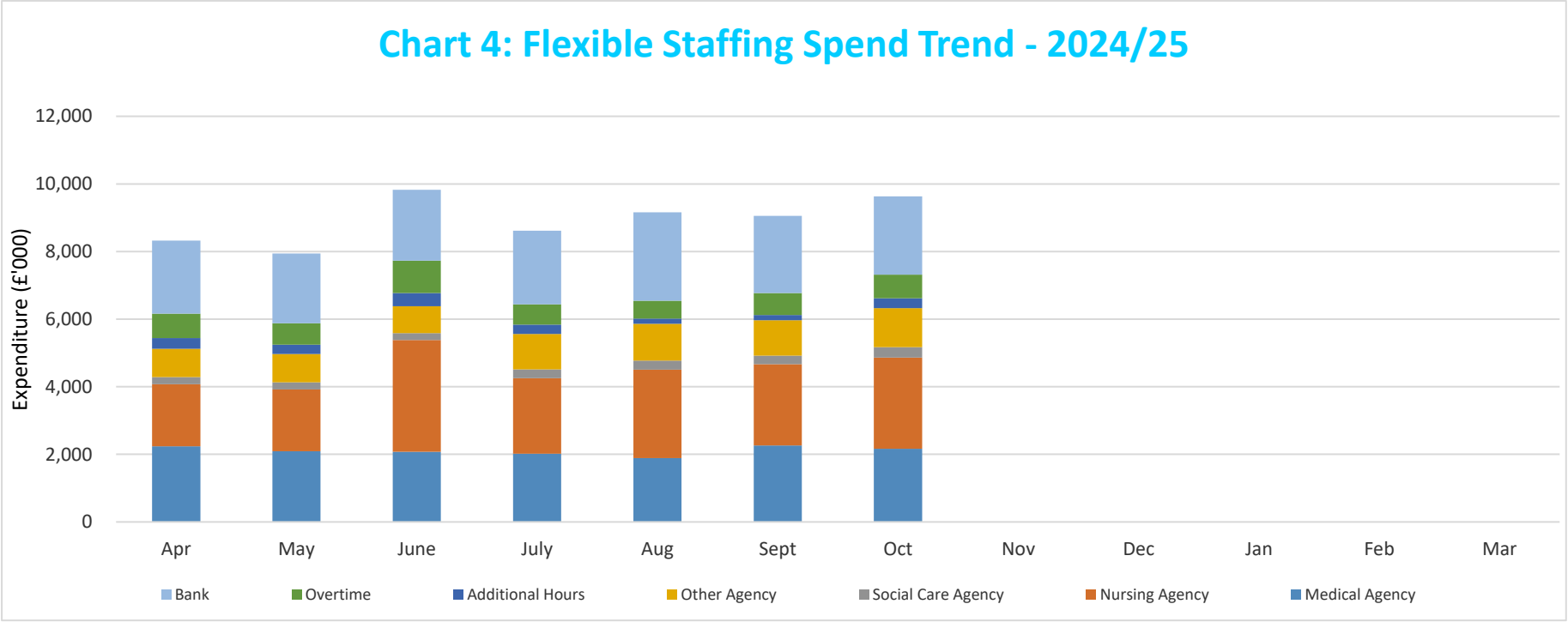
| Family Group | Contract £'000 | Non-Contract £'000 | Total £'000 | Contract % |
|---|---|---|---|---|
| Admin & Clerical | 2,339 | 181 | 2,520 | 92.8 |
| AHP | 196 | 206 | 402 | 48.8 |
| Ancillary | 2,428 | 358 | 2,786 | 87.2 |
| Health Care Support | 5,442 | 5 | 5,447 | 99.9 |
| Medical | 4,089 | 10,648 | 14,737 | 27.7 |
| Nursing & Midwifery | 11,386 | 89 | 11,475 | 99.2 |
| Other | 13 | 30 | 43 | 30.2 |
| P&T (mto) | 124 | 73 | 197 | 62.9 |
| Pathology | 199 | 5 | 204 | 97.5 |
| Pharmacy | 0 | 11 | 11 | 0.0 |
| Radiography | 132 | 515 | 647 | 20.4 |
| Social Care | 1,629 | 83 | 1,712 | 95.2 |
| | | | | |
| **TOTAL** | **27,977** | **12,203** | **40,181** | **69.6** |

### b) Total Spend on Flexible Staffing

The total spend in these areas is summarised below:

## Table 5: Flexible Spend at October 2024

| Division/Directorate | Cum to October 2024 | | | | | | Cum to Oct 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 | 7,945 | 10,069 | 2,136 | 561 | 67 | 20,778 | 23,280 | (2,502) | (11) |
| Surgical & Clinical Services | 3,827 | 3,907 | 1,524 | 1,382 | 325 | 10,965 | 12,795 | (1,830) | (14) |
| Community Care | 0 | 2,292 | 5,374 | 940 | 398 | 9,004 | 8,155 | 849 | 10 |
| Children & Young People | 0 | 1,301 | 1,314 | 1,012 | 174 | 3,801 | 3,698 | 103 | 3 |
| Mental Health, LD & CWD | 1,563 | 3,967 | 2,802 | 356 | 108 | 8,796 | 9,738 | (942) | (10) |
| Medical & Governance | - | 189 | 43 | 49 | 36 | 318 | 296 | 22 | 7 |
| Nursing, Paeds, Women's & Corp Serv. | 1,334 | 2,628 | 2,320 | 292 | 693 | 7,267 | 7,809 | (542) | (7) |
| Others | 68 | 1,089 | 199 | 206 | 64 | 1,626 | 2,562 | (936) | (37) |
| **TOTALS** | **14,737** | **25,442** | **15,712** | **4,798** | **1,865** | **62,555** | **68,333** | **(5,778)** | **(8)** |




This report includes 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 £27.9m cumulative to October 2024 and projects to £47.9m for the financial year. However the main spend is directly linked to agency spend (as opposed to Bank, Overtime and Additional Hours) which is £16.9m cumulative at September 2024, projecting to £29.0m.

Total flexible staffing expenditure is 15.5% of the total payroll costs at October 2024.

### 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 | 1,868 | 1,686 | 97 | 108 | 34 | 1,925 | 57 |
| Estates | 180 | 163 | 2 | 2 | 8 | 178 | (5) |
| Medical & Dental | 772 | 638 | 25 | 175 | 24 | 862 | 90 |
| Nursing Registered | 3,111 | 2,896 | 72 | 281 | 185 | 3,434 | 323 |
| Nursing – HCA | 808 | 686 | 5 | 207 | 121 | 1,019 | 211 |
| Professional/Technical | 1,736 | 1,588 | 60 | 63 | 68 | 1,779 | 43 |
| Social Work | 1,002 | 960 | 36 | 0 | 89 | 1,085 | 83 |
| Social Care | 1,837 | 1,395 | 48 | 73 | 327 | 1,843 | 6 |
| Support Services | 986 | 777 | 31 | 119 | 76 | 1,003 | 17 |
| **TOTALS** | **12,300** | **10,789** | **376** | **1,028** | **932** | **13,125** | **825** |

Currently the Trust has in the region an additional 825 WTE staff over the funded staffing level; that equates to a staffing level of 6.7% 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.

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).
- Additional staffing in respect of encompass.

## 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 2024 almost 96.44% of invoices have been paid.

## Section 8: Debtors Position – October 2024

### Northern Trust Debtor Balance

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

Credit control for social care payments is managed by the FSS team. ARSS, BSO, provide a credit control function for all other Trust debtors, with performance overseen by the FAS team. Payroll overpayment recovery is managed in the first instance by PSSC but falls to the Trust when staff have left or refuse a repayment plan.

| Category | At Mar23 | | At Mar24 | | At Sep24 | |
|---|---|---|---|---|---|---|
| | £'000s | No of Invoices | £'000s | No of Invoices | £'000s | No of Invoices |
| Independent Homes | 15,823 | 4,684 | 16,278 | 4,389 | 18,350 | 4,977 |
| Direct Payments | 110 | 139 | 170 | 115 | 170 | 109 |
| Dom Care | | | | | 19 | 1 |
| Staff Related Debt | 427 | 1,696 | 669 | 2,948 | 587 | 2,774 |
| Commercial | 393 | 121 | 271 | 140 | 397 | 167 |
| Health Centre / GP Charges | 111 | 99 | 216 | 129 | 277 | 148 |
| Inter NHS/Government Bodies | 620 | 154 | 283 | 123 | 1,704 | 225 |
| Private Patients | 101 | 54 | 168 | 87 | 223 | 88 |
| Client Meals / Services | 136 | 216 | 58 | 102 | 102 | 108 |
| Other | 7 | 2 | 22 | 3 | 25 | 33 |
| **Total** | **17,728** | **7,165** | **18,135** | **8,036** | **21,854** | **8,630** |
| Debt related to social care payments | | | | | **18,539** | **5,087** |
| ARSS debt | | | | | **3,315** | **3,543** |

Key points to note:

**Debt Related to Social Care Payments:-**

The following amounts are included in the Independent Home Debt £000s:-

- Current Mth and Dunning Period 5,660
- Suppressions 1,143
- DLS cases 4,762
- OCP Referrals 2,549
- EJO cases 9

- Property  Dunning Suppression 1,449
- Other 2,778

Independent Homes invoice recovery.  Total percentage of invoices paid Oct 24:-

- In month invoices 93%
- 30 day invoices 53%
- 60 day invoices 34%
- 90 day invoices 21%

Additional Independent Home information

There are currently 232 Independent Home, debt cases, referred to DLS.  Payments received Oct 24 £350k, cumulative April 24 – Oct 24 £1,328k in respect of DLS cases was as follows:-

| | Oct 24 -  £000's | Cum April 24 – Oct 24 - £000's |
|---|---|---|
| Debt Fully Paid | 206 | 659 |
| Debt Partially Paid | 133 | 594 |
| Payment Plan | 11 | 75 |
| **Total** | **350** | **1,328** |

FSS has an additional temporary part-time resource within the credit control team focusing on recovery of debt relating to deceased clients.  Payments received Oct 24 £88k and cumulative payments received April 24 – Oct 24 inclusive was £360k.

- Independent Homes DLS write-offs completed to date in the 24/25 financial year
    - Oct 24  - 6 clients £26k

- Independent Homes Trust write-offs completed to date in the 24/25 financial year
    - Oct 24 - 11 clients £13k

- Independent Homes 11 clients pending Write-off approval £153k – (DLS cases)
    - Pre April 2024 - 6 clients £115k
    - April/May 24 - 2 clients £21k
    - Aug 24 - 1 client £6k
    - Sept 24 - 1 client £2k
    - Oct 24 - 1 client £9k

- Independent Homes 39 clients pending Write off approval £30k – (Non DLS cases)
    - May 24 - 11 clients £9k
    - June 24 - 1 clients £0.1k
    - July 24 - 3 clients £2k
    - Sept 24 - 2 clients £2k
    - Oct 24 - 22 clients £17k

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

**ARSS Debt:**

- Inter NHS and Government Bodies – 98% of the debt is less than 90 days old;
- Staff Related Debt – 64% of the debt is less than 90 days. The accommodation Focus Group (FAS, Accommodation team and NIMDTA representative) now meet monthly to improve the accommodation service and reporting. Staff accommodation debt has decreased by 17% since September 2024 to £88k, 64% of the debt is less than 90 days old;
- Commercial – 86% of the debt is less than 90 days old;
- Health Centre/GP Charges – The quarterly service charges were issued during October which explains the increase in Health Centre debt. The ongoing dispute with GPs in respect of the annual increase continues to impact this debt position although some accounts are now being cleared due to amalgamation of practices. Estates are continuing to finalise the process of

obtaining signed area schedules from all GPs agreeing areas to be charged from April 2024. Until these are finalised, we cannot include an accrual for the increase in charges still to be invoiced, however, the increase due to the DoH circular has been applied to all practices. 51% of the debt is less than 90 days old;

- Private Patients – 20% of this debt is less than 90 days old, six invoices are being actively progressed by DLS and three invoices totalling £25k are determined as unrecoverable and will be written off. FAS is working with the Private Patient's Officer to improve the information provided to FAS iro invoicing and to improve recovery :
- Overall ARSS debt – 75% is less than 90 days old. Repayment plans are in place for 6% of the total debt and account for 67% of the total number of invoices. FAS continually focus on engaging with debtors to set up suitable repayment plans to reduce the risk of debt becoming statute barred.

## Section 9: Covid Cost Implications

Covid costs continue to reduce year on year. For 2024/25 the most significant expected Covid cost is PPE.

The current level of funding has been agreed with SPPG/DoH and PHA.

**Table 8: Forecast Covid Expenditure at October 2024**

| Classification | Expenditure at Oct 24 £'000 | Projected Expenditure £000's |
|---|---|---|
| Lab Testing | 276 | 691 |
| Long Covid | 66 | 152 |
| PPE Consumables & FIT Testing | 1,616 | 2,650 |
| Vaccinations | 98 | 170 |
| **Total** | **2,056** | **3,662** |
| **Indicative Funding** | **2,056** | **3,663** |
| **Variance** | **0** | **0** |

## Section 10: Key Assumptions and Risks

A number of financial assumptions and risks were made in relation to the Financial Plan for 2024/25 and also with regard to the overall financial position.

- 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 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 2024/25. 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, this continued in 2023/24 and is expected to be the same for 2024/25.
- 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. Accruals are being carried with respect to these issues, including those from the January/February 2024 Change Requests.
- The Trust has received funding for High Cost Drugs (HCD) based on indicative estimates of need. Current expenditure patterns would indicate need below these levels, however the Trust continues to assess this forecast each month and share with SPPG. The current assumption is that if all funding is not required that SPPG will retract any excess.
- There continues to be excellent delivery of savings, particularly regarding Agency reduction. The Trust are forecasting over-deliver on these savings.

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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