



Northern Ireland  
Assembly

## Research and Information Service Briefing Paper

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# DHSSPS Expenditure Plans 2012-13

This paper provides an overview of the Department of Health, Social Services and Public Safety's Planned Resource Expenditure for the 2012-13 financial year.

## Key points

- The expenditure data provided by the Department is in a much-improved format over previous years;
- But the data does not facilitate straightforward analysis of spending priorities over time. This is because different sets of data are generated on different bases;
- The data presented also make it difficult to establish a baseline against which specific Programme for Government commitments may be assessed; and,
- If the Department continues to use the same format in future submissions to the Committee, it should in future be possible for changes in spending priorities to be monitored.

## Introduction

The purpose of this paper is to further enhance the Committee for Health, Social Services and Public Safety's (the Committee) understanding of the expenditure of the Department of Health, Social Services and Public Safety (the Department).

The research brief for this paper asked whether it is possible to observe a shift in the Department's budget plans as a consequence of the *Transforming Your Care* (TYC) report of the review of Health and Social Care in Northern Ireland.<sup>1</sup> In particular, TYC emphasised shifting resources from hospitals to enable investment in community health and social care services. It presented a methodology to make this change over a five-year period.

In order to determine whether such a shift in resource expenditure plans is evident, it is first important to examine historic trends in expenditure to see where resources are currently committed. This paper is therefore structured as follows:

Section 1 of the paper presents an analysis of the historic actual expenditure by Health and Social Care (HSC) Trusts using the Department's Programme of Care (PoC) framework. This data is presented to provide contextual background to the planned expenditure figures presented in section 2.

Section 2 of the paper presents information in relation to planned expenditure for the future.

Section 3 of the paper presents information in relation to the Family Health Services (FHS) budget. FHS expenditure is not covered by the PoC framework.

**Members of the Committee are asked to note that the figures presented in sections 1 and 2 of this paper are prepared on different bases. This means they are not directly comparable. Attempting to draw conclusions by comparing the actual data in section 1 and the planned data in section 2 would be misleading.**

In addition, Members of the Committee are also asked to note that the data presented represent a 'snapshot in time.' The spending plans of the Department are liable to develop and alter to some degree as the year progresses.

<sup>1</sup> DHSPSS (2011) 'Transforming Your Care' available online at: <http://www.dhsspsni.gov.uk/transforming-your-care-review-of-hsc-ni-final-report.pdf> (accessed 6 September 2012)

## 1. Actual expenditure by Health and Social Care Trusts

This section of the paper presents information from the HSC Trusts' financial returns for previous years. It shows spending against nine PoCs for the last five years for which data is available. Detail on the activities covered under each of the PoCs is attached as Appendix 1.

**Members of the Committee are asked to note that:**


- **only a proportion of the Department's expenditure is accounted for under the PoC framework. Expenditure under the Family Health Services budget is not included in Table 1; and,**
- **only direct expenditure by the HSC Trusts is included in Table 1. Expenditure by the Health and Social Care Board (HSCB) or the Public Health Agency (PHA) is not included.**


### 1.1. Actual expenditure across the nine PoCs 2006-07 to 2010-11

Table 1 shows actual expenditure by HSC Trusts.

**Table 1: Actual Expenditure by HSC Trusts 2006-07 to 2010-11**

| Programme of Care                       | Actual Expenditure as per Trust Financial Returns |                |                |                |                |                           |
|---|---|----------------|----------------|----------------|----------------|---------------------------|
|   | 2006-07   | 2007-08        | 2008-09        | 2009-10        | 2010-11        | Change 2006-07 to 2010-11 |
|   | £m  | £m             | £m             | £m             | £m             |                           |
| Acute Services                          | 1,035.3   | 1,114.8        | 1,240.0        | 1,292.4        | 1,282.0        | 23.8%                     |
| Maternity and Child Health              | 117.9   | 121.8          | 138.2          | 145.0          | 148.0          | 25.5%                     |
| Family and Child Care                   | 155.0   | 166.6          | 180.9          | 188.5          | 195.0          | 25.8%                     |
| Elderly Care                            | 628.6   | 644.9          | 687.2          | 704.9          | 721.0          | 14.7%                     |
| Mental Health                           | 190.8   | 197.0          | 222.7          | 225.5          | 228.0          | 19.5%                     |
| Learning Disability                     | 185.6   | 200.2          | 215.3          | 228.3          | 240.0          | 29.3%                     |
| Physical and Sensory Disability         | 83.1  | 92.9           | 98.1           | 100.9          | 106.0          | 27.6%                     |
| Health Promotion and Disease Prevention | 42.0  | 46.6           | 47.1           | 46.9           | 47.0           | 11.9%                     |
| Primary Health and Adult Community      | 77.1  | 98.1           | 120.4          | 138.4          | 154.0          | 99.7%                     |
| <b>Total Expenditure</b>                | <b>2,515.4</b>                                    | <b>2,682.8</b> | <b>2,949.9</b> | <b>3,070.8</b> | <b>3,121.0</b> | <b>24.1%</b>              |

 Expenditure by HSC Trusts grew by a smaller proportion than Total Expenditure across all PoCs

 Expenditure by HSC Trusts grew by a greater proportion than Total Expenditure across all PoCs

## Observations from Table 1

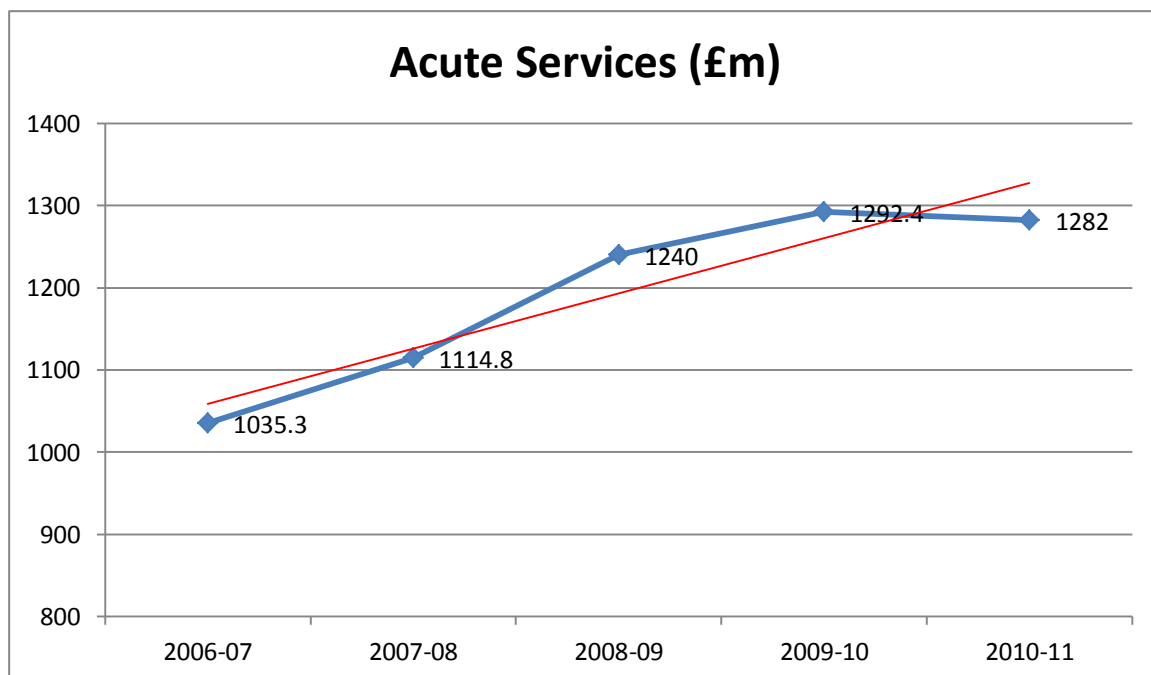
Members of the Committee may wish to note the following observations:

- Total Expenditure by the HSC Trusts grew by 24.1% from 2006-07 to 2010-11;
- Expenditure under five of the nine PoCs grew by a greater proportion than Total Expenditure: Maternity and Child Health; Family and Child Care; Learning Disability; Physical and Sensory Disability, and; Primary Health and Adult Community;
- Expenditure under four of the nine PoCs grew by a smaller proportion than Total Expenditure: Acute Services; Elderly Care; Mental Health, and; Health Promotion and Disease Prevention;
- In 2010-11, expenditure under eight of the PoCs grew. Expenditure under Acute Services fell slightly when compared with 2009-10; and,
- The increase in expenditure under Primary Health and Adult Community is particularly notable – it very nearly doubled over the five-year period.

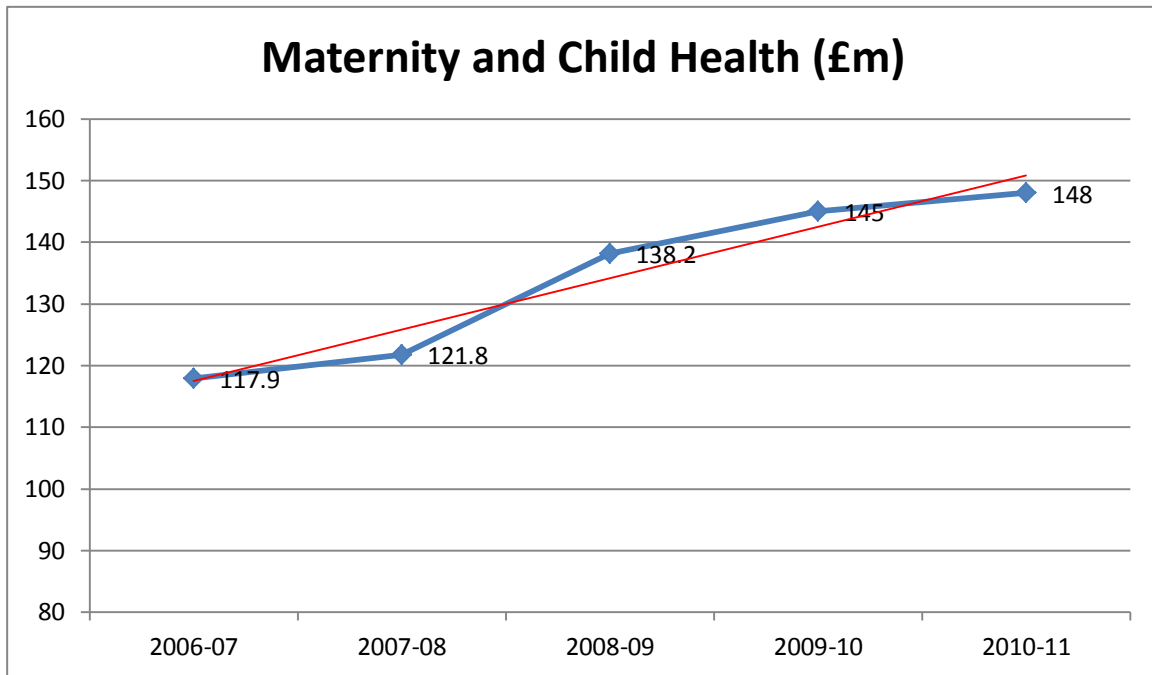
## 1.2. Trend analysis

This section looks at the trends in actual expenditure for each PoC in turn.

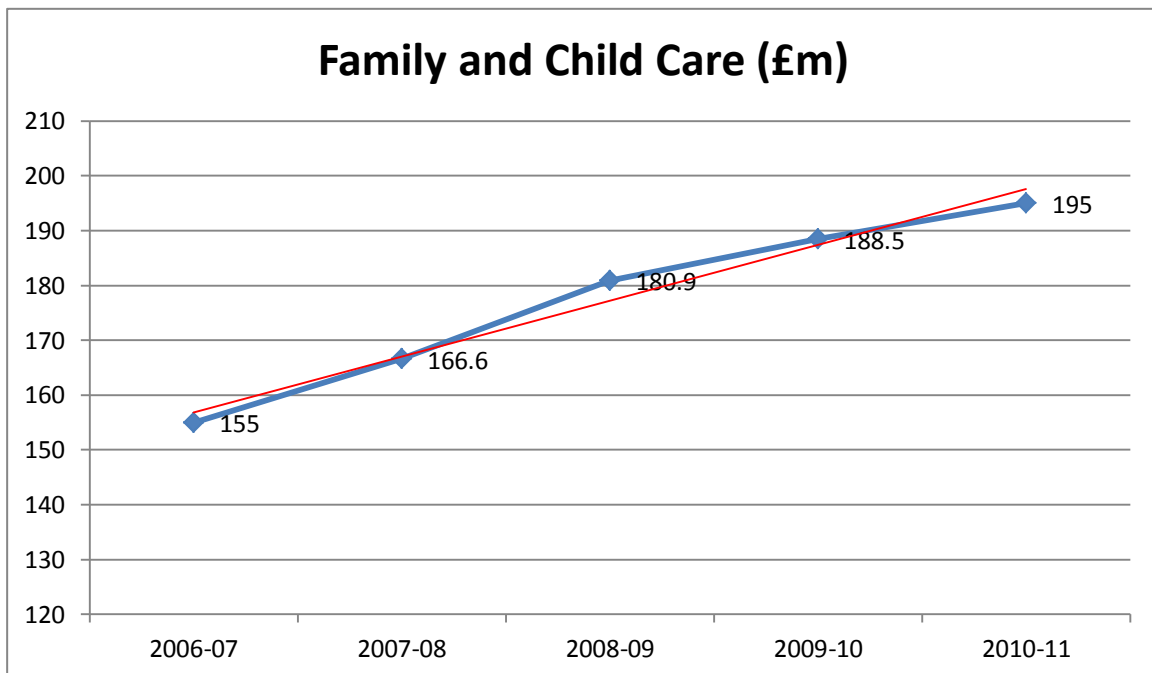
**Figure 1: Acute Services**



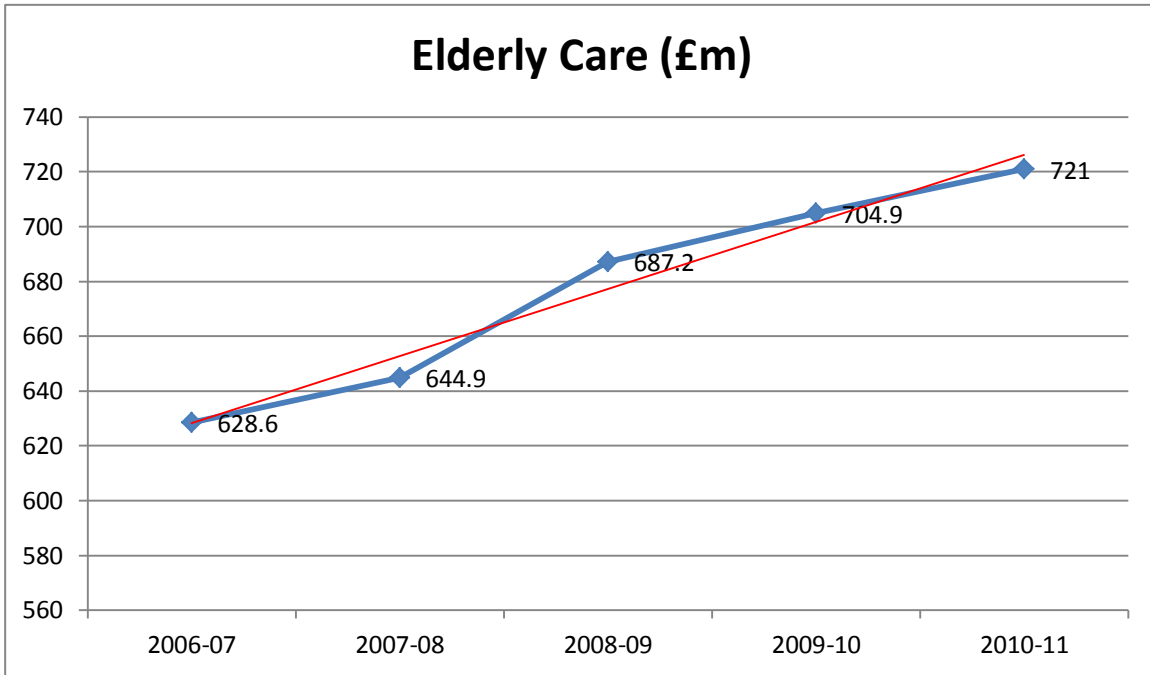
**Figure 2: Maternity and Child Health**



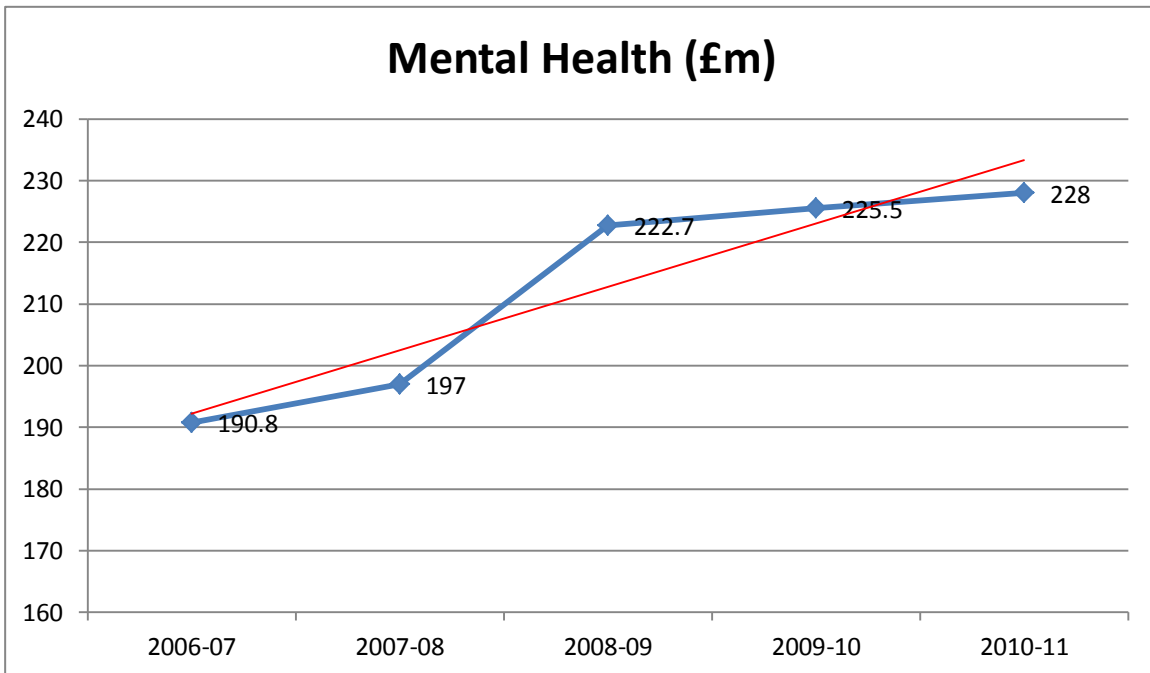
**Figure 3: Family and Child Care**



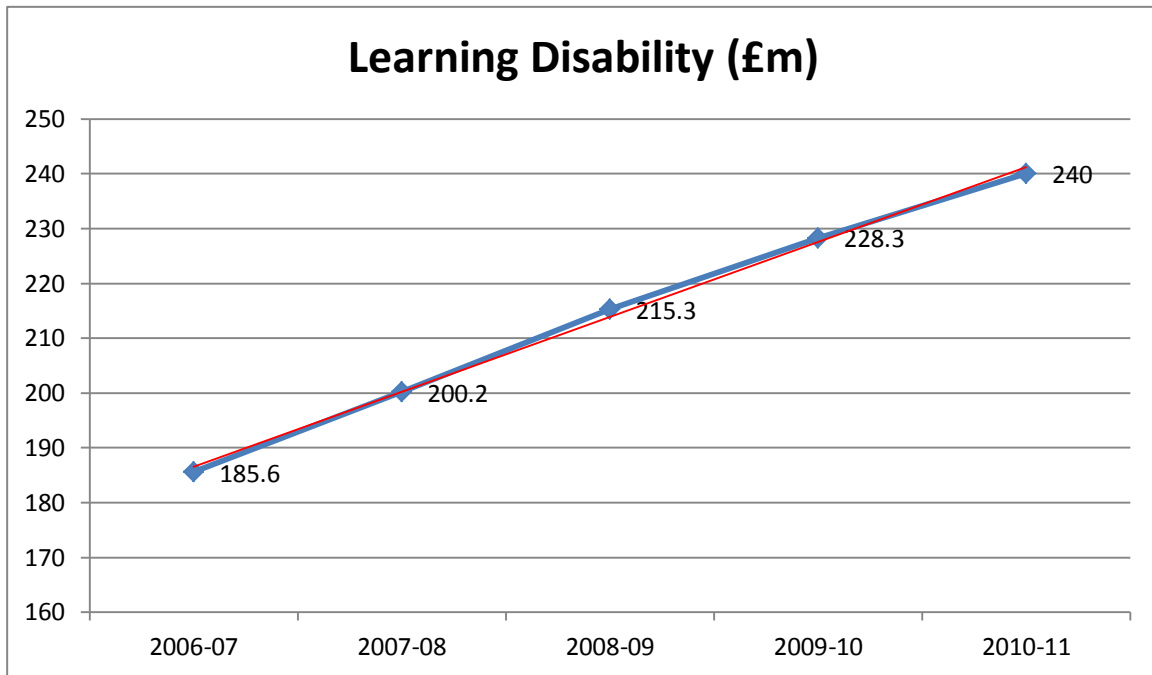
**Figure 4: Elderly Care**



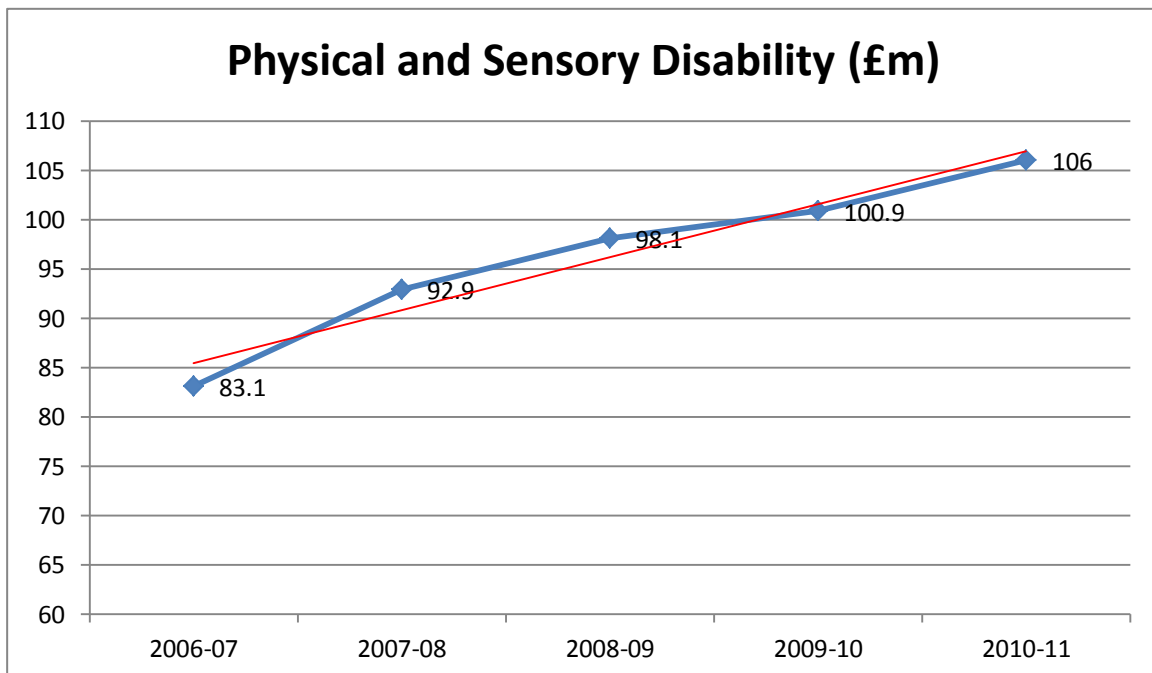
**Figure 5: Mental Health**



**Figure 6: Learning Disability**

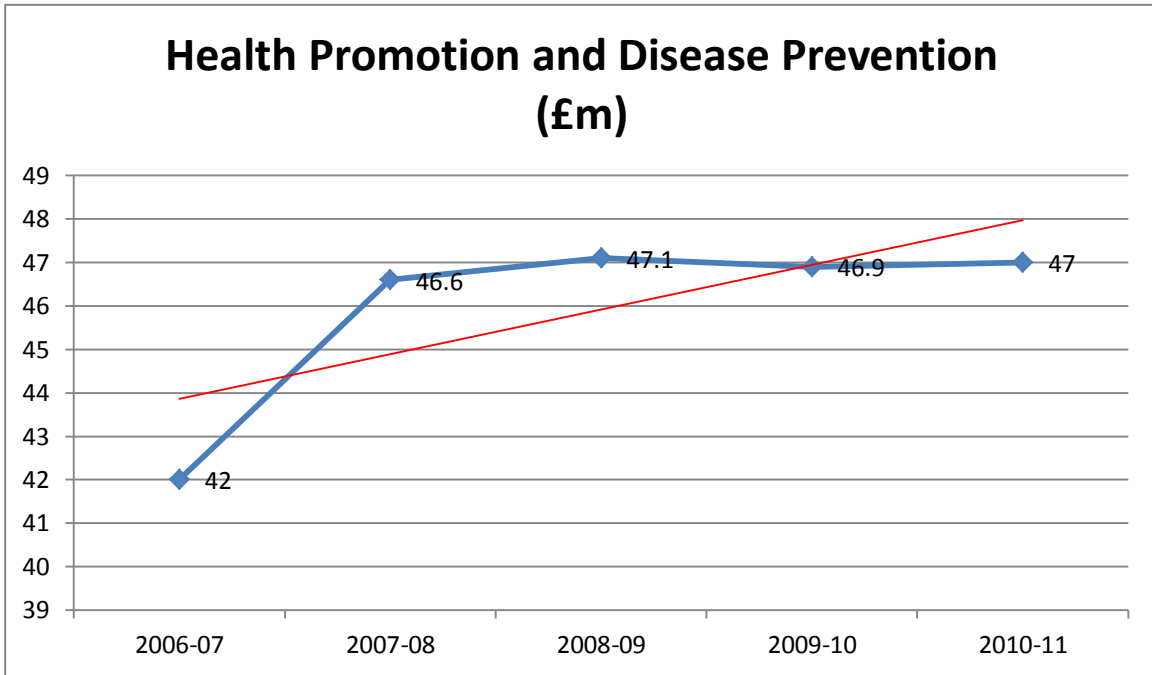


**Figure 7: Physical and Sensory Disability**

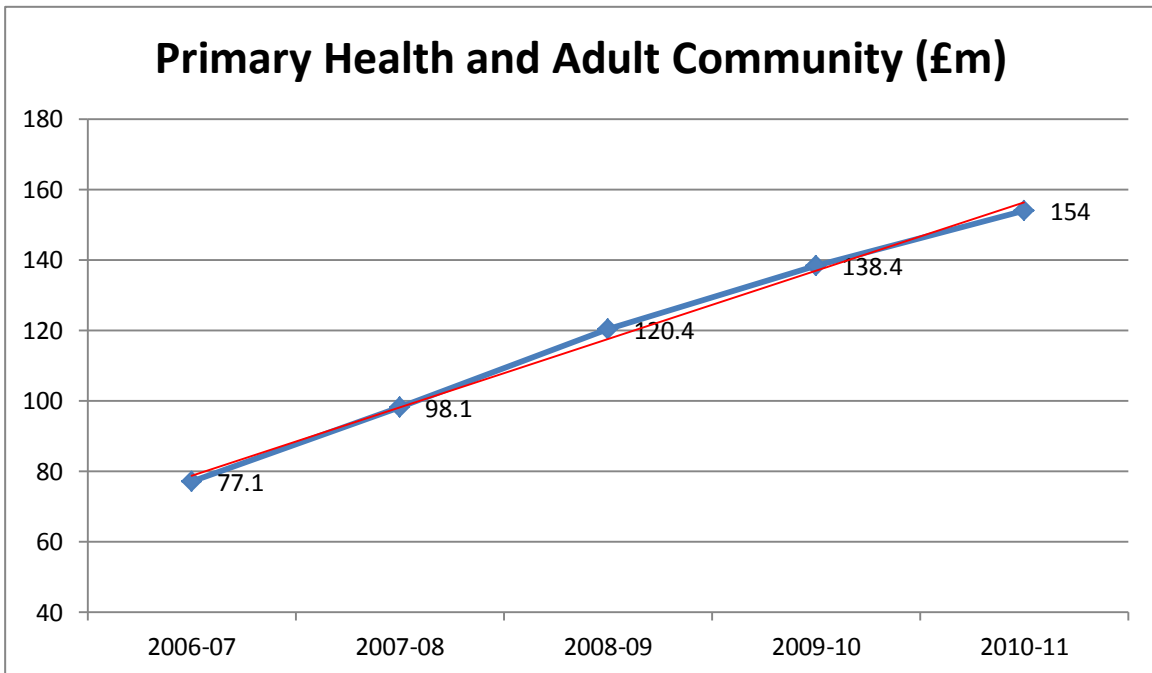




**Figure 8: Health Promotion and Disease Prevention**



**Figure 9: Primary Health and Adult Community**



## Observations from Figures 1 to 9

Members of the Committee may wish to note the following observations:

- In only two instances was expenditure under a PoC lower than in the previous year:
  - In 2010-11, expenditure under Acute Services was £10.4m lower than in 2009-10; and,
  - In 2009-10, expenditure under Health Promotion and Disease Prevention was £0.2m lower than in 2008-09.
- Expenditure growth in Family and Child Care; Learning Disability; Physical and Sensory Disability and Primary Health and Adult Community has been relatively close to the linear trend line. Expenditure growth across other PoCs exhibits more variation from the trend line;
- Following a large increase (of £25.7m) in expenditure under Mental Health in 2008-09 on the previous year, expenditure growth in that PoC has been relatively flat; and,
- Expenditure under Health Promotion and Disease Prevention has been flat from 2007-08.

**Members of the Committee are reminded that the actual expenditure data presented above only include funds spent directly by the HSC Trusts.** This means that expenditure on a particular area by the HSCB or the PHA is not included. This may mean that the figures for Health Promotion and Disease Prevention, for example, are skewed: there may be expenditure in this category by the PHA which would show a different pattern.

Members of the Committee may wish to note that the Northern Ireland Executive's *Programme for Government 2011-15* (PfG) contains a specific commitment to "*allocate an increasing percentage of the overall health budget to public health.*"<sup>2</sup> The PfG states that the Department will "*invest an additional £10m in public health (increase based on 2011-12 spend).*" Should the Committee wish to monitor the Department's performance against this commitment, it will not be able to do so without a comprehensive baseline figure.

**Recommendation 1: it is suggested that the Committee may wish to ask the Department to demonstrate the total resources committed to Health promotion and Disease Prevention – including that expenditure not directly undertaken by the HSC Trusts. This should give the Committee an established baseline against which the Department's *Programme for Government* Commitment may be measured.**

<sup>2</sup> NI Executive (2011) 'Programme for Government 2011-15' available online at: <http://www.northernireland.gov.uk/pfg-2011-2015-final-report.pdf> (accessed 6 September 2012) (see page 12 and 35)

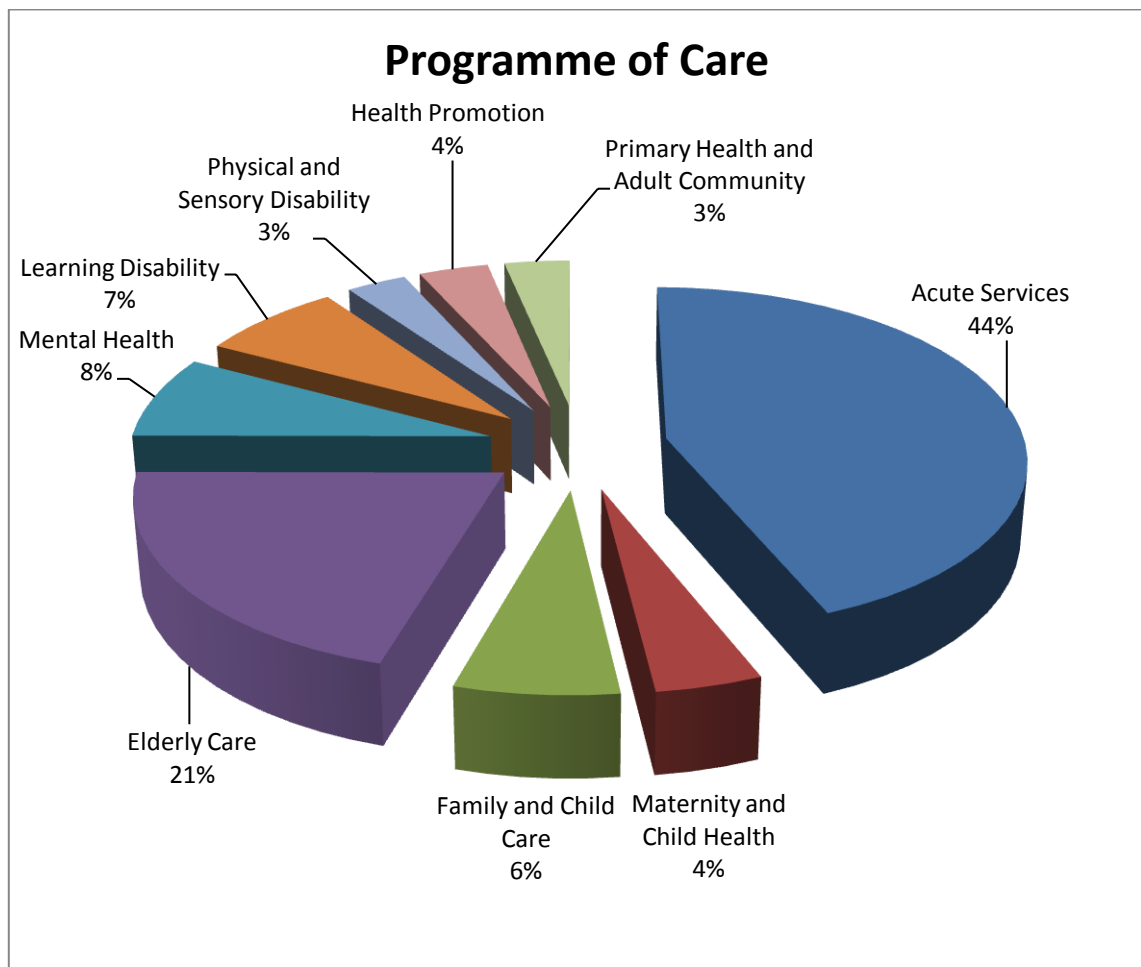
## 2. Planned resource expenditure for 2012-13

This section considers the Department’s planned resource expenditure for 2012-13. Resource expenditure is all expenditure on services that is not capital expenditure. Capital expenditure is on buildings and other items that can be classified as assets – including equipment and machinery. Resource expenditure therefore includes (among other things) pay, services (such as training, for example), supplies (such as bandages, for example), and non-cash items (such as depreciation, for example).

### 2.1. Planned expenditure 2012-13 by Programme of Care

As TYC is implemented, one would expect to see the relative size of the Acute Services portion reduce, with corresponding increases elsewhere. It is, however, arguably too early in the five-year implementation of TYC to be able to demonstrate much of a shift in the Department’s expenditure plans. Figure 10 shows the proportional split in expenditure plans for 2012-13 by PoC.

**Figure 10: Planned resource expenditure by PoC 2012-13**



## 2.2. Total planned resource expenditure 2012-13

The Department's total planned resource expenditure for 2012-13, including expenditure not accounted for under the PoC framework, is shown in Table 2.

**Table 2: total planned resource expenditure 2012-13**

|                                  |  | 2012/13      |        |
|----------------------------------|--|--------------|--------|
| Programme of Care                |  | £m           | %      |
| 1                                | Acute Services                           | 1,351        | 43.9%  |
| 2                                | Maternity & Child Care                   | 129          | 4.2%   |
| 3                                | Family & Child Care                      | 198          | 6.4%   |
| 4                                | Elderly Care                             | 634          | 20.6%  |
| 5                                | Mental Health                            | 237          | 7.7%   |
| 6                                | Learning Disability                      | 226          | 7.3%   |
| 7                                | Physical & Sensory Disability            | 94           | 3.1%   |
| 8                                | Health Promotion                         | 109          | 3.5%   |
| 9                                | Primary Health & Adult Community         | 102          | 3.3%   |
|                                  |  | <b>3,080</b> | 100.0% |
|                                  | FHS <sup>(1)</sup>                       | 832          |        |
|                                  | Not Analysed to POC <sup>(2)</sup>       | 82           |        |
| <b>Total HSCB and PHA</b>        |  | <b>3,994</b> |        |
| <b>Departmental Expenditure:</b> |  |              |        |
|                                  | DHSSPS Running Costs                     | 30           |        |
|                                  | Centrally Managed Budgets <sup>(3)</sup> | 68           |        |
|                                  | Education and Training <sup>(4)</sup>    | 93           |        |
| <b>ALBs:</b>                     |  |              |        |
|                                  | NIFRS                                    | 76           |        |
|                                  | NIMDTA                                   | 52           |        |
|                                  | Other ALBs                               | 25           |        |
| <b>Other:</b>                    |  |              |        |
|                                  | Non Cash (Depreciation & Impairments)    | 114          |        |
| <b>Total</b>                     |  | <b>4,452</b> |        |

In its briefing paper to the Committee, the Department has advised that the 2012-13 figures provided in Tab A cannot be compared directly with the planned resource figures provided for 2009-10 to 2011-12 in Tab B.<sup>3</sup> It is therefore **not yet possible to show whether the plans for 2012-13 indicate the kind of shift from acute services**

<sup>3</sup>Comparability is affected by the inclusion of £68m and £93m respectively for 'Centrally Managed Budgets' and 'Education and Training' for 2012-13. A proportion of these funds will be dispersed throughout the year across the PoCs and therefore could distort comparison with the previous years' data.

### to primary health or community-based care suggested by Transforming your Care.

Although it is not possible to compare the 2012-13 figures with the previous years', it is possible to look at the 2009-10 to 2011-12 figures provided in Tab B to see the trend in resource allocation over that period – see 2.3. As the implementation of TYC progresses, this analysis can be updated to examine if, and by how much, the focus of the Department's resources changes.

**Recommendation 2: it is recommended to the Committee that the Department should be asked, in 2013 and each year thereafter, to provide updated and consistent data equivalent to that provided in Tab B of its briefing paper. As the five-year implementation of TYC is rolled out, the Committee should then be able to monitor the degree to which resources are being reprioritised in accordance with the strategic vision for future service delivery.**

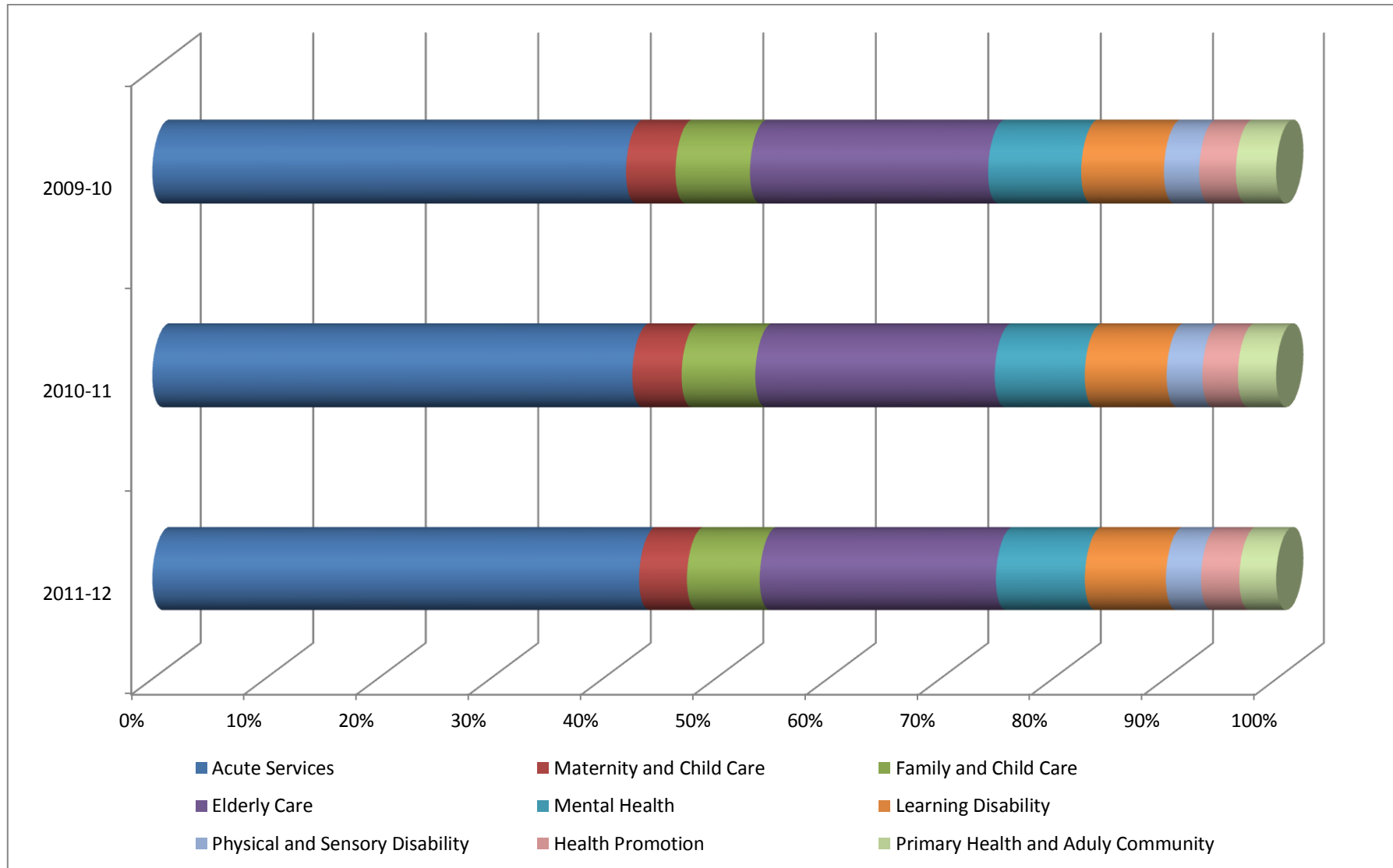
## 2.3. Planned resource expenditure 2009-10 to 2011-12

Table 3 provides planned resource expenditure from 2009-10 to 2011-12.

|                                  |  | 2009/10      |               | 2010/11      |               | 2011/12 <sup>(7)</sup> |               |
|----------------------------------|--|--------------|---------------|--------------|---------------|------------------------|---------------|
| Programme of Care                |  | £m           | %             | £m           | %             | £m                     | %             |
| 1                                | Acute Services                           | 1,196        | 42.1%         | 1,237        | 42.7%         | 1,303                  | 43.3%         |
| 2                                | Maternity & Child Care                   | 125          | 4.4%          | 127          | 4.4%          | 128                    | 4.3%          |
| 3                                | Family & Child Care                      | 188          | 6.6%          | 190          | 6.6%          | 195                    | 6.5%          |
| 4                                | Elderly Care                             | 601          | 21.2%         | 617          | 21.3%         | 632                    | 21.0%         |
| 5                                | Mental Health                            | 235          | 8.3%          | 232          | 8.0%          | 238                    | 7.9%          |
| 6                                | Learning Disability                      | 209          | 7.4%          | 211          | 7.3%          | 217                    | 7.2%          |
| 7                                | Physical & Sensory Disability            | 89           | 3.1%          | 92           | 3.2%          | 94                     | 3.1%          |
| 8                                | Health Promotion                         | 94           | 3.3%          | 93           | 3.2%          | 104                    | 3.5%          |
| 9                                | Primary Health & Adult Community         | 103          | 3.6%          | 100          | 3.4%          | 100                    | 3.3%          |
|                                  |  | <b>2,840</b> | <b>100.0%</b> | <b>2,899</b> | <b>100.0%</b> | <b>3,011</b>           | <b>100.0%</b> |
|                                  | FHS <sup>(1)</sup>                       | 806          |               | 794          |               | 816                    |               |
|                                  | Not Analysed to POC <sup>(2)</sup>       | 54           |               | 77           |               | 77                     |               |
|                                  | Non recurrent funding <sup>(3)</sup>     | 13           |               | 26           |               | 37                     |               |
| <b>Total HSCB and PHA</b>        |  | <b>3,713</b> |               | <b>3,796</b> |               | <b>3,941</b>           |               |
| <b>Departmental Expenditure:</b> |  |              |               |              |               |                        |               |
|                                  | DHSSPS Running Costs                     | 32           |               | 30           |               | 31                     |               |
|                                  | Centrally Managed Budgets <sup>(4)</sup> | 94           |               | 97           |               | 67                     |               |
|                                  | Education and Training <sup>(5)</sup>    | 108          |               | 97           |               | 96                     |               |
| <b>ALBs:</b>                     |  |              |               |              |               |                        |               |
|                                  | NIFRS                                    | 81           |               | 80           |               | 81                     |               |
|                                  | NIMDTA                                   | 48           |               | 53           |               | 52                     |               |
|                                  | Other ALBs                               | 17           |               | 25           |               | 22                     |               |
| <b>Other:</b>                    |  |              |               |              |               |                        |               |
|                                  | Non Cash <sup>(6)</sup>                  | 182          |               | 128          |               | 98                     |               |
| <b>Total</b>                     |  | <b>4,275</b> |               | <b>4,306</b> |               | <b>4,388</b>           |               |

The proportion of the resources committed to each PoC remained relatively static over the three-year period. This stability of resource distribution is highlighted in Figure 11 which shows the proportion of resources under each PoC for each of the three years.

**Figure 11: Planned resource expenditure 2009-10 to 2011-12, by Programme of Care**



**Observations from Figure 11**

As noted above, Figure 11 shows that the pattern of resource expenditure remained relatively static over the three years. As TYC is implemented, one would expect future years' data to show the size of the (blue) Acute Services proportion to diminish and those representing other PoCs to increase - in particular, perhaps, the (light green) Primary Health and Adult Community proportion.



### 3. The Family Health Services budget

In addition to the planned resource expenditure under each of the PoCs, Table 3 also shows significant spend (around £800m annually) for Family Health Services (FHS). The FHS budget is not presented within the PoC framework.

It includes four categories of spend: General Medical Services; General Dental Services; General Pharmaceutical Services, and; General Ophthalmic Services. Planned resource expenditure for FHS for 2012-13 is £832m.

#### 3.1. Gross FHS expenditure 2009-10 to 2011-12

Gross expenditure data for 2009-10 to 2011-12 is provided in Table 4. It should be noted again that these figures are not directly comparable with the planned resource expenditure figure for the current year. This is because the planned resource expenditure is net (i.e. it is gross expenditure minus income from dental charges, for example) whereas the data in Table 4 is gross (i.e. it is not adjusted for income).

It is not possible to provide comparable net figures because of the changes to income from prescription charges. Prescription charges were initially reduced and then finally abolished on 1 April 2010. Prescription charge income was previously offset against gross FHS expenditure.

**Table 4: Gross Family Health Services expenditure 2009-10 to 2011-12**

|  | 2009-10        | 2010-11        | 2011-12        |
|--|----------------|----------------|----------------|
|  | £000s          | £000s          | £000s          |
| <b>General Medical Services</b>        | 223,605        | 219,958        | 221,502        |
| <b>General Dental Services</b>         | 100,514        | 106,954        | 113,613        |
| <b>General Pharmaceutical Services</b> | 483,872        | 492,282        | 482,025        |
| <b>General Ophthalmic Services</b>     | 19,761         | 19,664         | 20,615         |
| <b>Total FHS</b>                       | <b>827,752</b> | <b>838,858</b> | <b>837,755</b> |

**Observations from Table 4**

Members of the Committee may wish to note the following observations:

- Gross expenditure on General Medical Services remained relatively static over the three-year period;
- Gross expenditure on General Dental Services grew significantly (i.e. by 13%) over the three-year period; and,
- Gross expenditure on General Pharmaceutical Services increased by £8.4m in 2010-11 on 2009-10, then decreased by £10.3m in 2011-12; and,
- Gross expenditure on General Ophthalmic Services increased less significantly (i.e. by 4.3%) over the three-year period.

## 4.0 Concluding remarks

Analysis of the Department's spending plans remains difficult due to differences in the way that the data are provided. Nevertheless, the data provided to the Committee this year is in a much-improved format from previous years. If the Department presents future data in a consistent format, it will be possible to provide (potentially at least) more insightful analysis in the coming years. This should enable the Committee to monitor whether the Department's planned use of resources is consistent with the strategic shift away from Acute Services under TYC.

In addition, if the Department is asked to provide baseline expenditure data for Health Promotion and Prevention spending, the Committee will be able to monitor plans against the *Programme for Government* Commitment.

**Appendix 1: what are the Programmes of Care?**

- **Acute Services (PoC1)** - includes all activity, and resources used, by any health professional, relating to an inpatient episode where the consultant in charge of the patient is a specialist in an acute specialty. It also includes all activity, and resources used, by a hospital consultant in an acute specialty, in relation to an outpatient episode, day case, or day care;
- **Maternity and Child Health (PoC2)** – includes all activity related to obstetrics and child health including community contacts in relation to maternity or child health. All health-related community contacts for under-16s are included except in relation to mental health, learning disability or physical and sensory disability;
- **Family and Child Care (PoC3)** – includes activity and resources relating to social services support of family and children, including children in care, child protection, family centres, women’s shelters for example and also community contacts by health professionals where primary reason is family or childcare related;
- **Elderly Care (PoC4)** - includes all activity, and resources used, by any health professional, relating to an inpatient episode where the consultant in charge of the patient is a specialist in geriatric medicine or old age psychiatry. Also includes community contacts with those 65 or over (except in relation to mental illness or disability) and includes dementia and all work relating to homes for the elderly;
- **Mental Health (PoC5)** – includes all activity, and resources used, by any health professional in relation to mental illness, child and adolescent psychiatry, forensic psychiatry and psychotherapy. Note it does not include contact relating to dementia which falls under Elderly Care;
- **Learning Disability (PoC6)** - includes all activity, and resources used, by any health professional in relation learning disabilities, including where patients with Down’s Syndrome develop dementia;
- **Physical and Sensory Disability (PoC7)** – includes all contacts by a health professional relating to physical or sensory disability (excluding patients over 65 which are allocated to Elderly Care);
- **Health Promotion and Disease Prevention (PoC8)** –all hospital, community and GP-based activity relating to health promotion and disease prevention – including screening, well woman/man clinics, child health surveillance, school health clinics, vaccinations, community dental screening and so on; and,
- **Primary Health and Adult Community (PoC9)** – includes contacts by health professionals with community patients aged 16-64 where the primary reason is anything except mental illness, learning disability or physical and sensory disability. It includes GP-ordered diagnostic tests and treatments. Costs and activities associated with Family Practitioner Services (GPs, Dentists, Pharmacists and General Ophthalmic Practitioners) are considered outside the Programme of Care Framework