

NOVEMBER 2021 FINANCE REPORT

ARCG 18 JANUARY 2022

Financial Overview – November 2021

Expenditure to date at €27.04m, is €545k (2%) less than revised budget. Total costs for 2021 is expected to be €30m.

Income at €27.97m, ahead of revised budget by €276k (1%) – timing difference only related to grant drawdown for cash needs. Full grant drawdown of €19.369m has been made for 2021.

Expected Nursing Home Expert Panel (NHEP) grant is now expected to be €2.68m out of €5m allocated in 2021 Letter of Determination.

Net income over expenditure to date of €927k.

2021 ICT Programme spend at €2.23m, against a Start of Year budget of €13.17m – 16.93% spent to November. Multiple ICT programmes ongoing simultaneously in 2021.

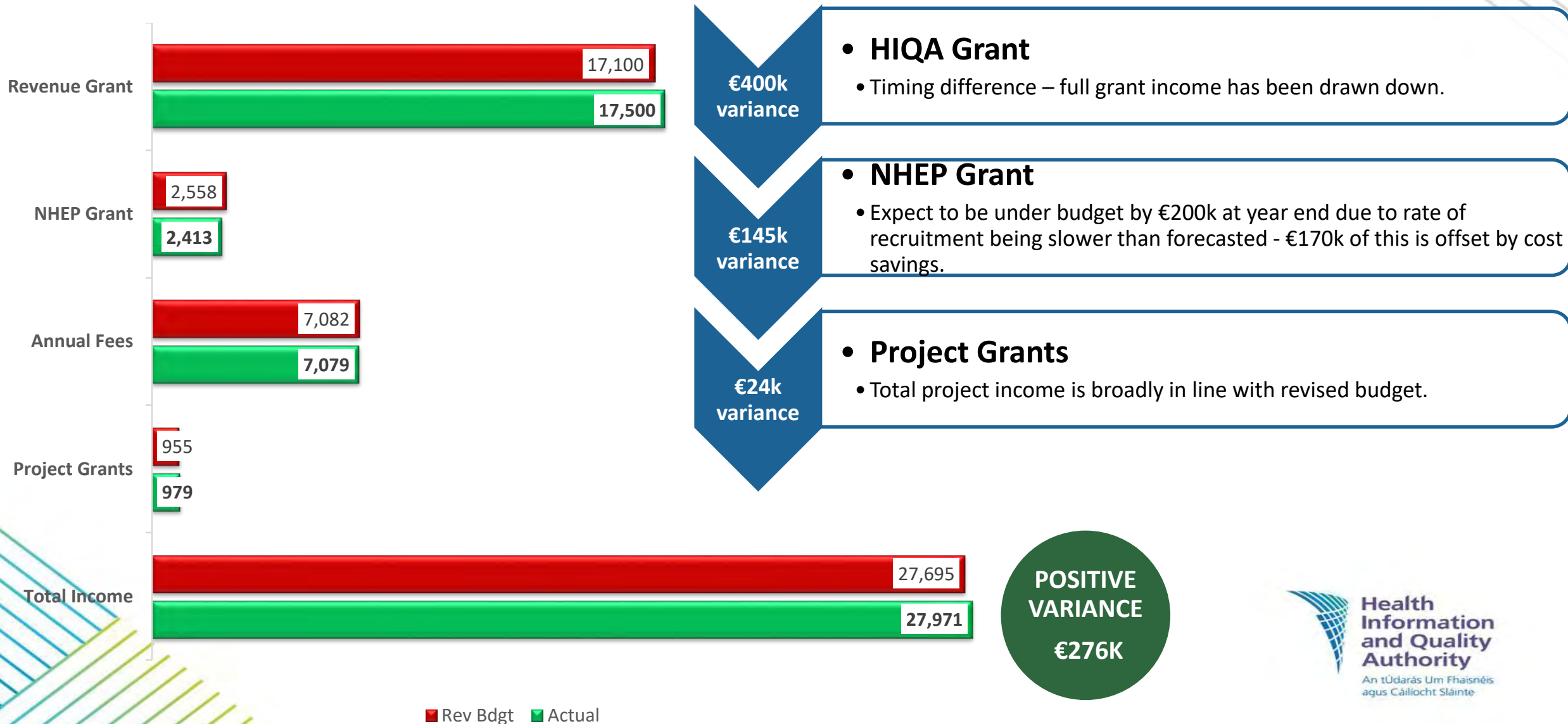
Summary - YTD 2021

| Detail | Actual €000 | Rev Bdgt €000 | Variance €000 | Annual Rev Bdgt €000 |
|--------------------|----------------|------------------|------------------|-------------------------|
| Income | 27,971 | 27,695 | (276) | 30,396 |
| Overheads | 27,044 | 27,589 | 545 | 30,396 |
| Excess Cost/ (Inc) | (927) | (106) | (821) | 0 |

Summary Headcount

| Type | Actual | Rev Bdgt | Variance |
|-----------|--------|----------|----------|
| Permanent | 318 | 330 | 12 |
| Agency | 13 | 25 | 12 |
| Pensioner | 34 | 35 | 1 |
| Total | 365 | 390 | 25 |

Income – YTD 2021



Costs – YTD 2021



**POSITIVE
VARIANCE
€545K**

Payroll

| YTD 2021 | Actual | Rev Bdgt | Variance | Rev Annual Bdgt |
|-----------------------------|---------------|---------------|------------|-----------------|
| | €000 | €000 | €000 | €000 |
| Basic Salaries | 16,626 | 16,656 | 30 | 18,379 |
| Basic Pension Salaries | 1,278 | 1,323 | 45 | 1,444 |
| EE/ER Pension Contributions | (513) | (511) | 2 | (551) |
| Er's PRSI | 1,709 | 1,663 | (47) | 1,831 |
| Board Member Fees | 73 | 73 | (0) | 80 |
| Agency Staff | 1,435 | 1,592 | 157 | 1,664 |
| Medical & Welfare Costs(EE) | 55 | 47 | (7) | 52 |
| Total | 20,663 | 20,843 | 180 | 22,899 |

€30k variance

- **Basic Salaries**
- €30k variance represents 0.18% of total cost to date.
- Variance relates to rate of unpaid absence versus that budgeted, including pace recruitment and leavers.
- Also a number of roles have been filled by internal candidates which has not increased the headcount numbers

€157k variance

- **Agency Costs**
- Number of agency positions finished in October and were not replaced – budgeted until November.
- Number of other agency staff converted to permanent roles & other budgeted roles not started yet.

€45k variance

- **Pensioner Salaries**
- Pension lump sum values lower than budgeted to date.

Staff Development

| YTD 2021 | Actual | Rev Bdgt | Variance | Rev Annual Bdgt |
|------------------|------------|------------|-------------|-----------------|
| | €000 | €000 | €000 | €000 |
| Training Course | 346 | 278 | (68) | 300 |
| Academic Support | 157 | 136 | (21) | 151 |
| Health & Safety | 17 | 15 | (2) | 16 |
| Conferences | 11 | 19 | 8 | 22 |
| Total | 531 | 448 | (83) | 491 |

€83k
variance

• Staff Development

- Training Courses €68k over budget – additional courses undertaken such as Management Fundamentals training and Human Rights Training – expect to be €80k over budget for the year.
- Academic support currently showing as €21k over budget – expect to be €18k over budget for year.

Repairs & Maintenance

| YTD 2021 | Actual | Rev Bdgt | Variance | Rev Annual Bdgt |
|-----------------------|------------|------------|------------|-----------------|
| | €000 | €000 | €000 | €000 |
| Equipment Maintenance | 0 | 5 | 5 | 6 |
| Building Maintenance | 21 | 284 | 263 | 287 |
| Service Contracts | 25 | 15 | (10) | 15 |
| Furniture & Fittings | 20 | 11 | (9) | 13 |
| Office Repairs | 53 | 14 | (39) | 16 |
| Total | 119 | 329 | 210 | 337 |

€337k
variance

• Repairs & Maintenance

- Office Repairs €39k over budget - OPW charged €51k for extra work on the Smithfield bathrooms.
- Building maintenance €263k under budget – €210k of this relates to recarpeting of Smithfield office – this will now occur in 2022 at cost of €98k.

Professional Fees

| YTD 2021 | Actual | Rev Bdgt | Variance | Rev Annual Bdgt |
|-----------------------------------|--------------|--------------|-------------|-----------------|
| | €000 | €000 | €000 | €000 |
| Legal | 243 | 257 | 14 | 282 |
| Professional Fees | 768 | 656 | (112) | 706 |
| Recruitment | 445 | 520 | 75 | 557 |
| Research & Advisory Subscriptions | 70 | 83 | 13 | 88 |
| Total | 1,526 | 1,516 | (10) | 1,633 |

€14k
variance

Professional Fees - Legal

- Legal fees under budget by €14k. This variance is expected to neutralise by year end.

€112k
variance

Professional Fees - Consultancy

- Consultancy actual is over budget by €112k. Further €30k overspend expected in December.

€75k
variance

Professional Fees - Recruitment

- Variance relates to pace of recruitment activity. Year end variance is expected to be approx. €96k– rate of recruitment slower than forecasted.

Information Technology

| YTD 2021 | Actual | Rev Bdgt | Variance | Rev Annual Bdgt |
|-------------------------------|--------------|--------------|-----------|-----------------|
| | €000 | €000 | €000 | €000 |
| ICT Managed Services | 664 | 733 | 69 | 795 |
| NPES Managed Services | 557 | 482 | (75) | 641 |
| NCEP Website Services | 27 | 19 | (8) | 25 |
| HRIS/Payroll System/Service | 61 | 61 | (0) | 67 |
| Cloud Services | 37 | 48 | 12 | 75 |
| ICT Equip /System Maintenance | 132 | 177 | 45 | 195 |
| Software Licence renewals | 136 | 126 | (10) | 133 |
| Copier Managed Services | 18 | 15 | (3) | 16 |
| Printer Toner | 9 | 1 | (8) | 1 |
| Misc ICT Equipment | 8 | 4 | (4) | 4 |
| Total | 1,648 | 1,666 | 18 | 1,952 |

€18k
variance

• Information Technology

- NCEP Managed Services €75k over budget - expect net overspend of €40k for 2021 - €48k overspend relating to B&A Inpatient Survey – vat not incl in error in revised budget.
- Other ICT costs €93k under budget - expected to be €123k under budget for year.

ICT Programme Spend – November 2021

| | 2021 Programme Spend €000 | Total Programme Spend €000 | Approved Programme Spend €000 | Variance €000 | 2021 SOY Balance per Programme €000 | Unapproved Programme Spend €000 |
|--|------------------------------|-------------------------------|----------------------------------|------------------|--|------------------------------------|
| DDTS Regulation Business Solutions | 398 | 406 | 2,802 | 2,396 | 2,794 | - |
| DDTS Enablement and Improvement | 454 | 1,070 | 2,586 | 1,516 | 2,028 | - |
| Regulatory Solutions Programme | 338 | 1,133 | 2,434 | 1,301 | 1,697 | - |
| Business Intelligence | 6 | 38 | 1,015 | 977 | 1,001 | - |
| HIS National Care Experience Programme | 201 | 920 | 1,765 | 845 | 1,086 | - |
| Cyber Security Programme | 332 | 625 | 1,109 | 484 | 831 | - |
| Infrastructure Upgrades Programme | 69 | 264 | 634 | 370 | 404 | - |
| Corporate Services Business Solutions | 43 | 96 | 834 | 738 | 911 | 123 |
| Digital Tablets & Mobile Phones | 21 | 31 | 233 | 202 | 223 | - |
| Corporate & Information Governance | 41 | 83 | 577 | 494 | 532 | - |
| Additional Office Accommodation | 99 | 129 | 768 | 639 | 739 | - |
| DDTS Technology Roadmap Programme | 78 | 88 | 544 | 456 | 535 | - |
| Replacements and Enhancements | 153 | 153 | 389 | 236 | 389 | - |
| Total | 2,234 | 5,034 | 15,690 | 10,655 | 13,171 | 123 |
| | | | | | | |
| Pre 2021 Prog Spend C/Fwd | | 2,800 | | | | |

Summary Expected 2021 Outturn

Forecast Income
€30.2m
Potential Variance
€200k negative



Forecast Overheads
€29.7m
Potential Variance
€620k positive



Potential Excess
Cost/ (Income)
€420k positive

Balance Sheet

| | 30 Nov 2021 | 31 Dec 2020 |
|--|----------------|----------------|
| | €000 | €000 |
| Fixed Assets | 3,003 | 2,791 |
| Current Assets | | |
| Debtors | 2,877 | 1,221 |
| Bank | <u>1,541</u> | <u>2,073</u> |
| | 4,418 | 3,294 |
| Current Liabilities | | |
| Creditors falling due within one year | <u>2,826</u> | <u>1,752</u> |
| Net Current Assets/ (Liabilities) | <u>1,592</u> | <u>1,542</u> |
| Total Assets Less Current Liabilities | 4,595 | 4,333 |
| Capital and Reserves | | |
| Income and Expenditure Account | 2,470 | 1,542 |
| Capital Amount | <u>2,125</u> | <u>2,791</u> |
| | 4,595 | 4,333 |

€212k
increase

• Tangible Fixed Assets

- + New assets of €1,724k
- - Old equipment disposed €0
- - Depreciation of €1,512k

€1,656k
increase

• Debtors

- Annual fees owed, pre-paid project income, programme grant owed and prepayments made
- Increase in debtors relates primarily to an increase in NHEP grant (€2,135k YTD) not yet drawn down as well as decreases in Other Debtors (€205k) and Prepayments (€190k).

€1,074k
increase

• Creditors

- Payroll creditors, trade creditors and accruals
- Increase in creditors relates primarily to €660k increase in accruals including legal & profession fees (€194k) & HIS NCEP (€399k).
- Also increases in Creditors (€157k) due to timing of payments and increase Payroll Taxes creditors (€246k) due to increase in headcount.

€666k
decrease

• Capital Account

- + Programme grant €1,358k
- - Non capital assets €512k
- - Assets disposed €0
- - Depreciation €1,512k

QUESTIONS ?