

Ref: FOIA Reference 2020/21-180

Date: 19th August 2020

Email foi@uhnm.nhs.uk

Dear

I am writing in response to your email dated 14th August 2020 requesting information under the Freedom of Information Act (2000) regarding Losses and special payments

As of 1st November 2014 University Hospitals of North Midlands NHS Trust (UHM) manages two hospital sites – Royal Stoke University Hospital, and County Hospital (Stafford). Therefore the response below is for the two sites combined from that date where appropriate.

Q1 In your financial accounts for the financial year 2019/20 do you have a section for “losses and special payments”?

1. If so how much money was accounted for in the 2019/2020 financial year as being "losses and special payments"? (Please note I am aware that the loss may have occurred many years earlier but I am interested in items which were accounted for in the last financial year, irrespective of when the loss took place.)

A1 This information is note 31 in the financial statements the total value of losses was £843k. However we have supplied below.

Note 31 Losses and special payments	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Bad debts and claims abandoned	232	456	-	-
Stores losses and damage to property	4	365	3	412
Total losses	236	821	3	412
Special payments				
Compensation under court order or legally binding arbitration award	3	1	-	-
Ex-gratia payments	58	21	25	10
Total special payments	61	22	25	10
Total losses and special payments	297	843	28	422
Compensation payments received		-		-

Q2 Please detail the three largest single amounts within this total, giving a cost for each loss and a detailed description of the claim and the reason for the loss.

NOTE: Linking me to your annual accounts might be sufficient to answer question 1, but it would not answer question 2.

FAQ: What are "losses and special payments"?

In your annual accounts there should be a special section where allowance is made for "Losses and Special Payments". These should consist of the following

Categories of Loss:

- **Loss of cash – due to theft, fraud, arson, neglect of duty or gross careless, overpayment of salary, fees and allowances and other causes including accidents.**
- **Fruitless payments – a fruitless payment can't be avoided because the recipient is entitled to it, even though the public authority will get nothing in return. In assessing a fruitless payment, there will always be a degree of blame. For example, payment for travel tickets or accommodation that has been wrongly booked.**
- **Bad debts – an individual debtor is a case, not every single invoice.**
- **Damage to buildings, fittings, furniture and equipment – examples of losses under this category are: losses by fire (other than arson) and losses by weather damage, or accident beyond the control of any responsible person.**

Categories of Special Payment

- **Compensation payments made under legal obligation – clear liability under a Court Order or legally binding arbitration award. This includes compensation for injuries to persons, damage to property and unfair dismissal.**
- **Extra contractual payments to contractors – these are payments which are not legally due under the original contract but where there appears to be an obligation which the courts may uphold.**
- **Ex-gratia payments – these are payments the public authority is not obliged to make or for which there is no legal liability. Examples of ex-gratia payments are:**
 - o **Loss of personal effects, clinical negligence/personal injury, and settlement on termination of employment, extra statutory or extra regulatory payments and maladministration cases.**
 - o **Special Severance Payments – these are paid to employees, contractors and others outside of normal statutory or contractual requirements when leaving employment in public service whether they resign, are dismissed or reach an agreed termination of contract**

A2 The response below is based on individual claims and therefore excludes stock write offs which in total are of higher value. The 3 largest items for individual claims within the overall balance are –

- £29,302.31 = bad debt write off relating to unpaid invoice from overseas visitor for invoice raised 2016, unable to trace debtor
- £37,409.30 = bad debt write off relating to unpaid invoice from overseas visitor for invoice raised 2017, debtor does not have means to pay
- £22,962.00 = bad debt write off relating to unpaid invoice from overseas visitor for invoice raised 2013, unable to trace debtor

*Please note that any individuals identified do not give consent for their personal data to be processed for the purposes of direct marketing.

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An anonymised copy of this request can be found on the Trust's disclosure log, please note that all requests can be found at the following link: <http://www.uhnm.nhs.uk/aboutus/Statutory-Policies-and-Procedures/Pages/Freedom-of-Information-Disclosure-Log.aspx>

This letter confirms the completion of this request. A log of this request and a copy of this letter will be held by the Trust.

If you have any queries related to the response provided please in the first instance contact my office.

Should you have a complaint about the response or the handling of your request, please also contact my office to request a review of this. If having exhausted the Trust's FOIA complaints process you are still not satisfied, you are entitled to approach the Information Commissioner's Office (ICO) and request an assessment of the manner in which the Trust has managed your request.

The Information Commissioner may be contacted at:

Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF or via www.ico.org.uk.

If following review of the responses I can be of any further assistance please contact my secretary on 01782 671612.

Yours,

A handwritten signature in black ink on a light grey background. The signature reads "Jean Lehnert" in a cursive script.

Jean Lehnert
Data, Security & Protection Manager