

The Annual Report and Accounts

Northern HSC Trust

for the year ended 31 March 2015

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on

2nd July 2015



Northern Health
and Social Care Trust

Annual Report

2014 - 2015

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1.0 Chairman's report

The Northern Health and Social Care Trust ("the Trust") is on a transformative journey that we are determined to make in partnership with the community we serve, with our colleagues in primary care, with our staff and with all who have an interest in the wellbeing of our patients and clients. True partnership working is built on trust, is predicated on openness and transparency and includes a willingness to accept mistakes and to learn from them. Whilst our review of governance and the resulting new structures will help, a fundamental culture change is also required. I am pleased to see evidence of this in terms of how we manage Serious Adverse Incidents (SAI's) and complaints, and indeed in the number of compliments we are receiving.

Over the past year we have made a good start to our journey with the appointment of a permanent Chief Executive and Medical Director. We have also appointed a new Director of Human Resources.

Building on the work of the Turnaround Team, we have seen improvements in unscheduled care. In 2014/15 there was a 35% reduction in patients waiting more than 12 hours to be assessed, treated and either discharged or admitted to hospital. This improvement builds on the 50% reduction in the previous year and is despite a 6% growth in demand.

Managing the 12 hour target is as much about discharges as it is appropriate admissions. The Intermediate Care Service played a significant role in facilitating timely discharge from acute settings and preventing unnecessary hospital admissions.

One particularly pleasing improvement is that Causeway Hospital has now gone well over a year without a 12 hour breach. I know that is down to teamwork involving the emergency department, hospital and community services, but I also know that it was due in no small part to excellent clinical leadership. It illustrates why we will be concentrating more than ever on enhancing our clinical leadership to ensure that we live up to our clear ambition of being an organisation which is clinically lead and managerially enabled.

Transformation begins from within and so over the last number of months we have focused on those who must own it and make it happen – our staff. We asked for the views of staff on what our vision and values should be; the values upon which they base their

professional lives, and I am delighted that together we have agreed a new vision for the Trust.

Whilst it is important that we learn from our mistakes, we must also be mindful that there are many areas of our business where staff are already delivering excellent service. It is therefore very pleasing that this is not only recognised through the number of compliments that staff receive, but also by the awards conferred on so many, by their professional bodies and other independent organisations. Indeed, on so many occasions, that excellent service also leads to the development of new and imaginative ways of helping those we serve.

As in other years, living within our budget has been a significant challenge and the Trust had to develop a contingency plan in the autumn to achieve a reduced spend in-year of £6.9m. On top of all the other savings and efficiencies which the Trust has had to achieve over recent years there were no easy solutions to be found and we had to make a number of difficult choices, while always ensuring that safe and high quality patient care was our foremost consideration. Thanks to the supreme efforts and professionalism of all the staff concerned I am pleased to record that the Trust has again achieved a balanced budget this year.

Meeting with patients, clients and staff as I go around the Trusts, I am acutely aware of the professionalism and commitment of our staff and recognise that it is the combination of their skill, dedication and goodwill which provides such a good experience for the vast majority of our patients and clients. I would therefore like to take this opportunity to thank our staff at all levels and similarly I really am most grateful to the all the Board, the Senior Management Team and all the numerous staff who have consistently given me their unstinting support throughout another challenging year.



Bob McCann

Chairman

2. Chief Executive's report

I took up my post at the Northern Health and Social Care Trust ("the Trust") in August 2014, joining a team that was delivering a major change programme. I am privileged to lead this team and the wider coalition of leaders which is driving significant and at times ground breaking change. The Trust is a vibrant organisation with evidence of innovative leadership at all levels. It is my task to harness the evident energy and ambition, in order to deliver high quality services that are sustainable and valued by the people we serve.

In the first few months we agreed on four priorities for action. These were: a need to refresh our organisational vision and values; a review of governance arrangements; achieving financial stability and a focus on secondary care, both urgent and elective. While these priorities required our concerted attention we continued to deliver and improve family and community services.

It is vital that we have a shared vision and values, owned by all our staff. Over a four month period we undertook an engagement process involving staff at all levels. We challenged ourselves to describe their purpose and the values we hold dear.

We settled on a vision; To deliver excellent integrated services in partnership with our community.

Our staff discussed, debated and agreed the following values;

Compassion, Openness, Respect and Excellence.

These CORE values will now underpin all that we do, from recruitment to delivery of services.

Partnership is a strong element of our vision and it is also a strong element of the culture we want to create. We want to work in partnership with staff, patients, service users, families and local communities to design and deliver excellent services.

We recognise the essential truth, that openness and transparency with the public are key to building confidence in our current services and creating the trust to deliver the radical changes required of a modern health and social care service. Earlier this year we necessarily had to respond to our financial challenges in a way that tested our relationship with the public and potentially undermined trust. The lesson for us is to engage as early

as possible with the public and our staff, so that they can understand our challenges and be part of the process by which we make choices.

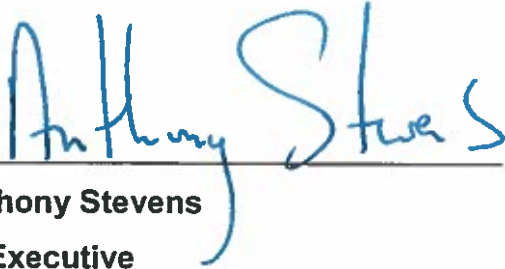
Good governance is essential to the running of any organisation and to the building of trust. An independent review of our governance systems was completed in 2014 and implementation of the review's recommendations is well advanced with a new and comprehensive assurance framework. The framework integrates financial governance, risk management and clinical and social care governance.

On the other two priorities set, we have managed our resources effectively during the year and have achieved financial balance. We have seen a creditable improvement in the times people wait for treatment and care in our emergency departments, although there is still much more to do if we are to manage the growing demand for urgent care. So too is there increasing demand for elective care such as outpatient appointments, x-ray tests and treatments such as operations and planned procedures. Responding to demand for in-hospital services requires us to modernise the way we deliver those services as well as an integrated approach across hospital, community and general practitioner services. As a Trust we are very conscious of the significant demands on family practitioner services and we must work collaboratively with general practitioners in providing timely care as close to peoples homes as possible. The principles of "Transforming Your Care" need to guide us.

I joined an organisation that was still in Turnaround and working through the challenging recommendations of the Turnaround and Support Team. The Trust has made considerable progress in improving services and meeting targets. In April 2015 the DHSSPS Minister, Mr Jim Wells, formally stood down this stage of the Trust's improvement process, allowing the Trust to move forward under normal governance and performance arrangements. It is only through the collective effort of staff, throughout the Trust, that we have achieved this and I would wish to offer my thanks to all our employees.

Evidence from around the World tells us that top performing health organisations give clinical staff a greater say in developing and running services. We are revising our organisational structures to encourage clinical and social care practitioners to lead services, with the support of our professional managers.

I am constantly impressed by the energy, skill and passion of our staff. Looking at the list of achievements in this report and the progress we have made I am optimistic that the Trust can deliver on our vision.

A handwritten signature in blue ink that reads "Anthony Stevens". The signature is written in a cursive style and is positioned above a horizontal line.

Dr Anthony Stevens

Chief Executive

Date: 11th June 2015

3. About the Trust

The Northern Health and Social Care Trust ("the Trust") became operational on 1 April 2007. The Trust has an annual budget of almost £650m and employs 11,700 people. Funding is secured from a range of commissioners, the main commissioner being the Health and Social Care Board.

Following the review of local government the Trust now covers four local council areas – Antrim and Newtownabbey, Causeway Coast and Glens, Mid and East Antrim and Mid Ulster, given the community planning remit of the new councils the Trust sees this as a good opportunity for further integration of services.

The Trust provides services for a population of approximately 440,000, the largest resident population in Northern Ireland. We also provide services to the only inhabited island in Northern Ireland, Rathlin.

The profile of the population we serve currently reflects the Northern Ireland average. The North Coast is also popular with older people as a retirement and holiday venue which swells the number requiring health and social care in the summer months.

Demand for health and social care grows annually by approximately 6%, including demographic growth, resulting in more older people with complex health needs and co-morbidities, and increased referrals.

The Trust provides a range of health and social care services, the majority of which are provided in peoples' own homes. We also provide community based health and social care services from approximately 210 facilities including day centres, health centres and residential homes.

Acute and sub-acute services for Northern Trust patients are provided in a number of locations. These are:

- Outpatients – Antrim Area, Causeway, Whiteabbey, Mid Ulster, Braid Valley and Moyle Hospitals.
- Day Surgery, Endoscopy and Radiology – Antrim Area, Causeway, Whiteabbey and Mid Ulster.

- Acute Inpatient and Hospital Maternity Services – Antrim Area and Causeway
- Sub-acute Rehabilitation - Whiteabbey and Mid Ulster.

Holywell Hospital is a 121 bedded psychiatric hospital based in Antrim. It is the base for a wide range of mental health and addiction services. The Trust also provides mental health services from the 18 bedded Ross Thompson Unit in Causeway.

During the year the Trust had 50,625 people admitted to hospital care and 26,581 day cases. We provided 2.6 million hours of domiciliary care through the Trust and independent sector which equates to care for 4,600 people. The number of Looked after Children reduced marginally to 688. In addition, there has been an increase in the complexity of the work being undertaken to protect children, as indicated by the significant increase in numbers on the Child Protection Register to 505.

Further information on the services we provide can be obtained from our website:
www.northerntrust.hscni.net

4. Our services

The Northern Health and Social Care Trust is a complex, multifaceted organisation providing services for a range of people from birth to death. Our aim, as far as possible, is to support these people to live and remain in their own homes. Should they need acute care we want them to get the best quality service in our acute hospitals. We aspire to provide the right service, in the right place, first time.

Trust services are structured around service directorates with significant cross directorate integration. Our new structures will further strengthen this way of working.

4.1 Primary and Community Care for Older People's Services

The Primary and Community Care for Older People's Services Directorate has seen demand for services increase year on year and therefore we have to be innovative and responsive to those needs, ever mindful of the need to ensure we deliver safe services that allow the individual to achieve the optimum outcome in their particular circumstances.

Our flagship programme to support older people is Reablement. This is a domiciliary care support package for those people aged 65 + who need a short period of intensive support to return to or remain at home after an incident. 2014/15 saw the implementation of a dedicated Occupational Therapy resource to lead this service.

The Intermediate Care Service has continued to develop and play a significant role in facilitating timely discharge from acute settings and preventing unnecessary hospital admissions. Whether care is provided in a community hospital, statutory or independent care setting or in the person's usual place of residence, these multidisciplinary teams provide responsive and vital therapy, ensuring everyone who is assessed as suitable, meets their full rehabilitative potential.

In partnership with colleagues in acute services, a Discharge Team was set up to focus on the need to enable patients to be discharged from hospital settings in a timely way and thereby reduce delays and help maintain bed flows within the hospital system. This has been particularly successful in maintaining flows over the winter period.

The seven Day Centres within the Directorate continue to offer personalised day care to people with a view to improving physical and mental health and preventing falls. In

addition significant numbers of people with dementia and their carers are supported by Day Centres and the partnership developed with Reminiscence Network Northern Ireland.

The Trust has continued to pursue supported living opportunities. At the end of January 2015 Rathmoyle Residential Home closed and plans are now well progressed to develop a supported living scheme for older people on the site. In addition work on the site of the former Greenisland House Residential Home to develop a similar supported living scheme will begin in May 2015.

A pilot Community Navigator post started in the Causeway Locality in August 2014 to improve partnership working between the Trust, other statutory agencies and the Community and Voluntary sector. Between October 2014 and March 2015 the Community Navigator sign-posted 110 referrals as well as providing information to Trust staff, older people and carers regarding support available. A number of engagement events were held with older people across the locality, scoping needs and also promoting the locality directories of community and voluntary services.

An extensive programme of service development is coordinated by the Macmillan service improvement lead. This programme is actively seeking to implement the recommendations from the 'Living Matters, Dying Matters' Regional Palliative Care Strategy and establish improved systems and processes enabling an improved and appropriate response to palliative care needs across the Trust.

Podiatry continues to provide foot-health services Trust-wide, across a range of community and acute settings, seeing all new patients within nine weeks of referral.

In Antrim Area Hospital the podiatry service has established a five day a week service, with a fully equipped podiatry room, facilitating referrals from wards and out-patients clinics. There is a focus on patients with diabetic foot complications. Through work with the Integrated Care Partnership, funding has been secured for a pilot Diabetic Footcare Pathway in the Causeway and Mid-ulster areas. This is aimed at reducing lower limb amputation rates and reducing hospital length of stay.

4.2 Children's Services

The great majority of children have a better quality of life when they are cared for in their own home, supported by immediate and extended family and supportive local communities. This ethos underpins the Trust's, 'Supporting Families' strategy; a five year plan designed to shift the focus towards supporting families and where necessary protecting children. The strategy identifies the approach to health and family support initiatives which target early intervention and prevention strategies to children and their families resulting in improved outcomes for children. This includes active involvement by a range of statutory agencies, voluntary groups and community organisations. Family hubs, delivered in partnership with Action for Children are the corner stone of this model. Approximately 60 families per month receive a range of support from local community and voluntary groups to ensure they do not require statutory social care interventions.

Another example is 'Star Babies'; an enhanced universal home visiting service for first time parents with children from birth to one year providing a package of parenting support to improve the social and emotional health and wellbeing of babies and parents and strengthening relationships. Every month, it tracks the journey of a child from the perinatal period through the first 12 months of life. Star Babies is structured around delivery of the Healthy Child, Healthy Future framework with a focus on early intervention and prevention. It is founded on the importance of attachment and the influence of early relationships on brain development. Since its introduction in September 2013, a total of 1,018 first time parents have availed of Star Babies across three localities.

The Trust is currently the corporate parent for 688 children with 552 children in foster placements and with 38 children living in residential care in six units across the Trust. The newly opened facility, 'The Willows' in Ballymena has continued to develop its Intensive Support Services and we are continuing to develop an Integrated Model of Care aligning 'The Willows' alongside the Intensive Support Community Team and the Intensive Support Fostering services with the objective of providing an integrated seamless family support resource.

Within Sixteen plus Services we are currently providing support for over 350 young people between the age of 16 and 21. There have been positive developments with regard to increased numbers of care leavers attending university and further education. Planning

permission for the 13 bedded supported living accommodation in Magherafelt was granted in February 2015 and we look forward to the opening of the new facility in March 2016.

For some children, adoption is the best option. Research has shown that the breakdown rate of adoptions is lower than other forms of substitute care (Selwyn et al 2014). Adoptive carers offer long term commitment to the children who are placed in their care, some of whom are placed as older children or within sibling groups, often as many as three or four siblings together. We have had many successes in progressing permanency plans for children both within the Court Arena and also in the significant work that is addressed at the Trust's monthly adoption panels. The Therapeutic Team for Looked After and Adopted Children (TTLAC) is part of the services we provide to looked after and adopted children.

The Trust assumed responsibility for Intercountry Adoption regionally and it was acknowledged that this was due to the expertise within the Trust and the lead role we have provided regionally with regard to adoption services.

Flu vaccination for primary school children

This school nurse led vaccination programme followed the national recommendation from Joint Committee on Vaccination and Immunisation (JCVI) which recommended the introduction of an annual flu vaccination for all children aged two -16 years. Within Northern Ireland it was agreed that optimal uptake for school age children would be achieved by offering the vaccine in school. In the autumn of 2013 school nurses introduced the pilot to all primary six children. This was followed in autumn 2014 to all other children in primary school. 40,896 children were offered and 31,561 children received the flu vaccination across 260 primary schools, with the full programme completed in less than 10 weeks.

An excellent uptake of 77% was achieved. The Northern Trust surpassed the regional target of 75% and the overall regional uptake of 76.3%.

Child and Adolescent Mental Health Service has continued to face significant pressures but has still delivered a number of service developments and improvements. The Primary Mental Health service became operational in October 2014 with a focus on early intervention/prevention providing services to children and young people experiencing mild to moderate mental health or emotional difficulty. The team also supports and trains other

professionals in meeting the lower level needs of children and young people known to other services e.g. Health Visitors and Teachers.

4.3 Mental Health and Disability Services

A key focus for Mental Health and Disability Services throughout the year has been embedding Recovery Orientated Practice within teams and across services. The starting point was the development and launch by service users of a DVD of recovery stories, followed by Recovery roadshows and eventually the development of the Recovery College offering a range of courses designed to increase knowledge and skills about recovery and self-management. These courses are co-produced and co-delivered by service users working alongside staff.

During the year the Trust launched an innovative Early Intervention Service offering assessment, diagnosis and interventions for young people who are referred to the Service with an at-risk mental state. This aims to prevent the development of psychotic illness in young people with at-risk mental states and to minimise the delay between psychosis onset and effective treatment if psychotic illness does develop. A first for Northern Ireland, the new team is pioneering this model of care.

The successful resettlement programme of long stay patients from Holywell hospital continues to transform people's lives. Many of the patients transferring had lived in hospital for much of their lives and required significant skilled support in venturing into their new lives in the community. One of the men, after his 50+ years of hospital living commented as he prepared his own lunch in his own home "I am into civilization now". The Trust in collaboration with Trinity Housing developed Churchwell Lane, an attractive supported living service in Magherafelt. This unit has a particular focus on rehabilitation and recovery. Each resident has their own individual home with easy access to an excellent day time structure and the opportunity to be socially included in their local community.

Our Community Mental Health services for older people continued to develop throughout the year. This saw the implementation of a new model of memory assessment service commencing in the Antrim/Ballymena area in October 2014 which will be rolled out across the Trust. Our Dementia Home support team developed further to support people with

dementia and their carer's in their own homes, working alongside generic mental health services for older people's teams.

Communities themselves are embracing this change and the Trust, working in partnership with the Alzheimer's Society, saw Coleraine become the first Dementia Friendly community in Northern Ireland. A Dementia Friendly community is one where people with dementia are understood, respected, supported and feel confident they can contribute to community life. The local council and 30 local businesses signed up to this initiative.

Our vision to develop a single inpatient unit for the care of frail and older people presenting with emerging mental illness was realised this year. This is provided in Tobernaveneen Centre, at Holywell Hospital where a service and environment which is sensitive to, and geared towards the older service user, has been developed in line with recognised best practice care.

Learning Disability Services

The Bamford Review sets out a clear vision for promoting social inclusion within communities for people with Learning Disabilities and is exemplified through the Equal Lives Report (Mental Health and Learning Disability Review DHSSPS, 2007).

This year saw the continuing resettlement of long stay patients, many with extremely complex needs, from long term care into the community. The aim of resettlement is improving the quality of life for service users.

The Trust's Resettlement Team assesses the individual needs of the patients and identifies appropriate community placements suitable to meet the individual's needs and to co-ordinate the assessment, discharge planning and review process. We opened a second supported living service in Ballyclare in partnership with Triangle Housing Association. One patient has already moved into this and we are expecting this home to be fully occupied by July 2015. This placement has been very successful to date and regular reviews have been carried out under Care Management which continues to highlight significant improvement in the service users' quality of life and this has also been echoed by the families of those who have been resettled.

Short breaks or respite care are an essential support to people with a learning disability and their carers. The Trust undertook a major engagement process with service users and carers to obtain their views on short breaks and how they should be delivered in the future. This work will form the basis of a strategy to be finalised in 2015 aimed at ensuring appropriate access to short breaks targeted upon those with greatest needs.

During the year the Trust continued to progress our strategy for day services for people with a learning disability 'widening choice and opportunities. This has seen the Trust being at the fore front regionally in offering choice in day services through an innovative day opportunities programmes developed with a range of community partners. It has also seen greatly diversified statutory services with the development of satellite units linked to adult centres to better meet the needs of more able clients. As part of this the New-Route satellite unit opened in May 2014 in Ballymoney. This new unit has been very successful in meeting the needs of service users by developing independent activities using the local facilities in the area.

Physical Health and Disability Services

The Trust commenced the development of work on self-directed support which allows service users to choose how their support is provided and is a key element in enabling people with disabilities to be independent and empowered to exercise their own choices. This work will continue to be developed in 2015/16 in line with regional priorities.

Physical Health and Disability Services, working with services users fundamentally reshaped the care planning process. Responding to service users' feedback of being disempowered and removed from their own care plans, the team brought service users back into the centre of this process. They did this through simplifying the format of care plans, replacing jargon with everyday language and developing systems to help service users plan and review their own care. Service users felt confident that they could take part in any decision making processes and, as one service user said "I feel the care plan belongs to me".

4.4 Acute services

In the Northern Trust our primary aim is to support people at home with a wraparound package of primary and community care. When they need acute care we want them to get to the right service first time.

Throughout the year we continued to build upon the improvements achieved with the support of the Turnaround Team in the previous year. It was also one of the new Chief Executives priorities. As a result unscheduled care pathway has greatly improved. In August 2014 we celebrated that Causeway Hospital had progressed a full year when all patients were assessed, treated and either discharged or admitted in less than 12 hours. This continues to be the case. This is due to the commitment and dedication of all staff; clinical and non-clinical alike who take great pride in this achievement on behalf of their patients.

The unscheduled pathway in Antrim Area Hospital has also continued to improve despite the significant pressure of increased demand. In 2014/15 there was a 35% reduction in patients waiting greater than 12 hours to be assessed, treated and either discharged or admitted to hospital. This improvement builds on the 50% reduction in the previous year.

The Acute Assessment Unit in Antrim Hospital continues to go from strength to strength. Not only does the Unit provide timely assessment for Primary Care referral and suitable patients who present in the Emergency Department, it also provides comprehensive ambulatory treatment to prevent hospital admission. In 2014/15 this Unit saw almost 2,000 patients, people who would traditionally have presented at our Emergency Department. 60% were discharged with a comprehensive management plan and appropriate follow-up.

There has been a significant emphasis on safety across both acute hospitals in the past year. In July 2014 we introduced a daily morning safety briefing. This twenty minute briefing occurs in both hospitals at 8.30am and is attended by representatives from every ward and department in the hospital as well as support services, social work, administration, estates, pharmacy, allied health professionals, radiology and laboratory. The purpose of this meeting is to update on the previous 24 hours including incidents,

accidents, and occurrences which had an impact on safety as well as providing an immediate update to all on service pressures and/or issues that affect the hospital. This has been an overwhelming success both for the purpose for which it was established and also has improved collegiality and team work and created a real sense of 'community' across the hospitals.

Cancer

Cancer services had a very busy year. Four tumour groups: breast; colorectal; respiratory; and gynaecology underwent Peer Review; a comprehensive examination of the quality of cancer services for these groups. Overall services were rated highly. Key areas for improvement were identified for each tumour group and will be taken forward by each speciality.

The Trust focused on improving communication within cancer services. We developed and launched the Cancer information website to help ensure information regarding care and treatment in the Trust and in the wider community is available to the public and health sector in an easily accessible format.

Although the incidence of cancer diagnosis is rising annually, the advance in cancer treatments means people are living with cancer longer. Hence cancer is now being viewed, in the majority of cases, as a long term condition. The Trust working in partnership with the Health and Social Care Board, the Public Health Agency and Macmillan Cancer Support has successfully implemented a change in breast cancer follow-up that has transformed the breast care service. 40% of all newly-diagnosed breast cancer patients are now moved onto self-directed after care, reducing the number of routine review appointments. Patients are given an individual care plan and advised how to access services quickly should any problem occur. The Nurse Specialist is the key person within clinical teams ensuring patients are assessed and supported. The Trust is now in the process of rolling this out to a number of other tumour sites.

Maternity Services

There have been a number of quality improvements across Maternity Services. These include:

The redesign of the water birth facility in Antrim Area Hospital with a new pool and a dedicated suite 180 women have delivered their babies in water with many more using the facility for pain relief in labour. The facility has been evaluated positively by our mums.

Women having a multiple pregnancy tend to have more complex needs. We have developed a multi-professional approach based on best practice and tailored to meet the individual needs of each woman who has a multiple pregnancy confirmed.

The Rowan

The Rowan Sexual Assault Referral Centre, which is now in its second year of operating, won a prestigious award. The Centre, which brings together health, social care and criminal justice agencies to support people who have experienced sexual assault and abuse in one place, was named Adult Sexual Health Service of the year at the UK Sexual Health Awards in March 2015.

Nutrition and Dietetic Services

The Trust has excelled in nutritional care provided to patients in intensive care units (ICU). A worldwide audit carried out by the Canadian Critical Care Nutrition Research Group placed Antrim Intensive Care Unit sixth in the world and fifth in Europe. The audit examined the adequacy and management of nutrition therapy for patients within the ICU, this was compared to best practice guidelines and the performance was then benchmarked.

Performance and Service Improvement

CHKS is the leading provider of healthcare intelligence and quality improvement services to the NHS and independent healthcare sector. The Northern Trust was named as one of the CHKS 40 Top Hospitals for 2014. The 40 Top award is one of several awards that are part of the CHKS Top Hospitals programme and is given to the 40 top performing CHKS client Trusts in the UK.

The Trust is delighted to receive this award which highlights the excellent work being carried out by staff across the Trust. Staff work extremely hard on a daily basis to improve standards and care for their patients this award recognises that commitment and dedication.

The 40Top award is based on the evaluation of 22 key performance indicators covering safety, clinical effectiveness, health outcomes, efficiency, patient experience and quality of care.

5. Our supporting functions

5.1 Equality Matters

We are committed to working in partnership with individuals and communities to ensure that our diverse population is treated fairly and treated well.

We have developed plans that detail how we will make sure that we promote equality, good relations and our disability duties. Our Section 75 Action Based Plan and Disability Action Plan (DAP) are available on our website www.northerntrust.hscni.net. We formally consulted on the Plans for 12 weeks from 26 March 2014 to 19 June 2014 and the Plans have been amended to reflect the feedback we received.

To celebrate Community Relations Week in June 2014 the Trust held a multi-cultural event in the restaurant at Antrim Area Hospital. Supported by Ballymena Inter-Ethnic Forum and Antrim Borough Council, the aim of the event was to increase staff awareness of the cultural needs of minority ethnic communities receiving hospital care. Participants included representatives from the African and Caribbean, Chinese, Polish, Muslim, Jehovah's Witness and Roma Communities. The restaurant's menu on the day also reflected the multi-cultural theme and included traditional food from some of the countries represented.

We know that good information provision is central to accessing our services. Everyone is entitled to accessible information and the right communication support. Last year the Trust booked interpreters for 10,987 health and social care appointments and 813 Trust appointments were supported with the provision of a sign language interpreter.

The Trust's user panels continue to meet regularly and are used to obtain feedback from service users and carers on service planning and review. The Disability Consultation Panel helped us to develop our Assistance Dog Policy to ensure the Trust had an accessible service to Assistance Dog owners. The policy was launched at the assistance

puppy training class and will ensure services are accessible to everyone and that Assistance Dog owners are not refused access to Trust premises.

As always we are grateful to the members of all the Panels for their involvement and continued support and look forward to working with them in the future. More information about the Panels and the minutes of the meetings can be found on our website.

We know that carers enable thousands of people to live independent lives safely in their own homes and in the community and we recognize how demanding the caring role can be. During the year the Trust held a number of carer support events including 'Refresh and Relax', 'Mindfulness', and 'Helpful Tips for Family Carers'. The Trust also ran a 'Cultural Approaches to Caring' workshop to raise awareness of the cultural aspects of families carers from an ethnic minority background.

The Trust launched its Good Relations Strategy in February 2015 at the Stronger Together Annual Conference. The Strategy details how the Trust will promote respect, equity and trust in the delivery of its services and employment of its staff. As a public authority we have a legal responsibility to promote good relations but this Strategy is about more than following the letter of the law. It will help us to provide inclusive services to all our communities and demonstrate to our staff that they are valued and respected irrespective of their race, religion or political opinion.

While developing the Strategy we talked to our staff, service users and local communities to find out how they feel about good relations and to ensure that their views shaped our plans. The Trust's Good Relations Statement will be displayed in all Trust facilities.

"We are committed to ensuring that our staff feel comfortable at work and everyone feels welcome when using our services. We will not tolerate sectarianism or racism in any form neither by staff or service users."

As we move into another year we will continue operating in a difficult economic climate but we are as committed as ever to promoting equality and good relations.

5.2 Finance Directorate

This year has been one of continuing development for the finance teams. The Finance Directorate has moved to its new permanent location in Greenmount House, Ballymena. This has allowed the centralisation of the finance teams and creates opportunity for greater synergy across its functions. The building has provided a modern office environment, which is shared with Business Services Organisation (BSO) Shared Services. The move has been welcomed by the finance staff after many years of sub-standard accommodation.

During 2014/15 the Trust transferred its payroll function to the BSO as part of the Shared Services Programme. This service is now provided from the Belfast location of BSO. This completes the programme for finance, having previously transferred its Accounts Payable and Accounts Receivable functions.

While the implementation of the new systems and the subsequent transfer of the processing function to BSO have proved very challenging, it is testimony to the diligence and expertise of the Finance Directorate staff involved that these transitions have gone smoothly and are now complete. Trust staff have been provided with both support and information to allow them to understand the new arrangements.

The finance team continued to support the rollout of the Healthcare Financial Management Association (HFMA) eLearning package which allows managers to improve their proficiency in financial management.

5.3 Capital Development

During the last financial year the Trust spent £25.097m on capital schemes. This included £6.651m spent on general capital covering minor capital estates schemes, medical devices, vehicles and ICT.

We are delighted to say that the following schemes progressed during 2014/15.

Ballymena Health and Care Centre £25m

The centre is the first of its type with community diagnostic, assessment and treatment services provided adjacent to six GP practices and a number of acute hospital outreach

services including a range of Consultant led and Specialist nurse led clinics and X-ray facilities. There will be a Gait Analysis unit housing specialist computer analysis programmes to support the design and manufacture of podiatric insoles and a virtual Citizens Advice Bureau office in the main atrium area. A separate Children's department has been designed to include clinic facilities for public health nursing, midwifery and community paediatric medicine, physiotherapy and occupational therapy treatment rooms and an extensive speech and language therapy unit with observation facilities. Consultation and group therapy facilities have also been designed for the community mental health services.

Neonatal Unit (NNU) at Antrim Area Hospital £2m

The unit is to be complete by May 2015. Once the scheme is complete, it will provide a fit for purpose NNU that meets current space standards, provides a safe environment for neonates and modern facilities for families.

Hospital Dentistry £1.2m

A new Hospital Dentistry Facility will facilitate the move of the Trust's Orthodontic Department from the Braid Valley site and its existing special care / oral / maxillofacial dentistry service from outpatients department one in Antrim to the new build.

Modular office accommodation at Antrim Area Hospital (AAH) £408K

Currently there is insufficient office accommodation for clinical and non-clinical staff on the AAH site. It was decided that the provision of a modular building within the staff car park beside Fern House would allow the Trust to meet the urgent office space pressures on site releasing valuable clinical accommodation while providing offices for consultants and other staff who must be based on the acute site.

Refurbishment of Bretten Hall for Executive Team £179K

The completion of this scheme has allowed the Executive Team to move from the Cottage Ballymena to Antrim Area Hospital site in line with the recommended actions of the Turnaround Team Report in terms of having closer working arrangements for clinicians and managers to improve the performance of the hospital.

5.4 Corporate Support Services

Over 700 front line staff are employed by the Corporate Support Services Department providing a range of essential services to all Trust patients / clients including cleaning, catering, portering, laundry and transport services which support clinical care across the Trust and form an integral part of the overall patient experience.

Acute Catering Services

Acute Hospital Catering Services were awarded the Government accredited Customer Services Excellence Award for the fourth year in a row.

A Daily Food Safety Check which is completed at Ward level has been developed which identifies any non-compliance issues. These are shared with senior managers on a daily basis who have responsibility for taking the necessary corrective action. Ward Managers are engaged with as part of this process, to rectify any Food Safety/Quality issues within their ward areas as part of the Trust's overall Food Safety assurance process.

The Food Standards Agency continues to operate a Food Hygiene Rating scheme for Acute Hospital Catering Facilities. A number of the councils within the geographical area of the Trust have implemented the scheme. Catering Departments are rated according to the level of compliance with:

- Food hygiene and safety procedures i.e. food handling practices, procedures and temperature control.
- Structural requirements i.e. cleanliness, layout, condition of structure, lighting, ventilation etc.
- Confidence in management requirements i.e. Food Safety Management Systems (HACCP) and Training.

The top rating of five has been awarded to Catering Services at the Antrim, Braid Valley, Causeway, Whiteabbey and Mid Ulster Hospitals.

Community Catering Services

Community catering services provided 480,000 meals in the year. The three Community Hospitals, Holywell, Dalriada and the Robinson Memorial, retained the Customer Services Excellence Award for the third year running. In addition seven adult and day centres were

successful in obtaining the award, demonstrating the range of high quality measures in place to ensure the service is making a tangible difference to service users.

Customer Service Excellence is a driver for continuous improvement within Catering Services, focusing on a skills development programme for the Catering Teams. As an independent validation of achievement it has enabled Community Catering Services to demonstrate competence and identify key areas for improvement.

In the Food Standards Agency Food Hygiene Rating Scheme all community catering facilities have been rated between four and five, which are the highest categories in the scheme.

Car parking

The “pay for parking” scheme on the Causeway and Antrim Hospital Sites continues to generate revenue that, after overheads are covered, goes back into supporting frontline patient care.

Security

The Trust takes the security of staff, patients, buildings and property very seriously and has just signed a new contract for the provision of Security services in the Causeway and Antrim Hospitals. The new contractor also provides the Trust with a community response for those buildings that are alarmed.

Volunteers

The Volunteer service within the acute hospital setting is very important in complementing Trust services. On both hospital sites the Trust continues to have ‘meeters and greeters’ who direct patients around the site.

Transport Department

During 2014/15 the Transport Department travelled over 2.5 million miles, providing transport for clients attending adult and day centres, delivering pharmacy, Hospital Sterilising Disinfecting Unit (HSDU) equipment, furniture and internal mail. On average 15 vehicles are replaced on a yearly basis. Further modernisation of the fleet is a priority for the coming year and developments will include the introduction of “low-floor” vehicles which provide improved accessibility for clients.

The Acute Patient Discharge Transport Service has been tailored to meet the changing needs of the service and continues to support the Northern Ireland Ambulance Service in the discharging of patients from Antrim Area Hospital.

5.5 Estates Services

How we deal with waste

The Trust Waste Policy includes a commitment to safeguard the environment from adverse effects from the waste produced throughout the Trust. The Trust continues to improve in its handling of waste and waste diversion from landfill.

Clinical, Pharmaceutical and Anatomical waste

In 2014/15 clinical, pharmaceutical and anatomical waste (clinical waste) was again reduced by 19.61 tonnes Trust wide (1,038.84 tonnes produced in total). All hospitals and community facilities had a reduction of clinical waste with the exception of Antrim Area Hospital which increased by 1.07 tonnes (636.68 tonnes produced in total) due to the increase of beds during the winter pressures.

Recyclable domestic waste

Since the introduction of recycling domestic waste in 2011 throughout the Trust the amount of waste sent to landfill has steadily decreased with recycling rates increasing year on year. Throughout 2014/15 the average recycling rate of the Trust was 85% with the majority of the hospitals recycling 90+%. The total tonnage of domestic waste collected was 1,512 tonnes; of this 150.87 tonnes was baled cardboard for recycling at Antrim, Causeway, Holywell, Mid Ulster and Whiteabbey hospitals and 17.63 tonnes was sent for composting.

Even though the recycling rate throughout the Trust is high there is still an opportunity to improve.

Confidential waste

Throughout 2014/15 saw an increase in the amount of confidential waste produced at all hospital sites with the exception of Causeway, Dalriada and Mid Ulster. The increase in confidential material originated from Medical Records, Finance and Antrim Area Hospital.

Across the Trust 16,621 bags of confidential waste were collected and of this, 6,693 originated from Antrim and 1,066 from Causeway.

To help reduce the increased amounts of confidential waste from Antrim hospital, 18 shredders were placed at ward and department level during 2012/13 and a further eight during 2014/15.

Wards, departments and community facilities are encouraged to shred their own confidential waste to reduce collection and disposal charges, reduce the amount of lorries on the road due to collections and most importantly, to reduce the risk of confidential material falling into the wrong hands.

Continued savings are being seen from previous energy projects. Antrim Area Hospital gas bill has remained the same despite the addition of the emergency department and neonatal facilities. This is due to the heat recovery system in place which recovers the heat from the boiler flue gases. The wind turbine at Antrim Area Hospital has also had another good year saving the Trust £120,000. These projects demonstrate that investment in smaller energy projects at the same time as large schemes can help to offset the increased energy requirements and additional recurring revenue.

Estates development

Estates Services manage and maintain the estate and assets of the Trust, to ensure that it is fit for purpose and compliant with statutory standards.

Our design and development team along with operational estates staff have managed £2.32m of capital projects during this year.

Estates Services provide vital support to the major capital works along with our colleagues in the Capital Development Team, and the DHSSPS, i.e.

- Neonatal extension and refurbishment at Antrim Area Hospital
- Hospital Dentistry Unit at Antrim Hospital
- Ballymena Health and Care Centre

Significant capital was also secured to maintain existing services (MES) and to address deficiencies in statutory standards within the Trust estate, with expenditure on control of

legionella, upgrade of fixed electrical infrastructure, heating system upgrades, asbestos removal, air conditioning installations, boiler flue replacements, safety glazing, window restrictors, staircases, water safety and firecode.

Comprehensive water testing and maintenance regimes are in place for the control of water borne pathogens in hot and cold water systems. This includes control of Pseudomonas in designated augmented care areas in Antrim and Causeway hospitals and Legionella control Trust-wide.

Estates Services provide a comprehensive clinical and decontamination engineering service in support of both acute and community services. Periodic validation and verification of all equipment and systems used for the decontamination of reusable medical devices is managed in accordance with all published advice, instruction and best practice.

Estates Services continues to support community patients in the provision of aids and adaptations, meeting and exceeding the targets set by the Minister of Health with 99% performance response for minor adaptations and 98% for the installation of homelifts.

Telecommunications infrastructure improved with the significant capital investment. Further recurring revenue savings of £100k were achieved following this investment and reviewing annual contracts.

5.6 Information & Communications Technology (ICT)

The Trust, with financial support from the Health & Social Care Board, has continued to develop ICT Systems and Infrastructure. We have focussed particularly on taking forward developments with significant benefit potential for service users.

Managers working to improve the services they deliver in both hospital and community settings have welcomed the development of Business Intelligence 'apps' that allow them to access both qualitative and quantitative information on performance on a near real-time basis. We see the further development of analytics as vital to improvement in the future. Our vision is that pertinent information, such as waiting times for services, would also be delivered to our service users on a real-time basis.

At the other end of the information spectrum, we continue to work towards a full electronic health and social care record for each service user. The ultimate aim is that service users will be able to access their own records on-line and that clinical and professional staff have visibility of all or part of those records when it is appropriate to do so. We place significant importance on ensuring that such records are kept up-to-date and are appropriately managed. Developments in this area include extending access to the Northern Ireland Electronic Care Record and to electronically-enabled versions of assessment tools (such as the Northern Ireland Single Assessment Tool (NISAT) and Understanding the Needs Of Children In Northern Ireland (UNOCINI)).

Many of our staff work in the community and, as such, need access to records and to other information 'on the move'. We have been challenged as to how best to deliver this and are in the process of piloting a range of devices with an integrated team in the Larne area. Staff, and their patients and clients, are already seeing benefits. However there are some challenges, not least the consistency of the mobile network across the locality in which the team functions. We expect that this pilot, which will run until late summer 2015, will provide us with very clear direction as to how to extend access to nurses, allied health professionals and social workers across the entire Trust.

The Trust recognises that effective two-way communication with General Practice is vitally important. Technology that enables electronic processing of referrals is currently being trialled. Indications are that this is making a real difference to patients, with a large percentage of referrals being received electronically being processed on the day the referral is received. The implementation of this technology, together with a shift to GPs making all referrals electronically, will enable the Trust to deal with more urgent referrals for a wider range of services through its Access Centre. Complementary technology that will enable the electronic transfer of clinical correspondence to General Practice is also being piloted and is expected to be fully rolled out in the coming year.

We are encouraging our service users to adopt technology to improve their experience of our services. We have implemented Service User Self Check-in Kiosks in both Causeway and Antrim outpatients departments. Over the coming year this will be extended to other sites, including the new Ballymena Health and Care Centre which is due to open in the autumn. We see considerable potential for technology to be used in place of face-to-face contacts with patients.

The technical infrastructure that supports clinical and other information systems continues to be maintained and enhanced, providing staff with secure and reliable access whether they are based within a clinical area or provide services in our rural community.

We continuously strive to improve the governance arrangements around systems and processes for information handling, particularly those that relate to the management of sensitive personal information. Our ICT Department has recently obtained ISO 27001 (Information Security Management) accreditation. We are the first Trust in Northern Ireland to have achieved this standard.

5.7 Emergency Planning

The Trust continues to develop Emergency Planning resilience for major incidents as outlined within the Northern Ireland Civil Contingencies Framework.

In preparation for responding to any incident the Trust has a Corporate Major Incident Plan in place supported by an Antrim Area Hospital Site Specific Major Incident Plan. The Trust has developed a Pandemic Influenza Response Plan in line with new DHSSPSNI Pandemic Influenza guidance. A Chemical Biological Radiological Nuclear (CBRN) Response Plan and Mass Prophylaxis Centre Plan are also in place. On-going projects include the development of a Causeway Site Specific Major Incident Plan, Hospital Lockdown Plan and Total Evacuation Plan.

We have participated in several major incident exercises to test and validate plans, including, on a 'table top' basis:

- Testing both the Trust's and regional responses to the presentation on Trust premises of a patient with Ebola.
- Testing the Emergency Support Centre Protocol facilitated by the Trust, NIAS, PSNI and the Council Emergency Planning Officer.
- Testing the regional response to an outbreak disease.

Training on major incident responses is on-going and has been provided to a wide range of staff including those having roles and responsibilities as follows:

- Hospital Major Incident Medical Management and Support.
- Powered Respirator Protective Suit Training during a Chemical, Biological, Radiological Nuclear incident response.
- Public Inquiry Training.
- 'Logist' Training.
- Business Continuity Training.
- Emergency Department Clinical and Administrative staff.
- Mass Prophylaxis Centre Training.
- Information Governance during an Emergency response.
- Control and Information Team Training.

We continued to be involved in the planning, preparation and co-ordination of various high profile events during the summer of 2014 including the Giro d'Italia and other regular annual events including the North West 200 and the International Air Show in Portrush.

The Trust's major incident response continues to be available to support the co-ordination and management of civil emergencies within the community by activation of the Emergency Response Team and close partnership with local councils, PSNI, NIAS and voluntary organisations.

The Trust Emergency Response Team (ERT) was activated to respond to an airport incident in December 2014. At the formal multi-agency debrief hosted by the airport the Trust ERT was highly commended for their response, expertise and professionalism in meeting the welfare needs and providing reassurance and support to both the shaken passengers and crew.

6. Our people

As one of the largest employers in Northern Ireland, the Trust continues to employ diverse teams of staff across many different professions and disciplines in roles where they have the opportunity to directly contribute to the health and wellbeing of the population we serve through the jobs they do. Our highly skilled and talented workforce are of utmost importance to us and we continued during the year to maintain our focus on our ability to recruit, develop and retain the most talented multi-faceted and multi-professional workforce from a vast range of professional, clinical and support backgrounds.

During the year we made some key appointments to our Executive Team including the appointment of a new Chief Executive, a Director of Human Resources and Organisational Development and a new Medical Director. A highlight of the year was the Trust's Leadership conference in June 2014, at which leaders from throughout the organisation were challenged to consider 3 priorities for the year ahead:

- we will review our Vision and Values;
- we will invest in our People;
- we will reform and modernise.

Vision and Values

Developing a new shared Vision and Values was a key priority for our organisation during the last year. During November and December 2014, as part of our approach to engaging our staff, we asked our staff across all directorates and professions to come up with a new set of values for us through a large scale exercise which involved focus groups and team meetings as well as opportunity for individual feedback.

We launched our new vision and values at Trust Board in March 2015. The work of embedding these values into our culture has now begun. Our new vision describes what we aspire to achieve in terms of our future direction.

Our vision: To deliver excellent integrated services in partnership with our community.

The new 'CORE' values created by our staff – **Compassion, Openness, Respect and Excellence** - will support the vision, shape the culture and reflect the beliefs, behaviours and philosophy of our organisation.

Investing in Our People

Our volume of recruitment and selection activity remained high during the year to ensure that our teams were resourced with skilled and talented employees to deliver our services effectively. This year 11,236 applications were received for positions in the Trust. This was a decrease on previous years' figures attributed to the impact of financial controls and the need for organisational change, but nonetheless a reflection of the keen interest in vacancies in the organisation. In total we progressed a total of 1,681 vacancies, an average of 140 vacancies per month.

We continue to invest in our people through training and development.

We have continued to offer development programmes for all levels of leaders and managers in the Trust. This included our new Ward Sister/Charge Nurse support and enablement programme 'Breaking Barriers, Driving Standards', now on its second cohort.

A further highlight of the year was NVQ/QCF awards presentation ceremony in June 2014 which celebrated the achievement of candidates and acknowledged their effort, commitment and highly valued role in our service. 117 candidates from the areas of Domiciliary Care, Social Care and Nursing were awarded a certificate. This was a highly inspiring day as we listened to some of our staff sharing their personal experience of the framework and how it had benefited them personally and in turn the people they provide care for.

During the year we created and launched a new Top Leaders Development Programme, developing a network of clinical, professional and managerial leaders to drive and support organisational transformation, modernisation and cultural change.

Health and Wellbeing

The Trust remains committed to supporting the Health and Wellbeing of staff and we continued to develop our strategy and action plans to those areas of highest need focusing on supporting staff to stay in work and promoting healthy lifestyles by providing support and education campaigns.

The Trust met its target to vaccinate front line workers against winter Flu.

Work was undertaken to redesign and deliver Managing Attendance training programmes. The development of on-line information and guidance on Staffnet and the establishment of regular directorate case management meetings are just a few examples of other initiatives to improve health, wellbeing and attendance of employees.

The two main reasons for staff absence continue to be musculoskeletal and psychosocial conditions which account for 26% and 29% of all referrals to our Occupational Health Service. This is an unchanging pattern since the inception of the Trust and so our strategies in promoting and protecting health continue to address and support these areas. A new Health and Wellbeing Strategy and Action Plan is currently being drafted to focus on these two areas moving forward into 2015/16.

A range of staff information campaigns during the year included 'Work and Cancer', 'Men's Health Month', 'Care in the Sun', 'Suicide Prevention Day', 'Flu Campaign', 'National Stress Day', 'Healthy Eating', 'Sexual Health' and 'No Smoking Day'. The year ended with a successful employee weight reduction campaign '£ for lb.', run in association with Business in the community. These and other approaches were made available in a range of forms to all Trust staff.

Employee Relations

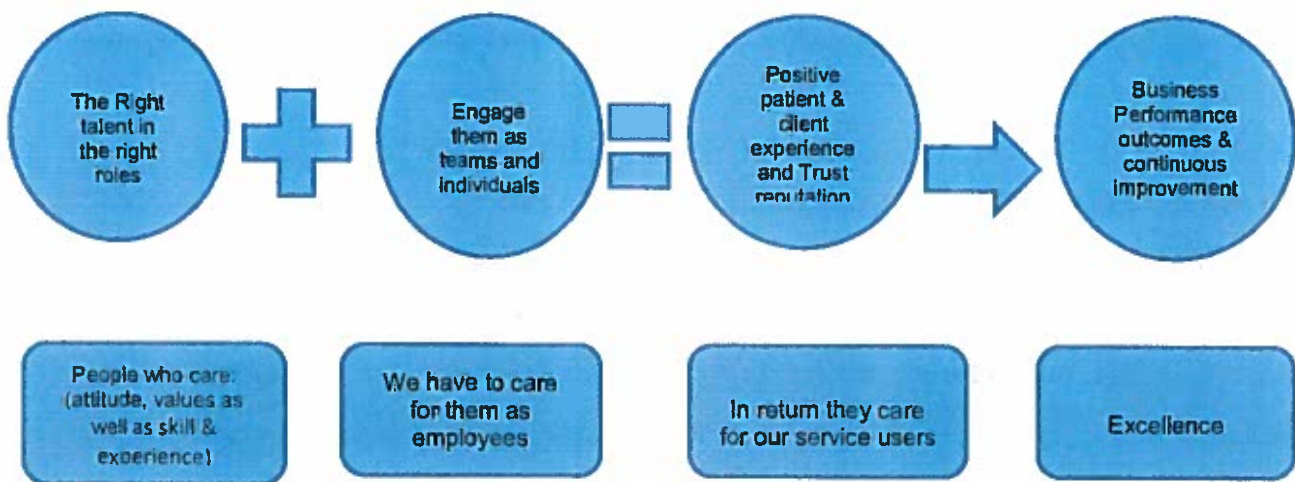
The Trust is committed to continuously improving our Industrial and Employee Relations frameworks and infrastructures to ensure that our approach supports a culture of partnership working, engagement and communication.

The Trust highly values its partnership approach with Trade Union colleagues. Regular Joint Partnership meetings between Trade Unions and management have helped greatly in resolving Employee Relations issues and in consulting with our Trade Union colleagues on change, policies and procedures.

Reform and modernisation

Looking ahead the Trust recognises that reform and modernisation will be delivered by developing a highly engaged workforce and through great line management. People are at the core of what we do and why we exist. Our simple 'equation', illustrated below,

reflects our belief system about how we can deliver change and optimise performance through our People.



Engagement

One of the key components of an engaged workforce is an effective system for employees to have feedback on their performance and have a development plan that meets their individual needs as well as professional requirements. Systems for professional supervision continued as an essential means of assurance of safe and effective, as well as reflective practice through professional lines. Staff appraisal continued to be another important area of work for the 2014/2015 year and a programme of work commenced to review our policy, processes and systems for compliance with statutory and mandatory training requirements.

HR Systems

We continued to deliver our Business Services Transformation Programme with the successful implementation and bedding down of the Human Resources, Payroll and Travel system during the first quarter of the year followed by a focus on deploying the system to managers and staff throughout the Trust. In time this will deliver many benefits for both employees and managers. For example, direct access to view and amend personal details, ability to apply for training and book annual leave on line and managers will have access to real time employee and team data.

6.1 Nursing

The Northern Trust **Infection Prevention Control Team** has continued to deliver a high quality service in collaboration with all teams across the Trust. With this work we have managed not only to ensure the safety of our patients and clients but also minimise the distress to patients and clients caused by management of transmissible diseases.

To reduce preventable MRSA

Methicillin Resistant *Staphylococcus aureus* (MRSA) bacteraemia is a type of bacterial infection that is resistant to a number of widely used antibiotics. As a result, it can be more difficult to treat than other bacterial infections. It can cause serious illness, particularly in frail or immuno-compromised patients in hospital who have a wound, or require medical devices such as central lines or urinary catheters.

For the first year since monitoring began, the Northern Trust did not breach the projected target of 11 cases in one year.

To reduce preventable *Clostridium difficile* infections

Not all cases of *C diff* (*Clostridium difficile*) are preventable, and a proportion is acquired in the community. However, reducing the number of patients who develop *C diff* is an important priority. The number of cases of *C diff* reflects on the quality of environmental and equipment cleaning, the appropriate use of antibiotics and other infection control practices such as hand hygiene and appropriate patient placement.

Despite a rise in the number of cases of *C diff* in the province, the Northern Trust came close to achieving the required reduction in cases despite a significant rise in our inpatient activity - 62 cases against a target of 56 cases, indeed the Northern Trust was the only Trust to deliver a reduction on last year's *C diff* numbers in NI.

Progress made

- Ongoing audits of hand hygiene, clinical practices and environmental cleanliness across all Trust wards, departments and community facilities.
- Root cause analysis (RCA) of each case of *C diff* and MRSA by a multi-disciplinary team, to understand why and how the infection occurred.
- Learning from audits and RCA outcomes is shared with staff across the Trust.

- Mandatory training provided for all Trust staff on Infection Prevention and Control.
- To ensure that patients who attend the Emergency Department following a fall are followed up appropriately, staff in the Emergency Department now refer onward to the appropriate services.

Delivering Care: Nurse Staffing in Northern Ireland

Phase 1 of Delivering Care: Nurse Staffing in Northern Ireland (Normative Staffing) includes establishing safe nurse staffing levels across all 24/7, 7 day a week general and specialist medical and surgical wards. This includes the introduction of supervisory status for all ward sisters and charge nurses.

Following analysis of the Trust's current position the Health Social Care Board (HSCB) has committed to providing £3 million on a recurrent basis from 2015/16 to enable the Trust to recruit an additional 65.49 permanent nurses.

7. Our Achievements

It is important to acknowledge in this annual report the on-going commitment, dedication and hard work of all our staff, often in difficult and stressful circumstances. The work ethic of our staff in the Trust this year has been significant in moving the organisation forward. We are also proud of many staff and services that have been externally recognised for their high standards and excellence in the provision of care.

Some examples of these achievements are set out below:

- Canadian Critical Care Nutrition Research Group rated nutritional care in ICU in Antrim Area Hospital as sixth in the world.
- Claire McManus, Speech and Language Therapist awarded Rising Star at the Advancing Healthcare Awards in London.
- The Northern Health and Social Care Trust named as one of the CHKS 40Top Hospitals for 2014.
- Sadie Campbell, District Nurse became only the second nurse in Northern Ireland to receive the Queens Nursing Award in London.

- Florence Hand, Community Resuscitation Co-ordinator and Project Manager was runner up in the Public Health Award category at the RCN Nurse of the Year 2014.
- Sister Wini McCausland, Ward Manager of the Macmillan Unit, awarded the Champions Award at the Antrim Borough Council Community Excellence Awards 2014.
- Warren Francis, Specialist Pharmacy Technician (IT support), awarded Pharmacy Technician of the Year 2014 for Innovation by the Association of Pharmacy Technicians UK.
- Mildred Bell, Head of Speech and Language Therapy, awarded a prestigious Royal College of Speech and Language Therapy (RCSLT) Fellowship.
- Tracey Peters, Domestic Assistant, awarded Cleaning Operative of the Year for Northern Ireland by the British Institute of Cleaning Science (BICSc). Tracey also came top in the Health Category.
- George Sloan Centre won the Best Kept Health and Social Care Facility 2014 for the Northern Region.
- Forensic Mental Health Service named as overall winner at Northern Ireland's first Advancing Healthcare Awards (AHA). The Service also won the award for Promoting Person Centred Practice.
- Wini McCausland, Ward Manager of the Macmillan Unit, named RCN Nurse Manager of the Year and Mark Cox, acting Manager of Causeway Intermediate Rehabilitation and Stroke Team, named Manager of the Year.
- Several Trust staff finalists at the Institute of Healthcare Management Awards (IHM):
 - Sinead O'Kane, Head of Midwifery and Dr David Morgan, Consultant, Patient Safety Award
 - Nicola Hutchinson, Dietetic Team Lead, AHP Manager of the Year
 - Catherine Cassidy, Head of Service for Looked After Children, Adoption and Fostering Services, Social Care Manager of the Year
 - Rowena Meneely, Community Equipment Services Manager, Manager of the Year
 - Development of an Electronic Medication Reconciliation System and the Psychological Therapies Service Outcomes Framework, HSC Quality and Innovation Award.

- The Rowan won the Adult Sexual Health Service for the Year by Brook, the UK's largest sexual health charity.
- Social Work Awards - Overall winner was Sharing the Care Team, which also won the Children's Services Team Award, the Physical Health and Disability Service Team which won the Adult Services Award and the Dementia Friendly Community Scheme which won the Partnership award.
- The Trust was awarded three Queens Nursing Institute Awards, the only Trust in the Northern Ireland to be awarded. The three projects awarded were Stroke, Active Hearts and dressing packs.
- Kim Ferguson was recently honoured with the Healthcare Financial Management Association (HFMA) "Outstanding Contribution Award" at a national event. The award recognises Kim's contribution, over many years, to the local HFMA team, which supports finance staff in areas of personal and professional development.

8. Our obligations

8.1 Complaints and user experience

We continue to listen to our service users who make complaints or enquiries and try to ensure that complaints are dealt with effectively. Learning is identified from complaints and changes and improvements to practice and care delivery is made.

The total number of formal complaints received for the period 1 April 2014 – 31 March 2015 was 760.

Complaints broken down by directorate

Acute Hospital Services	317
Children's Services	142
Nursing and User Experience	23
Finance	3
Medical and Governance	1
Mental Health and Disability Services	124
Primary Care Older People' Services	134
Planning and Performance Management	16
Total	760

We aim to respond to complaints within 20 working days, where possible, and strive to ensure that there is a full, fair and objective investigation of the issues and concerns raised, and that an effective response and outcome is provided. The Trust responded to 67% of complaints within 20 working days.

Compliments

Services across the Trust receive many compliments on a frequent basis; these can range from written letters, thank you cards or verbal feedback. In addition, a number of compliments are received directly by the Chief Executive, and for the year ended 31 March 2015, the Chief Executive received a total of 780 compliments.

Ombudsman

Sometimes people are not always happy with the outcome of the investigation into their complaint. For those who remain dissatisfied, they may approach the Ombudsman's Office directly. In 2014/15 there were seven requests for information from the Ombudsman's Office. Two were upheld, two were closed, and three are still on-going. In addition, a further three Ombudsman cases from previous years were closed during 2014/15.

9. Management Commentary

9.1 Resources

This year has been a challenging year for all HSC organisations. The Trust began the year with a savings target of £8.9m, in addition to an underlying deficit prediction of £30.9m. As the year progressed the Trust was supported by HSCB funding of around £24m and it implemented a contingency plan of £6.9m to achieve its' statutory duty of breakeven.

As in previous years the Trust's financial position was challenged by service pressures across many areas including:

- Increasing demand through the Emergency Department and consequent increased admissions;
- The continuation of growing demand for domiciliary care packages and for admissions to nursing and residential care, both for mental health and elderly clients;
- Sustained pressure on Children's Services; and
- Increased agency and locum costs to maintain services.

Against this environment, the Trust achieved its savings target and has achieved its statutory duty of breakeven.

Nonetheless, the challenges remain going into 2015/16 and it will take a continued focus on effective financial management by all to sustain breakeven.

9.2 Principal Risks and Uncertainties

The Trust, in common with all HSC Trusts, has to manage a broad range of risks consistent with the delivery of the services for children, adults, mental health and acute hospital care. These risks are managed as described in the Assurance Framework and Risk Management Strategy which were approved in January 2015.

9.3 Going Concern

The Trust prepares its accounts on a going concern basis and has no reason to foresee this basis changing in 2015/16.

10. Our Performance

The Health and Social Care Board each year set out a Commissioning Plan that includes plans for service development, as well as setting priorities and targets that have been included in the Minister's Commissioning Plan Direction. These priorities and targets have associated measures or performance indicators and the Trust monitors achievement against them, sharing and publishing the information through the monthly Trust Board meeting.

The standards and targets cover a wide range of services including:

- Wellbeing, Health Protection and Screening services.
- Unscheduled (emergency) Care.
- Elective (planned) Care.
- Cancer Care.
- Palliative and End of Life Care.
- Long Term Conditions.
- Maternity and Child Health.
- Community Care, Older People and Physical Disability services.
- Children and Families.
- Mental Health and Learning Disability.






Over the course of 2014/15 it has been challenging to meet some of the targets set. This is due in part to the growth of the population, and an ageing population, but also due to increased referrals to services over and above population changes.



The Emergency Department 4 hour and 12 hour targets continued to be a key focus throughout the year for the Trust, with an Unscheduled Care Improvement Programme established under the leadership of the Chief Executive, with a wide range of actions aimed at improving and sustaining performance. The 12 hour target improved on both sites in 2014/15 and Causeway maintained a position of zero 12 hour breaches throughout the year. Total breaches in Antrim fell from 871 in 2013/14 to 663 in 2014/15, a reduction of 24%. Performance against the 4 hour target fell on both sites, from an overall performance of 71% in Antrim and 78% in Causeway to 64% and 73% respectively.







For inpatient and day case admissions, 74% of patients have been seen within 13 weeks and 51% of outpatients have been seen within nine weeks. Demand is significantly higher than capacity in a number of outpatient specialties which has meant that some patients have waited considerably longer than the target of nine weeks.








The following table is a summary of some of the key performance areas monitored. The Trust Board review performance against all the targets each month at the Trust Board meeting and monthly reports are available on the Trust's website.

www.northerntrust.hscni.net.

<i>Elective Care</i>		
Inpatients / Day cases – From April '14, at least 80% of inpatients and day cases are treated within 13 weeks and no patient to wait > 26 weeks.	67% <13 weeks @ 31/03/15 329 >26 weeks @ 31/03/15	 
Diagnostic Tests - From April '14, 100% of all urgent diagnostic tests to be reported on within 2 days.	98% (April '14 – March '15)	
<i>Unscheduled Care (Including Delayed Discharges)</i>		
ED - From April '14, 95% of patients attending any Type 1, 2 or 3 emergency care department should be treated, discharged home or admitted within 4 hours of arrival. No patient should wait longer than 12 hours.	March '15 ANT 57%, CAU 68% < 4 hours ANT 194, CAU 0 > 12 hours	
Delayed Discharges – From April '14, 90% of complex discharges take place within 48 hours of decision to discharge.	87% within 48 Hrs. (April '14 – March '15)	

<i>Hospital Acquired Infections</i>		
By March 2015, reduce MRSA infections – (all ages) Target: not more than 11 cases for 2014/15.	11 cases (April '14 – March '15)	
By March 2015, reduce C Difficile infections – (≥2 yrs) Target: not more than 56 cases for 2014/15.	62 cases (April '14 – March '15)	

<i>Cancer Care</i>		
31 Day – From April '14, 98% of patients to commence treatment within 31 days of decision to treat.	100% (March '15)	
Breast Referrals - From April '14, all urgent referrals to be seen within 14 days.	100% (March '15)	
<i>Children & Families</i>		
Care Leavers – Increase the number of care leavers aged 18, 19 & 20 in education, training or employment.	73% (April '14 – March '15)	
Children In Care – Initial assessment of 'looked after children' to be completed within 10 working days from the date of child becoming looked after.	100% completed < 10 working days (April '14 – March '15)	
Child Protection – 100% of all child protection referrals are allocated to a social worker within 24 hours of receipt of referral and investigated and an initial assessment completed within 10 working days.	100% (April '14 – March '15)	
Family Support – 90% FS referrals allocated to social worker < 20 working days for Initial Assessment.	76% referrals allocated <20 working days (April '14 – March '15)	

<i>Mental Health & Learning Disability</i>		
CAMH'S - From April 14, no waits > 9 weeks to access child and adolescent mental health services.	95 > 9wks @ 31/03/15	
Delayed Discharges - From April '14, 99% of patients admitted as Mental Health Inpatients for assessment and treatment are discharged < 7 days of decision to discharge.	100% (April '14 – March '15)	
Autism – No children should wait longer than 13 weeks for assessment for Autism following referral and a further 13 weeks for commencement of specialised intervention.	173 > 13wks for assessment @ 31/03/15	
	12 > 13 wks For intervention @ 31/03/15	
<i>Community Care, Older People & Physical Disability</i>		
Acquired Brain Injury - Maintain 13 week maximum waiting time from referral to assessment and commencement of specialised treatment.	0 > 13 wks @ 31/03/15	
Continuing Care Needs - No waits over 5 weeks for an assessment to be completed. All components of care need to be met within a further 8 weeks.	100% (April '14 – March '15)	
	96% (April '14 - March '15)	

11. The Way Forward

The Trust has made considerable progress in improving services and meeting targets. In April 2015 the DHSSPS Minister, Mr Jim Wells, formally stood down this stage of the Trust's improvement process, allowing the Trust to move forward under normal governance and performance arrangements. As part of that process we are embarking on a five year transformation programme. This is a challenging but realistic reform programme which aims to deliver tangible benefits to service users and local communities. To do this we will focus on developing local, integrated community services, as integrated services adopt the patient's journey and experience as their shared purpose.

We want to ensure effective acute hospital services too and accept that effective community based services are often able to respond to and support people locally, avoiding the need for a time in the acute hospital, or supporting them to get home as soon as possible. Acute hospital services must work collectively to make best use of expertise and ensure consistent outcomes for patients, wherever they access those services.

We will continue to build on ensuring clinicians and practitioners are in key leading roles throughout the Trust, and that they are supported to take on these roles, as their leadership will help keep us focussed on patient experience, safety and optimum outcomes.

The financial climate will remain challenging no doubt and we must be relentless in focusing on prevention, early intervention and community based care because not only is it better for patients and families, it is also proven to be more cost effective and that is important in light of our growing population.

We will review the use of our Estate so that we ensure the buildings we use and retain are fit for purpose, and seek out opportunities to disinvest in buildings that are not in keeping with the delivery of our services so that money can be redirected into direct patient care.

The staff of the Trust are its greatest asset. The compliments and awards that are referred to earlier in this report are testament to that. Awards and compliments are not won or bestowed upon organisations; they are achieved by people and teams of people. We will move ahead on the basis of working as a collective team of professionals seeking to deliver excellent services to individuals, to families and to the communities we serve.

12. Remuneration Report for the year ended 31 March 2015

Scope of the report

The Remuneration Report summarises the remuneration policy of the Northern Health and Social Care Trust (“the Trust”) and particularly its application in connection with senior managers.

The report also describes how the Trust applies the principles of good corporate governance in relation to senior managers’ remuneration in accordance with HSS (SM) 3/2001 issued by the DHSSPS.

Remuneration Committee

The Board of the Trust, as set out in its Standing Orders and Standing Financial Instructions, has delegated certain functions to the Remuneration Committee including the provision of advice and guidance to the Board on matters of salary and contractual terms for the Chief Executive and Directors of the Trust, guided by DHSSPS policy.

The members of the Remuneration Committee are:

Mr Bob McCann

Mr Stanley Forsythe

Dr Carol Ackah

The Remuneration Committee met four times during the financial year 2014/15 to consider the performance assessment of all Trust Senior Executives, to approve the work objectives of the Senior Directors and Directors of the Trust for the 2015/16 year and to approve the salaries of new Director appointments made during the financial year.

Remuneration Policy

The policy on remuneration of the Trust Senior Executives for current and future financial years is the application of terms and conditions of employment as provided and determined by the DHSSPS.

Performance of Senior Executives is assessed using a performance management system which comprises of individual appraisal and review. Their performance is then considered by the remuneration committee and judgements are made as to their banding in line with the departmental contract against the achievement of regional organisation and personal

objectives. The relevant importance of the appropriate proportions of remuneration is set by the DHSSPS under the performance management arrangements for senior executives.

Service contracts

All Senior Executives, except the Trust Medical Director, in the year 2014/15 were employed on the DHSSPS Senior Executive Contract. The contractual provisions applied are those detailed and contained within Circulars HSS (SM) 2/2001, for those Senior Executives appointed prior to December 2008, and HSS(SM) 3/2008 for those Senior Executives appointed in the Trust since December 2008.

The Trust Medical Director is employed under a contract issued in accordance with HSC Medical Consultant Terms and Conditions of Service (Northern Ireland) 2004.

Notice period

A three month notice period is to be provided by either party except in the event of summary dismissal. There is nothing to prevent either party waiving the right to notice or from accepting payment in lieu of notice.

Retirement benefit costs

The Trust participates in the HSC Pension Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSC Pension Scheme can be found in the HSC Pension Scheme Statement in the Departmental Resource Account for the DHSSPS.

The costs of early retirements are met by the Trust and charged to the Net Expenditure Account at the time the Trust commits itself to the retirement. As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was completed in 2014 and will be used in the 2014/15 accounts.

Premature retirement costs

Section 16 of the Agenda for Change Terms and Conditions Handbook (issued on 14 February 2007 under cover of the DHSSPS Guidance Circular HSS (AfC) (4) 2007) sets out the arrangements for early retirement on the grounds of redundancy and in the interest of the service. Further Circulars were issued by the Department HSS (AfC) (6) 2007 and HSS (AfC) (5) 2008 setting out changes to the timescale for the operation of the transitional protection under these arrangements.

Staff made redundant who are members of the HSC Pension Scheme, have at least two years' continuous service and two years' qualifying membership and have reached the minimum pension age currently 50 years, can opt to retire early without a reduction in their pension as an alternative to a lump sum redundancy payment of up to 24 months' pay. In this case the cost of the early payment of the pension is paid from the lump sum redundancy payment. However, if the redundancy payment is not sufficient to meet the early payment of pension cost the employer is required to meet the additional cost.

Senior Management Remuneration (Audited)

The salary, pension entitlements and the value of any taxable benefits in kind of the most senior members of the Trust were as follows:

Name	2014-15			2013-14			2014-15			CETV at 31/03/15 £000s	Real Increase in CETV in CETV £000s			
	Salary £000s	Bonus / Performance pay £000	Benefits in kind (Rounded to nearest £100)	Pension Benefits (to nearest £1,000)	Total	Salary £000s	Bonus / Performance pay £000	Benefits in kind (Rounded to nearest £100)	Pension Benefits (to nearest £1,000)			Total	Real increase in pension and related lump sum at age 60 £000s	CETV at 31/03/14 £000s
Non-Executive Members														
R McCann	25-30	0	0	0	25-30	0	0	0	0	0	0	0	0	
C Aclah	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
J Moore	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
S Forsythe	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
P Montgomery	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
D Whittington	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
W Graham (1)	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
L Ensor (2)	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	
M Ramin (3)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Executive Members														
T Stevens (4)	120-125	0	0	188	310-315	0	0	0	12	190-195	75 to 80 plus lump sum to 30	1,444	1,705	212
L O'Neill	90-95	0	0	39	130-135	90-95	0	0	(5)	85-90	0 to 2.5 plus lump sum 5 to 7.5	1,022	1,111	53
M Sloan	90-95	0	0	33	125-130	95-100	0	0	1	95-100	0 to 2.5 plus lump sum 5 to 7.5	615	674	39
O Donnelly	75-80	0	0	30	125-130	75-80	0	0	(1)	75-80	0 to 2.5 plus lump sum 5 to 7.5	675	737	39
U Cumming	75-80	0	0	15	90-95	75-80	0	0	0	75-80	0 to 2.5 plus lump sum 2.5 to 5	599	642	23
O MacLeod	70-75	0	0	13	85-90	70-75	0	0	6	75-80	0 to 2.5 plus lump sum 2.5 to 5	305	336	21
M Roulston	70-75	0	0	14	95-100	70-75	0	0	14	85-90	0 to 2.5 plus lump sum 2.5 to 5	563	605	23
M O'Hagan	85-90	0	0	47	135-140	75-80	0	0	63	140-145	2.5 to 5 plus lump sum 7.5 to 10	479	541	45
P Cummings (5)	20-25	0	0	0	20-25	90-95	0	8	7	95-100	N/A	N/A	N/A	N/A
G Furness (6)	80-85	0	0	0	80-85	5-10	0	0	0	5-10	N/A	N/A	N/A	N/A
C Dunfield (7)	45-50	0	0	16	50-55	0	0	0	0	0	0 to 2.5 plus lump sum 0	4	17	13

	40-45	0	0	250	290-295	0	0	0	0	0	0	0	0	10 to 15 plus lump sum 10-40	85 to 90 plus lump sum 255 to 260	1,561	2,018	401	
K Lowy (8)																			
J Hunter	40-45	0	0	0	40-45	30-35	0	0	0	0	0	0	30-35	N/A	N/A	N/A	N/A	N/A	N/A
D McAlistar (9)	25-30	0	0	0	25-30	50-55	0	0	26	80-85	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B Donaghy (10)	55-60	0	0	0	55-60	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
M Crabb (11)	10-15	0	0	0	10-15	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
E Rowlands (12)	5-10	0	0	0	5-10	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A
M Hinds (13)	0	0	0	0	0	85-90	0	0	10	95-100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S Donaghy (14)	0	0	0	0	0	20-25	0	0	0	20-25	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
P Flanagan (15)	0	0	0	0	0	15-20	0	0	0	15-20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J McLaugh (16)	0	0	0	0	0	30-35	0	0	0	30-35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
C Macleod (17)	0	0	0	0	0	75-80	0	0	12	85-90	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
M Wylie (18)	0	0	0	0	0	15-20	0	0	0	15-20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.3 Senior Employees' Remuneration

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HPSS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

- (1) Commenced 1/8/14. Estimated full year equivalent salary £5-£10k.
- (2) Commenced 1/8/14. Estimated full year equivalent salary £5-£10k.
- (3) Deceased October 2013
- (4) Commenced 1/8/14. Estimated full year equivalent salary £180-£185k.
- (5) Left 31/5/14. Pension details reported by HSCB. Estimated full year equivalent salary £135-£140k.
- (6) Left 31/12/14. Estimated full year equivalent salary £105-£110k.
- (7) Commenced 1/9/14. Estimated full year equivalent salary £80-£85k.
- (8) Commenced 1/1/15. Estimated full year equivalent salary £95-£100k.
- (9) Left 31/7/14. Pension details reported by BHST. Estimated full year equivalent salary £80-£85k.
- (10) Acting up to Director post from 1/7/14 until 31/3/15. Estimated full year equivalent salary £70-£75k.
- (11) Acting up to Director post from 1/6/14 until 31/7/14. Estimated full year equivalent salary £80-£85k.
- (12) Acting up to Director post from 1/8/14 until 31/8/14. Estimated full year equivalent salary £70-£75k.
- (13) Left 31/3/14.
- (14) Left 12/5/13.
- (15) Left 31/5/13.
- (16) Left 23/8/13.
- (17) Left Director post 28/2/14.
- (18) Acting up ceased 31/7/13.

2014/15

Band of Highest Paid Director's Remuneration	£180 – 185K
Median Total Remuneration	£19,813
Ratio	9.32

2013/14

Band of Highest Paid Director's Remuneration	£95 – 100K
Median Total Remuneration	£22,410
Ratio	4.35

The Trust is required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the Trust workforce. Total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer's pension contributions and the cash equivalent transfer value of pensions.

In comparison to 2013/14 the 2014/15 ratio increased by 4.97 due to movements within both the highest paid director's remuneration and the median remuneration.

Signed**Accounting Officer****Date****11th June 2015**

Northern Health and Social Care Trust Annual Accounts – Financial Statements and Notes to the Accounts

Introduction

The financial statements and notes to the accounts of Northern HSC Trust Annual Accounts for 2014/15 are included on pages 57 to 165

The Patients and Residents Monies Accounts for 2014/15 are included on pages 166 to 167

So far as the Accounting Officer is aware there is no relevant audit information of which the Trust's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information. (Section 418 (2) of the Companies Act 2006).

Disclosures

The following disclosures are required to be included in the Annual Report:

- There were no off payroll engagements at a cost of over £58,200 per annum in place during the financial year ending 31 March 2015 or 31 March 2014.
- During the year the Trust did not purchase any non audit services from its external auditor (NIAO)
- 2014/15 Salary Band of the highest paid Director's remuneration was £180,000 - £185,000. The median employee's total remuneration was £19,813. Ratio 9.32
- 2013/14 Salary Band of the highest paid Director's remuneration was £95,000 – £100,000. The median employee's total remuneration was £22,410. Ratio 4.35.

Please see Remuneration Report and Note 1 Accounting Policies in Annual Accounts for information on Retirement Benefit Costs

NORTHERN HSC TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

FOREWORD

These accounts for the year ended 31 March 2015 have been prepared in accordance with Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

NORTHERN HSC TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health, Social Services and Public Safety has directed the Northern HSC Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Northern HSC Trust of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the financial statements the Accounting Officer is required to comply with the requirements of Government Financial Reporting Manual (FRoM) and in particular to:

- observe the Accounts Direction issued by the Department of Health, Social Services and Public Safety including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- make judgements and estimates on a reasonable basis.
- state whether applicable accounting standards as set out in FRoM have been followed, and disclose and explain any material departures in the financial statements.
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Northern HSC Trust will continue in operation.
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Northern HSC Trust.
- pursue and demonstrate value for money in the services the Northern HSC Trust provides and in its use of public assets and the resources it controls.


The Permanent Secretary of the Department of Health, Social Services and Public Safety as Principal Accounting Officer for Health and Personal Social Services resources in Northern Ireland has designated Tony Stevens of Northern HSC Trust as the Accounting Officer for the Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for the keeping of proper records and for safeguarding the Trust's assets are set out in the Accounting Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

NORTHERN HSC TRUST


ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

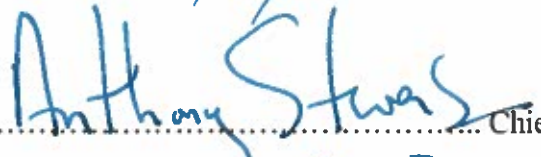
CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 110 to 165) which I am required to prepare on behalf of the Northern HSC Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Northern HSC Trust and with the accounting standards and policies for HSC bodies approved by the DHSSPS.


..... Director of Finance
11/6/2015
.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 110 to 165) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.


..... Chairman
11/6/2015
.....Date


..... Chief Executive
11 June 2015
.....Date

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NORTHERN HSC TRUST GOVERNANCE STATEMENT – 2014/15

1. Introduction / Scope of Responsibility

The Board of the Northern Health and Social Care Trust is accountable for internal control. As Accounting Officer and Chief Executive of the Board, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS). .

In addition to the DHSSPS, the Trust has a close and positive working relationship with colleague agencies in HSC, particularly our commissioners, the HSC Board, the Public Health Agency, and the various directorates of the Business Services Organisation (BSO). The Trust has regular accountability meetings with the HSC Board and DHSSPS and is informed by the Commissioning Plan. The Trust prepares a Trust Delivery Plan to reflect its activities for each year. The Trust also participates in a wide range of groups designed to enhance the services provided to its population. The Trust works closely with the community and voluntary sector.

The Trust also works closely with the Public Health Agency to promote and improve public health and well-being in the delivery of the Trust Delivery Plan.

2. Compliance with Corporate Governance Best Practice

The Northern Health and Social Care Trust applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance Best Practice. In July 2014, the Trust commissioned, through the HSC Leadership Centre, an independent review of its integrated governance arrangements. This review made 51 recommendations to improve the effectiveness and robustness of the Trust's integrated governance systems and these recommendations are being implemented, under the direction of an oversight group made up of the Executive Directors.

The Trust Board undertook an annual assessment of its compliance with Corporate Governance best practice by completing the Board Governance Self-Assessment Tool

for use by DHSSPS Sponsored Arm's Length Bodies issued on 18 November 2014. This was subject to independent verification through the HSC Leadership Centre. This assessment reflected significant improvements since the previous year's assessment and an action plan has been produced to take forward further improvements during 2015/16 to continue with improvement.

The Trust also issued new Standards of Business Conduct in October 2014 which included revised guidance on conflicts of interest and other governance matters.

3. Governance Framework

The Trust Board is the primary Governing Body of the Trust. It is constituted by DHSSPS and is responsible for the strategic direction and control of the Trust. The membership is shown in the table below, together with attendance at Board meetings. There is no minimum attendance requirement. The quorum for a Board Meeting is half of the total number of the Board (including at least two Executive Directors and two non-executive members). The notice of Board Meetings is advertised in the press and on the Trust's website. Board agenda, minutes and papers, where appropriate, are also published on the Trust website.

During the year, the Trust undertook an in-depth review of the frequency of meetings and adjusted its normal pattern of Board meetings to incorporate a programme of Trust Board workshops and public Board meetings. This has been done to facilitate Board development and allow more in depth review of key issues.

During 2014/15, a total of 8 Trust Board meetings were held in public.

Name of Director	No of Meetings attended	No of Possible Meetings	Comments
Mr B McCann Chairman	8	8	
Dr C Ackah Non Ex Director	6	8	
Mr S Forsythe Non Ex Director	8	8	
Mr J Moore Non Ex Director	8	8	
Ms P Montgomery Non Ex Director	7	8	
Professor Whittington Non Ex Director	8	8	
Mrs L Ensor Non Ex Director	5	5	Commenced 21 July 2014
Mr B Graham Non Ex Director	4	5	Commenced 21 July 2014
Dr T Stevens Chief Executive	5	5	Commenced 1 August 2014
Dr G Furness Interim Medical Director	5	6	Interim Medical Director 1 February – 31 December 2014
Mr L O' Neill Director Finance	8	8	Acted as Chief Executive 1 June – 31 July 2014
Mrs M Roulston Director Children Services/Ex Director Social Work	7	8	
Mrs O MacLeod Director Nursing and User Experience	5	8	
Mrs U Cunning Director PCCOPS	4	8	

Mr O Donnelly Director Mental Health and Disability Services	8	8	
Ms B Donaghy Interim Director Planning and Performance Management	5	5	Interim Director from 3 July 2014 to date
Mr M Sloan Director Planning and Performance Management	2	3	Until 30 June 2014
Dr B Hunter GP Medical Director	7	8	
Mrs M O'Hagan Director Acute Services	8	8	
Mrs C Duffield Director Human Resources	5	5	Commenced 1 September 2014
Mr D McAlister Director Human Resources	2	3	Left the Trust 31 July 2014
Mr P Cummings Senior Director	2	2	Left the Trust 31 May 2014
Dr K Lowry Medical Director	2	2	Commenced 1 January 2015

A new Assurance Framework was agreed by the Trust Board to replace the Integrated Governance Strategy. This details the governance arrangements for the Northern Health and Social Care Trust and is based on an integrated governance model that links financial governance, risk management and clinical and social care governance into a single framework.

The Governance Review recommended that the governance accountability arrangements be reviewed and the Trust Board Committee structure be revised. A copy of the revised Accountability Framework is attached as Appendix 1 of this Governance Statement. As a result, in February 2015, the Governance Committee was replaced by a new Assurance Committee, comprising membership by all Non-Executive Directors.

The Trust Board has five committees to scrutinise the Trust's governance systems and to provide assurance to the Trust Board on their effectiveness:

- Audit Committee;
- Remuneration Committee;
- Charitable Trust Funds Advisory Committee;
- Assurance Committee (formed in February 2015 to replace the Governance Committee); and
- User Feedback and Involvement Committee.

The Chairs of the Audit Committee and of the Governance Committee meet annually to ensure an integrated approach to governance within the Trust. Each Committee reports back to the Trust Board on a regular basis.

An Assurance Group, composed of Executive and Operational Directors, was established to provide an operational focus to risk management and integrated governance. The Assurance Group is chaired by the Chief Executive.

The purpose of the Assurance Group is to oversee an effective system of integrated governance. It will reasonably ensure that an effective Assurance Framework is in place which provides a clear, concise structure for presenting key information to the Board and its Sub Committees. It will ensure that there is continuous assessment of the effectiveness of the systems for management of risk. Through its processes, the Assurance Group will regularly review which of the organisations objectives are at risk because of inadequacies in the operation of control or whether the organisation has insufficient assurance about them and that appropriate actions are being taken to mitigate any risks.

In addition the Assurance Group considers personal and public involvement in the development and delivery of services and the Trust's Emergency Plans for Major Incidents and Business Continuity.

The Audit Committee is a Board Committee which has a central role in the Trust's Governance Framework. Its Terms of Reference include the duties set out below in respect of internal control.

- To ensure the adequacy of all risk and control related disclosure statements (in particular the Governance Statement), together with any accompanying Head of

Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;

- To ensure the adequacy of the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
- To ensure the adequacy of the policies for ensuring compliance with relevant regularity, legal and code of conduct requirements, including the Trust's Standing Orders and Standing Financial Instructions;
- To ensure the adequacy of the policies and procedures for all work related to fraud and corruption as required by the DHSSPS Counter Fraud Policy Unit;
- To review the annual schedule of losses and compensation payments and make recommendations to the Board regarding their approval; and
- To review on a periodic basis the Trust's Whistleblowing Register.

The Committee currently has three Non-Executive members, and it met four times during 2014/15. The Committee provides assurance to the Trust Board and the Accounting Officer on the systems of internal control. Minutes of meetings are presented to the Trust Board. During 2014/15, the Interim Chair of the Audit Committee was confirmed as Chair for the remainder of his tenure in post. A new Non Executive Director was appointed to the Committee in July 2014 and therefore the lay advisor, who had been co-opted to the Committee in June 2013 to assist whilst there was a vacancy on the Committee, was no longer required.

The Audit Committee carried out an annual self-assessment of its effectiveness, which it provided to Trust Board and to DHSSPS. An action plan has been completed for a small number of issues arising. The Audit Committee has produced an annual Audit Report for 2014/15.

The Remuneration Committee is a Committee of the Trust Board tasked with the responsibility for approving the remuneration of Executives. The Committee is comprised of three Non-Executive Directors and met four times during 2014/15. The main functions of the Committee are as follows.

- To advise the Board on performance, development, succession planning and appropriate remuneration and terms of service for the Chief Executive and all Senior Executives, guided by DHSSPS policy and best practice.
- To provide advice to the Board on remuneration including all aspects of salary as well as arrangements for termination of employment and other contractual terms.
- To ensure robust objectives, performance measures and evaluation processes are in place within the Trust in respect of Senior Executives.
- To make such recommendations to the Board on succession planning and on the remuneration, allowances and terms of service of the Chief Executive and, on the advice of the Chief Executive, other Senior Executives.
- To ensure that the Chief Executive and Senior Executives are fairly rewarded for their individual contribution to the organisation, having proper regard to the organisation's circumstances and performance and to the provision of national arrangements.
- To monitor and evaluate the performance and development of the Chief Executive and on the advice of the Chief Executive, the other Senior Executives of the Trust.
- To advise the Board and oversee appropriate contractual arrangements for the Chief Executive and Senior Executives including the proper calculation and scrutiny of termination payments taking account of relevant guidance as appropriate.

The Governance Committee met on three occasions until it was replaced by the new Assurance Committee in February 2015. It dealt with all non-financial governance matters. It sought assurance that the Trust could evidence continuous improvement in the safety, effectiveness and quality of care provided and that a robust system of risk management was embedded in the organisation and informed the management plan.

The terms of reference of the Governance Committee were to:

- Monitor and review the adequacy of assurances listed in the Trust Board Assurance Framework for non financial objectives;
- Review Governance Strategy and structures to assure the Trust Board that they are fit for purpose;
- Report to the Trust Board on the development of Governance systems in the organisation, including any areas of concern;

- Receive reports from the Regulation and Quality Improvement Authority (RQIA) and monitor action against them;
- Seek assurance that staff at all levels in the organisation are fully engaged with governance processes and systems; and
- Receive reports from Internal Auditors in relation to general governance issues and in particular the Trust's self-assessment against non-financial controls assurance standards.

The Assurance Committee, consisting of all Non Executive Directors was established in February 2015 to replace the Governance Committee and met once during 2014/15.

The Committee has oversight of Integrated Governance and the effectiveness of the Assurance Framework of the Trust. It will evaluate all available evidence to provide an assurance to the Board that the systems of control are operating effectively and that structures support good governance.

The Committee shall:

- Evaluate risks to the achievement of the Trust's objectives;
- Regularly review arrangements for risk management and corporate governance and agree further updates/changes with Executive Directors
- Consider the effectiveness of the key controls through which risks will be managed;
- Ensure the views of the local community, experts by experience and staff input are incorporated into the development of services; and
- Seek assurance that timely reports are made on recommendations and remedial actions taken or proposed to mitigate any internal failing in systems or services.

The purpose of the **User Feedback and Involvement Committee**, which met on three occasions during 2014/15, is to deal with personal and public involvement in the Trust's services, including complaints. Its Terms of Reference are to:

- Monitor the development, implementation and review of policies, strategies and action plans that support User Feedback and Personal and Public Involvement;
- Review Trust complaints, enquiries and service user/patient experience information (including surveys, observations and patient stories) to identify

trends, compliance with best practice and timescales, emerging issues and potential risks;

- Review internal and external sources of assurance that are relevant to Personal and Public Involvement in the Trust;
- Receive regular or exceptional updates from directorates, ensuring that patient/client experience is part of their governance agenda and that actual improvements are achieved and sustained; and
- Seek assurance that the Trust adopts a partnership approach with stakeholders in the delivery of services.

Under the new Assurance Framework Committee structure, this Committee reports to the new Learning for Improvement Steering Group.

The Charitable Trust Funds Advisory Committee is chaired by a Non Executive Director with senior staff including the Director of Finance in attendance. The Charitable Trust Funds Advisory Committee oversees the administration of Charitable Trust Funds in line with the Trust's Standing Financial Instructions. During 2014/15 the Committee met on two occasions.

4. Framework for Business Planning and Risk Management

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within the organisation.

Business Planning Processes

The Trust's vision, values and corporate priorities are set out in the Corporate Plan. The Ministerial targets and HSCB Commissioning Plan priorities are responded to in the Trust Delivery Plan (TDP), setting out how the Trust plan to deliver against the priorities set out. The Corporate Plan and the TDP set the context for the development of Directorate Plans which set out how each Directorate will support the delivery of targets and priorities appropriate to their service areas. Within Directorates, Service Plans for key service areas will be developed aiming to ensure corporate goals and actions are translated into operational objectives. The achievement of plans and performance are monitored across the year. The Trust Board receives a monthly Performance Report

setting out performance against each of the Ministerial targets and HSCB Commissioning objectives.

The Trust is continuing to work with the HSCB and the Local Commissioning Group (LCG) to further develop plans for the reform of services in keeping with 'Transforming Your Care'. This reform and efficiency plan will seek to develop services in a way that reduces the need for avoidable hospitalisation and see a greater development of community and home based services, to support independence and acknowledge the needs of a growing and ageing population.

Risk Management

Further to the publication of the Governance Review, the Board of Directors has reviewed the systems and resources in place for managing risk. The Assurance Committee commenced operation in February 2015, providing Board level oversight in this key area. The Assurance Framework has been revised to ensure a clear and concise framework for reporting key information to the Board. The diagram at Appendix 1 demonstrates the Trust's assurance framework structure.

The revised Risk Management Strategy was approved by Trust Board in January 2015. The Risk Management Strategy describes the ongoing processes in place to identify and prioritise the risks to achievement of the organisation's objectives and system for the identification, analysis, control and review of risks.

The Board Assurance Framework, a document which considered the risks to the achievement of the organisation's objectives, was last presented to Trust Board in June 2014. This tool was reviewed to ensure that there is a comprehensive method for the effective and focused identification and management of the principal risks that arise in meeting the Corporate Objectives. The Principal Risk Document was developed and used to provide the Trust Board with a simple and comprehensive account of the risks identified, actions required and outstanding gaps in control. This was presented to Trust Board and Assurance Committee in January and February 2015 respectively.

The Corporate and Directorate Risk Registers are used to support on-going review and update of the Principal Risk Document. The Trust's revised Risk Management Strategy has strengthened systems and processes by which risks are identified and controlled.

There are structured processes in place for managing risks, incident reporting and the investigation of serious adverse incidents. The introduction of a web-based reporting system for risks and the reporting of adverse incidents have been approved for implementation. The Trust has encouraged the open and transparent reporting of incidents and has supported staff by producing guidance for use by investigation teams and service users and providing training on investigation methodology.

5 Information Risk

Information risks are managed within the context of the Trust's Risk Management Strategy. Such risks are identified and documented at a number of levels including the Corporate Information Governance Risk Register. This register is reviewed at the quarterly Information Governance Forum and, as appropriate, risks are escalated or removed from the Corporate Risk Register.

Information Governance Incident reporting (including Serious Adverse Incident (SAI) reporting) is performed using the normal Trust procedures which incorporate guidance on reporting Information Governance incidents. The Trust continues to experience increased reporting of Information Governance incidents, and this is considered to be due to a heightened awareness among managers that such breaches must be reported as incidents. Since April 2014 four data security breaches have been reported by the Trust to the Information Commissioner's Office (ICO); three of which occurred in 2013/14 and were reported to ICO in May 2014. Further to the ICO undertaking imposed on the Trust in August 2013, the ICO visited the Trust in October 2014 to undertake a voluntary audit in respect of the Trust's data protection and information security arrangements. The outcome of this Audit was 'Overall Limited Assurance'. An action plan has been drawn up and is being implemented. It is also planned that the ICO will review progress against this plan in December 2015. The main themes requiring action were staff training, information risk management and physical security.

The Trust has identified and provided training to its Senior Information Risk Owner (IRO), Information Asset Owners (IAO) and Information Asset Administrators (IAA). These roles are still developing and new IAO's, Deputy IAO's and IAA's continue to be identified. Training is being arranged for these staff on an on-going basis. Other roles, such as the Trust's Personal Data Guardian, Information Governance staff (includes the Data Protection Officer and the Freedom of Information Practitioner), ICT Governance

Manager and Information System Managers, all contribute to the management of information risk. In addition, the Trust has established an Information Governance Forum which reports to the Executive Team. The Information Governance Forum oversees and directs a rolling work programme that addresses a number of risk areas.

Information Governance

A range of Information Governance courses are offered in-house, some of which are mandatory:

- Information Governance Awareness for all staff;
- Protection of Personal Information for Managers; and
- ICT Security training for all ICT users.

Robust project management is used to ensure that information governance matters (e.g. access control, contingency planning) relating to new Information Systems are addressed as part of implementation. A process for assessing risks associated with Information assets is being implemented, with the initial focus being on systems that hold personal information.

The Trust is reliant to a significant extent on the services provided by BSO Information Technology Services (ITS), for which Service Level Agreements are in place. BSO ITS also provide formal assurance to DHSSPS as part of the corporate governance process.

The Trust has in place a number of policies that support information risk management including:

- Policy (and associated procedures) on Processing of Personal Information;
- Policy (and associated procedures) on Making Information Available to the Public;
- Information Systems Security Policy;
- Records Management Policy;
- Risk Management Strategy; and
- Incident Reporting Policy.

As of March 2015 the Trust achieved substantive compliance with the Information and Communications Technology (ICT) Controls Assurance Standard and the Information Management Controls Assurance Standard. In addition to this the Trust ICT Service also achieved ISO 270001 Accreditation in March 2015.

During 2014/15, the Trust became aware of two information incidents that required to be dealt with under the Serious Adverse Incident Policy. These incidents concerned the use of an incorrect email address, which resulted in a member of the public receiving clinical information, and clinical information being incorrectly disposed of. The Trust is currently in the process of reporting these two incidents. A further incident, not normally reportable to the Information Commissioner, was reported to the ICO due to the sensitive nature of the case.

The percentage of Trust staff that have completed the mandatory Information Governance training has increased from 50% in March 2014 to 69% at March 2015. Attendance at this training has been prioritised.

The outcome of the voluntary audit conducted by the ICO was overall limited assurance. The two areas assessed were the processing of Subject Access Requests and the physical security arrangements in place to protect sensitive personal data. While the processing of Subject Access Requests received a 'reasonable assurance' score the physical security arrangements were deemed to have a 'limited assurance' score. The Trust has agreed a number of improvement actions and is currently working towards achieving these by early December 2015 when the ICO will review progress.

6. Public and Stakeholder Involvement

The Trust is committed to Personal and Public Involvement (PPI) and has assigned responsibility for this to the Executive Director of Nursing and User Experience. The Trust's User Feedback and Involvement Committee's terms of reference include Complaints and PPI and the Committee seeks assurance that service users, carers and communities are fully involved in the development of Trust services and that their feedback informs, identifies risk and helps shapes our business. The membership includes a representative from the Patient and Client Council (PCC).

The Trust acknowledges the importance of proper and timely consultation as an integral part of fulfilling its statutory obligation. Feedback from all Trust consultations, is considered by Trust Board and made available on the Trust's website in addition to stakeholders being informed of the outcome of the consultation process.

The Trust's PPI Strategy 2013-15 sets out the Trust's objectives to involve patients, service users, carers and the public in decision making processes in health and social

care. The PPI Strategy will be reviewed during 2015 to reflect the new standards for PPI for health and social care organisations which were launched in March 2015.

The PPI Annual Report for 2013/14 was presented to the Trust Board in December 2014 which provided a corporate overview of the engagement activities taking place in the Trust. It was encouraging to note from this report that PPI activity continued to increase and there was evidence that engagement activity was influencing plans for services.

The Trust continues to use a range of methods to monitor compliance with the DHSSPS' standards document "Improving the Patient & Client Experience". We gather feedback from service users about their experiences to identify patterns that help us to review our service. A combination of service user surveys, stories and observations are used to gather information about service users' experiences of services they receive. Also, the 10,000 Voices project gives patients, as well as their families and carers, the opportunity to share their overall experience and highlight important issues.

In addition, the Trust collects and reports on complaints, comments and suggestions made by members of the public and service users received through the 'Your views matter' process. All feedback is acknowledged and cascaded to the relevant service for action so as to improve services for our users.

The Trust has a number of user forums to ensure an effective process for on-going stakeholder involvement in planning, delivery and evaluation of services. These are:

- Disability Consultation Panel
- Older Peoples Panel
- Mental Health Forum
- Hospital User Panel
- The Forum – for people who use Learning Disability Services
- Carers Steering Group

Each panel provides a forum to promote partnership working and an opportunity for stakeholders and their representatives to be involved in the developing and planning of services.

The Trust continues to engage with service users, communities and other key stakeholders to inform and shape the effective planning and delivery of services. The Trust is committed to meaningful public and stakeholder involvement.

In line with best practice, each Trust Board meeting includes an account of a patient/client experience. These accounts recount positive experiences as well as stories where a poor experience affected service users.

7. Assurance

Quality of Assurance

The Trust receives independent assurances from a number of sources during the financial year:

- BSO Internal Audit – through its regular reports;
- Northern Ireland Audit Office – through its Annual Audit; and
- Regulation and Quality Improvement Authority (RQIA);

It also receives assurances from internal sources which are designed to give assurance as to the effectiveness and operation of controls across a range of governance areas.

These include:

- Principal Risk Document (this replaced the Board Assurance Framework in January 2015);
- Controls Assurance Standards;
- Risk Registers;
- Board appointed committees including the Assurance Committee, Audit Committee and User Feedback and Involvement Committee; and
- Reports from Directors at Board Meetings.

A document summarising Trust licences and accreditations was presented to the Governance Committee on 29th January 2015.

The Trust Board has delegated authority to its committees and receives regular feedback from the Committee Chairs at Board meetings. The Trust commissioned an independent review of its governance arrangements in July 2014 and is implementing the recommendations arising from this review. This also took account of the recommendations of the Turnaround and Support Team (TAST).

The Trust Board is satisfied with the data it receives from its Directors in the form of monthly reports. An information governance Internal Audit was carried out in 2013/14 which received substantial assurance. The Trust also received substantial compliance on its Information Management Controls Assurance Standard. A new format for the performance report for Trust Board was introduced in September 2014 to reflect and report on the five key strategic objectives of the Trust's Corporate Plan.

The Northern Health and Social Care Trust assessed its compliance with the applicable Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2014/15.

The Organisation achieved the following levels of compliance for 2014/15:

Standard	DHSSPS Expected Level of Compliance	Trust Level of Compliance	Audited by
Buildings, land, plant and non-medical equipment	75% - 99% (Substantive)	Substantive	BSO Audit
Decontamination of medical devices	75% - 99% (Substantive)	Substantive	Self-Assessment
Emergency Planning	75% - 99% (Substantive)	Substantive	Self-Assessment
Environmental Cleanliness	75% - 99% (Substantive)	Substantive	Self-Assessment
Environment Management	75% - 99% (Substantive)	Substantive	Self-Assessment
Financial Management (Core Standard)	75% - 99% (Substantive)	Substantive	BSO Audit
Fire safety	75% - 99% (Substantive)	Substantive	Self-Assessment
Fleet and Transport Management	75% - 99% (Substantive)	Substantive	Self-Assessment
Food Hygiene	75% - 99% (Substantive)	Substantive	Self-Assessment
Governance (Core Standard)	75% - 99% (Substantive)	Substantive	BSO Audit
Health and Safety	75% - 99% (Substantive)	Substantive	Self-Assessment
Human Resources	75% - 99% (Substantive)	Substantive	Self-Assessment
Infection Control	75% - 99% (Substantive)	Substantive	BSO Audit
Information Communication Technology	75% - 99% (Substantive)	Substantive	Self-Assessment
Management of Purchasing and Supply	75% - 99% (Substantive)	Substantive	Self-Assessment
Medical Devices and Equipment Management	75% - 99% (Substantive)	Substantive	Self-Assessment

Medicines Management	75% - 99% (Substantive)	Substantive	Self-Assessment
Information Management	40% - 74%(Moderate)	Substantive	Self-Assessment
Research Governance	75% - 99% (Substantive)	Substantive	BSO Audit
Risk Management (Core Standard)	75% - 99% (Substantive)	Substantive	BSO Audit
Security Management	75% - 99% (Substantive)	Substantive	Self-Assessment
Waste Management	75% - 99% (Substantive)	Substantive	Self-Assessment

The underlying scores in the assessment of the level of compliance of each standard take into account all relevant Internal Audit Reports.

The Trust Board receives a monthly performance report on progress against each target in the Trust Delivery Plan. Each operational Directorate has a monthly performance scorecard to provide feedback at Directorate Accountability meetings. The Trust Director of Finance provides a report to the Trust Board each month on its financial performance and its capital schemes. Commentary is included on the statutory duty of breakeven, financial risk, budgetary position and assumptions.

The Trust has recorded a surplus this year of £71,000, which represented 0.01% of the Trust's Revenue Resource Limit. This is in line with expectations of the Trust given the challenging financial circumstances in 2014/15. The Trust faced significant challenges across a number of areas including:

- Increasing demand for acute services particularly from rising attendances at the Emergency Department. This was managed through the introduction of additional resources in the Department and also across wards, professional support, nursing and support staff in order to ensure the appropriate level of service was provided;
- Winter pressures from increasing numbers of elderly and frail patients presenting for services in both the community and acute sector;
- Increased demand for domiciliary care services and for intermediate care. This is a symptom of the increasing population over age 65 and their need for services in the community; and
- Increasing demand for Children Services.

The Trust has achieved its position in line with its statutory duty to break even.

8. Sources of Independent Assurance

The Northern Health and Social Care Trust obtains independent assurance from the following sources:

- Internal Audit;
- Northern Ireland Audit Office;
- RQIA; and
- The Business Services Organisation in respect of services provided on behalf of the Trust.

RQIA

Since April 2014, the Trust has received 10 final reports from RQIA Thematic Reviews, and I can confirm that all accepted recommendations have been, or are being, implemented. The reports received relate to the following:

1. Review of the Implementation of NICE Clinical Guidelines 42: Dementia;
2. Review of Oversight of Patients' Finances in Residential Settings;
3. Review of Care of Older People in Acute Hospital Wards (Antrim & Causeway);
4. Review of actions taken in response to concerns raised about the care delivered at Cherry Tree House;
5. Review of Theatre Practice (Antrim & Causeway);
6. Guidelines and Audit Implementation Network (GAIN) Caring for People with Learning Disability in General Hospital Settings
7. Review of Discharge Arrangements from Hospital;
8. Review of Services for People with Stroke;
9. Independent Inquiry into Child Sexual Exploitation in Northern Ireland;
10. Independent Review of the Arrangements for the Management and Coordination of Unscheduled Care in the Belfast HSC Trust and related regional considerations.

Listed below are those reviews that commenced during the 2014/15 year:

- Review of Risk Management of Addiction Services;
- Review of Eating Disorder Service;
- Review of Provision of Services for People with an Acquired Brain Injury;
- Review of Adverse Incident Management, Reporting and Learning;

- Regional Evaluation of the Physical Health Needs of People with a Mental Illness/Learning Disability; and
- RQIA carried out 2 hygiene inspections within Critical Care Units. Each generated an action plan that is monitored by the Directorate Governance Team.

RQIA also issued a number of Failure to Comply Notices to the Trust and all necessary arrangements were made to comply with the terms of the notices.

Internal Audit

The Northern Health and Social Care Trust utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

In 2014/15 Internal Audit reviewed the following systems:

AUDIT ASSIGNMENT	LEVEL OF ASSURANCE PROVIDED
Finance Audits:	
Mental Health and Learning Disabilities Directorate Finance Audit	<p>Satisfactory: Management of Client Monies within Trust Adult Supported Living Services, Use of FPL & Management of Patients Property within Mental Health and Disability Services</p> <p>Limited: Management of Client Monies in Independent Adult Supported Living Services</p>
Use of HRPTS	Limited
Non Pay Expenditure	Satisfactory
Bank and Cash	Satisfactory
Direct Payments	Satisfactory
Client Monies & Cash and Valuables Handling in Social Services Setting	Satisfactory
Management of Contracts with the Independent	Satisfactory: Overall

and Voluntary Sector	Limited: Procurement of Social Care Contracts
Client Monies in Independent Sector (Residential Homes and Adult Supported Living Facilities)	Satisfactory: Overall Limited: Home 1, 2 & 3
Corporate Risk Audits:	
Transforming Your Care and Efficiency Savings	Satisfactory
Performance Management	Satisfactory
Review of Management of Agency and Locum Staff	Satisfactory: Management of Locums Limited: Management of Agency Staff
Supervision of Social Work	Satisfactory
Management of Waiting Lists	Satisfactory
Governance Audits	
Risk Management (Directorate and Service Level)	Satisfactory
Business Cases	Satisfactory
Decontamination of Re-Usable Medical Devices	Satisfactory: Decontamination of reusable Acute medical devices Limited: Decontamination of dental and podiatry medical devices
Management of ICT Contracts	Satisfactory
Claims Management	Satisfactory

In their annual report, the Internal Auditor reported that the Northern Health and Social Care Trust's system of internal control was adequate and effective. However, weaknesses in control were identified in a number of areas, notably relating to management of client monies in the independent sector and the use of the HRPTS system requires further embedding.

Recommendations to address the control weaknesses have been or are being implemented.

The following Priority One findings were identified during 2014/15:

Mental Health and Disability Directorate Finance Audit

(with regard to Independent Sector)

- The Trust does not have any specific procedures in place for management of Service Users' finances/property within an Adult Support Living setting.
- Trust Service User care plans or other form of documented correspondence from the Trust setting the needs of the Service User were not readily available at any of the 3 facilities visited. In the absence of these, the capacity of the Service User to manage their own financial affairs is unclear within the facilities. Management in one Home were not aware of the named worker (the social worker assigned with individual responsibility for the service User) for 5 of the Service Users. The role of the named worker includes implementation and monitoring of the care plan.
- A number of control issues were identified regarding the charging of users for some services, and the administration of their finances.

Use of HRPTS (Trust Controls)

- Management within the Mental Health and Learning Disability Directorate identified that a member of staff, who was no longer in employment, was still on the staff in post report. It was highlighted on the December staff in post return that the staff member had resigned in 2009. The last payment was made to this employee in October 2010. At the time of audit (February 2015) this employee was on the HRPTS system as a current employee. The circumstances around exactly how long this member of staff was employed within the Trust were unclear from personnel records and there was no termination of employment form held on the personnel file. Management within the employee's department have been asked to supply details of the exact dates that the employee worked within the Trust. At the time of reporting this information had not been provided. In the absence of this information, Internal Audit is unable to verify if this employee's pay ceased at the correct time.

- Roles and responsibilities of the Shared Service Centres and the Trust including clarity over controls exercised and extent of checks conducted have not been clarified, documented and agreed by both parties.
- There is no independent oversight or scrutiny of the on-system activity for Human Resources and Finance staff with the following access to HRPTS:
 - 4 staff within Organisational Management (OM) have responsibility for assigning and managing HRPTS roles. This facility allows users to set up a new employee and place them within a structure within the organisation. However, new starts have to be unlocked within the payroll function in order for a payment to be made. Management informed Internal Audit that the allocation of these roles was necessary for full functionality in order to fully populate and verify the OM structure of the Trust.
 - For 9 staff sampled within the Finance Department there were multiple conflicts in relation to the segregation of duties matrix per their assigned roles on the system. These include specialist roles clashing with processing roles and specialist roles in one area clashing with specialist roles in another. Management informed Internal Audit that these roles were necessary for the retained Payroll staff to have full functionality to provide support to the Trust during the migration phase to BSO Shared Services. This role should be restricted to a very small number of staff that require it.
- Employee Self Service (ESS) and Manager Self Service (MSS) have not yet been fully deployed and Organisational Management (OM) structures verified for staff below Band 6 in 2 Directorates. It is noted that progress on deployment is in accordance with the Trust's deployment plan. Deployment to a number of staff cannot take place due to a range of issues including availability of Active Directory accounts.

The Trust now has 2 separate and distinct methods for paying staff overtime; via ESS/MSS and/or Electronic Time Management. Controls need to be developed and formalised to ensure that those staff who are processing payments via ETM cannot also process payments via ESS/MSS (and vice versa) and that ETM is restricted only to those managers that have the delegated authority to approve timesheets and overtime claims.

Whilst authorisation controls for payroll and travel are built into the OM structure within HRPTS, where this has not been rolled out there is currently no Authorisation Framework in place within the Trust for Payroll and Travel related

documentation. As a consequence, staff processing payroll documentation within BSO will not be in a position to confirm that authority for payroll transactions is appropriate.

- There are a large number of outstanding items on various control accounts with some of these uncleared items dating back to 2008/2009. Many of these items relate to overpayments, which cannot be cleared until they are paid in full or written off.
- As at 28 February 2015, there were a total of 316 identified overpayments within the Trust with a value of £502,862.75. Of these, 87 with a value of £198,795.97 had no agreement in place for recovery. An overpayments spreadsheet is used to monitor overpayments and the recovery of these. However, this spreadsheet is not fully populated with details of some overpayments including the date of discovery and the amount of the overpayment. In addition there are a number of overpayments for which it is recorded that no details are available.

Non Pay Expenditure (Trust Controls)

- In relation to the Trust's Management of BSO Shared Services:
 - The Service Level Agreement between the BSO and the Trust, in respect of the accounts payable functions is still in draft format and has yet to be signed.
 - Roles and responsibilities of both the Accounts Payable Shared Service Centre and the Trust including clarity over controls exercised and extent of checks conducted have not been fully documented and agreed by all parties. This includes responsibility for checking the processing of trader changes and assuring the accurate processing of these and also responsibility for review of payments to identify potential duplicates and for recovery of any overpayments.
 - The Trust has only received two duplicate payment reports from BSO Payments Shared Services, since the transfer of the payments function. Trust Finance have identified potential duplicate payments that have not been highlighted on the BSO Payments Shared Services duplicate payment report.
- The FPL system does not currently provide functionality to monitor expenditure against contracts. This finding was previously reported in 2013/14.

Direct Payments

- In a previous audit in 2013/14, a number of issues were highlighted in respect of one direct payment recipient. Bank statements have not been submitted to the Trust to validate payments of £4500. In the absence of any bank statements it is unclear if the direct payment has been appropriately used in line with the direct payment agreement. (Note: since the date of audit, investigations have confirmed that the payments have been correctly applied for care purpose.)

Management of Contracts in the Independent and Voluntary Sector

- The commissioning database for Social Care Contracts does not currently provide transparency over when contracts were originally procured and what contracts have been rolled forward without any form of competitive tendering or market testing. This aspect of the report is recognised as a regional issue and there is a programme of work underway to develop a procurement process which is compliant. This programme is led by the HSCB. Within the NHSCT there are approximately 79 longstanding social care contracts (value circa £5.5m) which have not been subject to formal competitive tendering/market testing. In addition 17 Domiciliary Care contracts (core providers - annual value approximately £13m) continue to be rolled forward without any form of competitive tendering or market testing.
- There was no evidence that the Trust was in receipt of any monitoring reports from one Organisation in respect of a block contract for Provision of Medical Services to Support Intermediate Care Bed Services. Payments are being made to this provider upon receipt of an invoice.

Management of Client Monies in Independent Sector Homes

This audit identified a number of areas where financial and other controls were found to be below the necessary standard:

Resident Funds

- In respect of transport charges, there were discrepancies in the recording of mileage travelled and participants in journeys. There were also inconsistencies in relation to the amounts charged to residents.
- Personal allowances for residents are not being correctly administered and recorded in individual resident accounts.

- A resident's bank account was not being reconciled and had incomplete records to support transactions.

General

- The Trust is required to obtain annual written assurance from the independent homes, that appropriate controls are in place surrounding safeguarding of Trust residents' monies, as required by circular HSS (F) 57/2009. Requests were sent on 13 November 2013 to 282 homes. At the time of audit, 130 responses (46%) were received by the Trust.

Transforming Your Care (TYC) and Efficiency Savings

- In relation to service delivery against TYC, there is no overall summary report tabled at Trust Board meetings, which summarises the status of each project and its RAG rating. The Trust currently has no quantifiable tangible means by which it can measure overall success/impact arising from the delivery of TYC/Service Reform objectives, to identify if the benefits of TYC are being realised.
- The Trust has inconsistent planning and monitoring arrangements for managing the delivery of its Quality Improvement and Cost Reduction (QICR) programme.

Performance Management

- The Trust's Performance Management Report could be developed to make it more succinct, reader friendly, with enhanced detail on qualitative targets such as patient experience and culture of the organisation and more detail regarding the actions being taken to address poor performance areas (red status). This view is supported by the results of the performance survey completed by Executive and Non-Executive Directors; 50% of those that completed the survey tended to disagree that performance targets set provided sufficient analysis and evidence of actions being taken when targets are not being achieved. A revised performance management report is now in place.

Supervision of Social Work

- The Current Regional DHSSPS Supervision Policy, Standards and Criteria (applicable to Children's) and Trust policies do not provide clear guidance to staff on the required level of detail to be recorded within supervision records. The

completeness of supervision records varies throughout the Trust and in some instances compliance with standards is not clearly evident from these records.

- There were occasions where records did not clearly demonstrate, due to the lack of recording of discussion, that the management, support and engagement functions and promoting commitment to diversity were being appropriately considered.
- In one instance (Children's) it was noted where the supervision record consisted of a one page document which did not demonstrate compliance with any of the standards.
- For 13 (22%) out of a sample of 60 supervision files, there was no record on the Supervision file to support which case files had been reviewed as part of the supervision process.
- Supervision records evidencing review of case files vary in terms of detail and in some instances only the service user name will be recorded whereas other files will document discussion held.

Risk Management (Directorate and Service Level)

- Risk treatment action plans are not being consistently completed and populated with clear and specific future actions to mitigate risks, along with clear timescales for implementation and responsible officers. Progress updates are not consistently linked to identified actions and there is often not a clear audit trail within action plans and risk registers to support reductions in risk scoring.

Business Cases

- In relation to Post Project Evaluations (PPE):
 - For three business cases reviewed there was no evidence that a PPE had been completed when due. One of these was due as far back as June 2014.
 - There is no formalised means by which learning identified from Capital and Revenue projects is shared as appropriate.
 - The pro-forma used by HSC Trusts for Revenue PPE's does not require the Trust to outline the actual spend on the project against the allocation and any resulting over or under spends.
 - Staff within the Planning Department conducted an internal review and low completion rates for PPE's were noted.

- Trust guidance on Revenue Business Cases could be strengthened to address how this process is managed within the Trust.
- The status of PPE's is not specifically reported to the Trust Board or sub-committee of Trust Board.

Decontamination of Re-Usable Medical Devices

- In line with DHSSPS Circular HSS (SC) 3/04 Decontamination of Re-usable Medical Devices, decontamination of all re-usable surgical instruments used by Health and Social Care organisations should be carried out in accredited Sterile Services Departments. Internal Audit noted that decontamination of community dental and podiatry reusable medical devices is still being conducted locally and not within the Trust Hospital Sterilisation and Decontamination Unit (HSDU). At the time of audit, draft outline business cases had been approved by Trust Board and submitted to the DHSSPS with a view to providing a service that complies with legislative standards and guidance. Until such time as the business cases are fully implemented, the Trust is not in compliance with Departmental guidance. Internal Audit visited a number of sites where podiatry and dental devices were subject to local decontamination and noted instances where audit trail was not always available to support start/end time and temperature of washes (due to IT compatibility issues), evidence of daily/weekly inspections of sterilisers was not always available as well as audit trail to support servicing and inspection of sterilisers.
- Internal Audit reviewed the patients' notes for 64 patients who have been through a recent procedure. In four (6%) cases, there was no evidence on patient file to support traceability of the medical devices used and their decontamination.

Management of ICT Contracts

- In relation to Use and Management of the Technology Partnership Agreement (TPA):
 - During the first year of the TPA framework, Northern Trust procured approximately £3.5M through 80 TPA contracts. 26% (£12M) of total TPA spend across the HSC has been where the supplier has been specifically selected by the HSC customer. This can validly occur for a variety of reasons, but this decision process is not clearly documented by HSC organisations, including NHSCT, and there is a risk that proper process

was not consistently applied when using the TPA in this manner. Note: information is not readily available to split this HSC wide figure by organisation.

- It is appreciated that the Trust was able to provide email exchanges and various other evidence to support the process in the sample of 16 NHSCT TPA orders selected, albeit that a formal structured audit trail was not in place.
- One of the main reasons for a HSC organisation placing an order where they have specified the supplier is in a sole source situation. HSC organisations, including NHSCT are utilising the TPA for such activity. Whilst it is appreciated that a Single Tender Action (STA) approval form is not required under public procurement guidance where single source suppliers are engaged using a framework (the TPA), in the absence of records, there is a lack of transparency over the volume and nature of the use of single source suppliers through the TPA. As with all orders put through the TPA, sole source orders will attract an HP TPA administration fee. Audit noted that once a TPA contract is raised, HP only indicate the final price for the items orders after TPA discounts therefore it is difficult to see how much actual saving has been achieved by using the TPA.
- There is a tiered schedule of HP administrative costs which has flexibility within the arrangement for HP to increase charges based on the complexity of the procurement. The HP administrative cost for smaller value procurements is proportionately much higher (and 72% of all HSC contract orders by volume were less than £50K each). While there was some evidence of challenge to variations in charges this should take place and be evidenced for all variations to non-standard administrative charges.

For each finding management have accepted the recommendations and have drawn up plans for their implementation, have designated responsible officers to take forward the resulting actions and will continue to monitor progress. In addition, an Audit Steering Group, (ASG), chaired by the Chief Executive, will oversee the internal audit process. All audit reports will be reviewed and follow up actions will be monitored.

Internal Audit have also taken into account the results of the year end follow up on previous audit recommendations, the verification of controls assurances standards, the

BSO Shared Service audits and the following non-assurance assignments conducted, when forming the overall annual opinion:

- Follow up on Recommendations arising from Estates Services Special Investigation
- Review of Investigation into Charging and Management of a Service User
- Review of Management of Pharmacy Contracts
- Follow Up of Waiting List Initiative – Management of Independent Sector Work

From the review of the evidence provided, Internal Audit agree that the NHSCT's self-assessments of compliance in regards to Controls Assurance, that is, the Governance, Financial Management, Risk Management, Research Governance, Infection Control and Building, Land, Plant and Non-Medical Equipment Standards, are reasonable. NHSCT has met the DHSSPS requirement for substantive compliance with all six standards.

With regard to the wider corporate governance environment, the Trust has in place a range of organisational controls designed to promote the efficient and effective discharge of its business in accordance with the law and departmental direction. Every effort is made to ensure that the objectives of the Trust are pursued in accordance with recognised and accepted standards of public administration.

The Trust has in place an Anti-Fraud Policy, a Fraud Response Plan and an Anti-Bribery Policy which gives details of responsibilities and relevant officers in the event of a suspected or detected fraud. Extensive work has been undertaken in promoting fraud awareness throughout the Trust, including continued provision of an Internal Control / Fraud Awareness training programme and communication with staff regarding the recent phase of the National Fraud Initiative, with investigation of data matches continuing.

The Trust liaises closely with Counter Fraud and Probity Service to investigate relevant cases and to promote an anti-fraud culture.

Business Services Organisation Assurances

The Business Services Organisation (BSO) provides a range of services to, and on behalf of, the Trust. These include:

- The Directorate of Legal Services (DLS) which provides legal services across the range of services of the Trust;
- Procurement and Logistics Services (PaLS) which provides procurement and logistics and acts as a Centre of Procurement Excellence (COPE) for HSC;
- The Shared Services Centre (SSC) which provides Accounts Payable (AP), Accounts Receivable (AR) and Human Resources, Payroll and Travel Services (HRPTS) on behalf of the HSC;
- Information Technology Services (ITS) which provides a range of systems support for the HSC.

The Chief Executive of BSO has provided the Trust with a "Provisional Assurance for 2014/15" at the date of preparing this Governance Statement. The Assurance outlines a number of areas of the activities of BSO where the Internal Auditor has identified weaknesses in internal controls including Payroll Shared Services and Payments Shared Services, both of which received "Limited Assurance" in the audits carried out in September 2014. The results of further audits in February 2015 also concluded:

- Payments Shared Services – "Satisfactory" overall, and "limited" on Management of Duplicate Payments;
- Payroll Shared Services – "limited".

The Payments Report demonstrated improvement however there remain internal control weaknesses around duplicate payments. The Trust will be working with other Trusts through the Customer Forum to pursue further improvement in the SSC processes and controls.

Whilst the Trust has transferred its Payroll function to the BSO SSC in January 2015, and is not directly affected by the findings of February 2015, it is nevertheless a matter of concern going forward. The Trust will be liaising with BSO via the relevant customer forum to ensure improvements in internal control are prioritised.

9. Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for the review of the effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the internal auditors and the executive managers within the Northern Health and Social Care Trust, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Report to Those Charged with Governance and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee, Governance/Assurance Committees and the Trust Board and a plan to address weaknesses and ensure continuous improvement to the system is in place. The Board continuously reviews its own operation from a governance perspective and plans its own development on an on-going basis by a programme of regular workshops.

10. Internal Governance Divergences – Current and New for 2014/15

An update on prior year control issues which have now been resolved and are no longer considered to be control issues;

Pseudomonas

Comprehensive water sampling and testing for Pseudomonas is in place in all augmented care areas as detailed in HTM 04-01 Addendum: Pseudomonas aeruginosa – advice for augmented care areas. All augmented care areas, are tested on a 6 monthly schedule. The control measures in place are currently successful as a high percentage of these 6 monthly tests meet the stringent parameters of zero cfu /100mls, without further remedial work and re-test.

Ward C7 which was not specified as an augmented care area at tender stage had 50% failure on the Pseudomonas test results on the hot & cold water outlets when the building was handed over. The current situation is that 18 ensuite bedrooms meet the augmented care specification. Remedial work is required; a business case is being progressed through the approval process.

The terms of reference of the Trust Water Safety Group, which is a sub group of the Infection, Prevention, Control & Environmental Hygiene Committee (IPCEH) were

revised in January 2015. As controls and systems are in place this issue is no longer considered a control issue.

Radiology Reports

The Trust extended the review of chest radiographs to cover the remaining sites across the Trust, commencing on 24th January 2014. During the review 55 referrers were contacted to ensure that the follow up of their patients had been arranged. All referrers have responded, advising of no significant impact to patient outcomes due to the delay. A formal failsafe review process for all imaging procedures is now in place.

Serious Adverse Incidents

The Trust has continued to focus on the reporting and learning from Serious Adverse Incidents. There was a continued increase in the reporting of SAI's (24%). Guidance and training on the investigation methodology for SAI's was provided to a wide range of practitioners which has assisted in shortening investigation timescales and improving service user/family involvement. The Serious Adverse Incident Review Group terms of reference have been reviewed and strengthened. This is no longer considered a control issue.

An update on prior year control issues which continue to be considered control issues

Performance against Departmental Objectives

Unscheduled Care

Positive improvements have been achieved in both Antrim and Causeway Hospitals. At Antrim Hospital, there has been a 35% improvement on last year's performance against the 12 hour target. This has built on the 51% decrease on the number of patients waiting over 12 hours in the previous year across the Trust. There have been no 12 hour breaches in Causeway Hospital since August 2013.

Progress to the achievement of the 4 hour target has continued to challenge both Acute Hospitals. Performance against the 95% target this year has ranged from 55% to 72% at Antrim and between 67% and 79% in Causeway.

An Unscheduled Care Improvement Programme has been established under the leadership of the Chief Executive with a wide range of actions aimed at improving and sustaining performance. The impact of the financial context, increase in activity (5%) and the continuing capacity issues at Antrim Hospital mean that during periods of high activity, the avoidance of all 12 hour breaches is unlikely. The Trust will however focus on ensuring that all patients entering care through the Emergency Department are managed safely.

Service reform to provide appropriate alternatives to the ED service, such as the acute assessment pathway in Antrim, which offers direct access to clinical assessment and ambulatory treatment and care to patients as an alternative to an Emergency Department admission, has been viewed positively by service users and partners. Securing timely discharge for complex cases has remained challenging over the winter period due to a number of factors, such as the lack of additional domiciliary care service capacity to support the person in their own home.

Independent Sector providers are commissioned and work together with the Trust to make best use of resources in geographical areas and seek to secure additional capacity pending demography funding. High levels of demand on ED and subsequently admission to acute bed based services over the winter have placed significant levels of demand in facilitating discharge to community settings and necessitated additional bed based intermediate care. Demand for domiciliary care provision is likely to remain and increase. Creating additional capacity is a slow process, as recruitment within this sector remains challenging.

Delivering Service & Budget Agreement (SBA) Volumes and Hospital Waiting Times - Elective Care (In-patients, Day cases and Out-patients)

Sustaining levels of expected out-turn in some specialties is challenging given the dynamics of sustaining staffing levels in those specialties, particularly for those reliant on a small number of Specialists or a single handed Consultant base. As a result there is under delivery in some specialties against the Board volumes set out in the SBA. Largely the issues relate to vacancies and absence that diminishes the capacity of the service for a period. It is not always possible to secure locum cover and where it is secured, it may not deliver to the same volumes. This continues to be addressed through regular performance management meetings with the Commissioner. Elective volumes have been moderately affected by the unscheduled care pressures on the

Trust's acute sites during January to March 2015, which have resulted in the deferral of a small number of elective patients in a number of specialties.

Demand is an overarching issue. Out-patient referrals have increased by 8% and much higher in some specialties. Of this increase in demand, there is a disproportionate increase in red flag cancer referrals. Within the context of increasing demand and the resultant demand/capacity imbalance, it continues to be challenging to meet the maximum waiting time positions for some services, specialties or procedures. In addition the capacity of the Trust to use the Independent Sector to address waiting lists is no longer available in-year. All efforts will be made to meet both urgent need and address longer elective waiting times, however given rising demand the targets will not be consistently achieved across all services.

Medical Workforce

The Trust has been successful in appointing to 24 consultant posts but continues to carry vacancies in key areas. For example at Causeway Hospital vacancies exist at Consultant level that are critical to continued service delivery namely a Consultant Urologist, Consultant Physician with an interest in General Medicine/Care of the Elderly and a Consultant Physician with an Interest in Respiratory Medicine. These are currently being covered by long term, high quality locums. In Antrim Hospital there are also a number of vacant posts. These include a Consultant Radiologist and a Consultant Geriatrician. The Trust has also been unable to recruit for a newly established Neurology post

Additionally the Trust has challenges in populating some middle grade and trainee rotas. Paediatrics in Causeway is dependent on locums to maintain an out of hours rota, which has service implications in the medium term for both Paediatrics and Obstetrics. We continue to manage the risks for service continuity posed by these workforce groups.

Cancer Services

The Trust has not met the 62 day cancer target (95%) and improving performance against this target remains challenging (83% in April, 66% January). Cases are monitored through tumour sites e.g. breast, dermatology & urology. As a result of significant medical staff shortages in urology, this speciality constitutes the largest divergence from the 62 day pathway. The situation was such that due to the Northern Trust having their only two consultants on leave of absence, the HSCB nominated the

Western Trust as the lead Trust in the management of urology services during this interim period. Together the Northern and Western Trusts implemented an interim model of service delivery which reflected the high level agreement previously set out as the Team Northwest model for urology services

In order to manage the risk, all routine urology surgery has been suspended to the end of March 2015, to ensure timely care and treatment for cancer and urgent patients. Nevertheless with the red flag (suspect cancer) outpatient referrals for April-January showing a 15% increase on the same period last year this continues to be a significant challenge for Team Northwest.

In addition to Urology there are particular issues within Gynaecology (due to insufficient hysteroscopy capacity to meet demand) and Gastroenterology (due to overall demand being approximately 50% higher than capacity for Gastroenterology outpatients).

In relation to Breast cancer referrals (all urgent referrals to be seen within 14 days) the performance has been sustained at 100% since August 2014. Performance can be sustained provided recurrent resource is made available to increase capacity in the core breast surgery service and a recent response from the Board has been received to a submitted Investment Bid.

Allied Health Professional (AHP) Services

AHP services continue to have significant waiting lists due to an increase in demand which is resulting in longer waits for dietetics, speech & language services, physiotherapy and occupational therapy services. Numbers waiting beyond 9 weeks has increased from 1,459 in April 2014 to 5,350 at the end of February 2015, across 4 AHP groups (physiotherapy, dietetics, speech and language therapy and occupational therapy). This is despite physiotherapy, Speech and Language Therapy (SLT) and Occupational Therapy (OT) exceeding formally agreed Service and Budget Agreement volumes. While the Trust are of the view that demand for AHP Services has increased, there is a need to provide assurance on this via a regional data definition exercise which is on-going to ensure all activity is captured and recorded in a consistent manner across Trusts, and at this point it is difficult to quantify the overall increase in demand. It is sufficient to state at this stage that demand is increasing and the AHP services continue to see more new patients.

Child and Adolescent Mental Health Services (CAMHS)

The achievement of a maximum wait of 9 weeks for CAMH services remains challenging. Demand for the service currently exceeds available capacity due to a number of issues: there has been a 23% increase in accepted referrals from the January/February period and in 2014 a number of staff vacancies have proved difficult to fill. The service had previously indicated that a zero breach position would be achieved by March 2015; however, the service is now indicating a zero breach position by July 2015. A breach reduction plan has been agreed with HSCB and is being monitored weekly. Additional service improvement actions are being taken.

Control of Infection: MRSA/CDIFF

It was challenging for the Trust to stay within targets set for Healthcare Associated Infections (HCAI's). The target was met with regard to MRSA, with 11 cases of MRSA Bacteraemia reported. The Trust is currently working with Public Health Agency colleagues to address the community burden of MRSA and how it impacts on secondary care. The Trust's cumulative number of C Diff cases at the end of March 2015 was 62, against a target not to exceed 56. Both areas have improved on last year's position.

Whistleblowing

During the 2014/15 year the Trust has reviewed and updated the Whistleblowing policy in consultation with Trade Union Colleagues. The policy has been further benchmarked against 'Whistleblowing in the Public Sector - A good Practice guide for workers and employers', issued by NIAO in 2014 and against 'Making a Whistleblowing Policy Work' Report by the Comptroller and Auditor General (March 2014) December 2014. The Trust has an action plan in place which includes promoting the Trust's policy as well as encouraging and supporting employees to raise concerns.

A total of 6 concerns in relation to services in the Trust have been raised anonymously via the Whistleblowing policy. The Trust actively explores the issues raised ensuring that appropriate action is taken to investigate the concern, taking action were necessary and seeking to identify any learning from the process. Issues raised covered areas such as allocation of shifts/overtime, activity during sick leave, lack of funding/resources and staffing levels and impact on quality of care.

All 6 concerns received during 2014/15 have been concluded. There are no current concerns.

Turnaround and Support Team (TAST)/Reform and Modernisation

During the last year, considerable progress has continued to be made on the implementation of the recommendations of the report of the Turnaround and Support Team.

This process has been monitored through a Turnaround and Support Team Improvement Oversight Programme Board, membership of which was drawn from Departmental Officers including the Chief Professional Officers and the Health and Social Care Board.

At a meeting of this Oversight Programme Board on 18 March 2015, the Permanent Secretary formally confirmed that a recommendation would be made for the Turnaround to cease to allow the Trust to migrate to a phase of Reform and Modernisation. This was officially confirmed by the Minister on 14 April 2015, when he commended the progress made by the Trust in implementing the TAST report and allowing the Trust to move forward under its own governance structures as it continued to modernise and improve performance across services.

The Trust is now developing a Reform and Modernisation Programme which will set the direction for the Trust over the next five years. This is being further refined and will be the subject of public consultation early in the new financial year.

Serious Adverse Incident: Investigation into charging and management of a service user

The Mid Year Assurance Governance Statement advised of a SAI reported at September 2013, relating to the management of a client's affairs and advised of the investigations which had been instigated. These included Adult Safeguarding, Internal Audit Review, Social Care Governance Review and disciplinary investigation. A Trust Group, chaired by the Executive Director of Social Work, is monitoring the implementation of the recommendations of the audit and governance reports and reports are also submitted to the Trust's Audit Committee. A number of the recommendations referred to issues which required regional processes and guidelines to be put in place, including working with the Office of Care and Protection. A follow up Internal Audit review was undertaken in February 2015. This found that 52% of the recommendations were fully implemented and 94% were either fully or partially implemented. This will be subject to a further audit in 2015/16.

Serious Adverse Incident: Private Nursing Home

During the previous year, investigations were undertaken by the Trust, NI Adverse Incident Centre and NI Health and Safety Executive into an incident where a resident with severe learning disabilities had died in a private nursing home. An action plan arising out of the Trust's SAI investigation was agreed with the home and put in place with support from the Trust. There were 14 actions all of which have been implemented. Following investigation by the Northern Ireland Health and Safety Executive the proprietors of the nursing home have been charged that, in relation to the death, there was a gross breach of Section 1 of the Corporate Manslaughter & Corporate Homicide Act 2007. Also that in the operation of the home the level of risk to the health and safety of persons not in their employment was contrary to Article 31 of the Health & Safety at Work (NI) Order 1978. The Trust continues to monitor the position at the home through formal safeguarding arrangements which include representation from other commissioning Trusts the PHA and the HSCB.

Child Sexual Exploitation (CSE) / Children going missing

Professor Marshall's CSE Inquiry report was released in November 2014 and the Trust continues to work regionally on the Inquiry Implementation Team to oversee the development and implementation of an action plan to realise all of the accepted Marshall recommendations. The Trust has already established monthly CSE meetings for senior managers and quarterly CSE meetings with PSNI, Youth Justice Agency and the North Eastern Education and Library Board to provide local senior management overview and co-ordination of the inter-agency arrangements to safeguard children in the Trust area from sexual exploitation.

The Trust has developed on-going training for frontline staff to increase their awareness of CSE and to reinforce their knowledge of the Regional Interim Guidance for CSE referrals. Frontline staff are better skilled at completing a CSE Risk Assessment to clarify the potential risk the young person is experiencing. In accordance with procedure, staff complete a risk assessment following each significant episode and the results of these assessments inform the plans and intervention with the young person.

The Trust continues to assist Safeguarding Board Northern Ireland and Queens University in relation to the Thematic Review. This review is due to report at the end of June 2015.

The Senior Practitioner for Child Sexual Exploitation is available to offer staff advice and guidance when they suspect that any young person is at potential risk of CSE. This Senior Practitioner regularly attends Child in Need and LAC reviews, Child Protection Case Conferences and strategy meetings to offer advice and guidance.

Managers, Team Leaders, Senior Social Workers and Heads of Service would have CSE listed as an agenda item for any young person who they have identified as potentially at risk. This enables the multidisciplinary forum to review and update the risks on a regular basis and to incorporate all necessary actions into the young person's care plan.

The issues surrounding CSE continue to develop and the Senior Practitioner for CSE continues to attend training and workshops in order to keep the Trust updated on current trends and information.

Staff Appraisal

The latest returns from Directorates as of 31 March 2015 show that 75% of staff had an annual appraisal and agreed Personal Development Plan. This is compared to 54% as reported in December 2014 which demonstrates a good improvement. Progress is regularly discussed at Executive team meetings. Directors and the Organisation Development Team are taking targeted action with the aim of increasing compliance across all Directorates. Support is continually provided to directorates and individual service areas to ensure that staff and managers have the relevant knowledge and skills to conduct appraisals. Targeted assistance is being made available in service areas where compliance is particularly low. Related forms and guidance documents have recently been updated and further training courses are being provided.

Staff Absence

The Human Resources team was restructured in 2014/15, partly to focus resources to support Health and Well-Being and Attendance Management as a key priority. The achievements in this area have included:

- a review of the Managing Attendance Protocol and the development of a more Integrated Health and Well Being Strategy;
- benchmarking and best practice research to inform the Trust's Health and Well-being and Attendance Management strategy, policies, procedures and guidance;
- improved partnership working with Trade Unions; and

- improving managers' awareness and capability of people management skills/approach.

A new Health and Well-being Strategy and Action Plan is currently being drafted to focus on the two main reasons for absence which related to musculoskeletal and psychosocial conditions.

The introduction of HRPTS in February 2014 presented a number of challenges for absence reporting. An issue has also been identified with the configuration of the percentage absence calculation within HRPTS which appears to be inflating the % absence figures. A regional solution is being sought for the same. While significant progression has been made with absence reporting this has been affected by the recent move to Payroll Shared Services (PSSC).

The latest data available at as at March 2015 shows an absence level of 8.02% against the 5% target.

It is the intention to continue to progress and develop absence reporting based on the information available from HRPTS.

Estates

The Trust reported last year on investigations being undertaken as a result of a whistleblowing allegation. An Internal Audit Report was issued in January 2014, containing over 70 recommendations primarily concerned with the weaknesses in controls exercised over the use of contractors, procurement, private work by Estates staff and health and safety. In March 2014, the Trust commissioned an Independent Review into the reasons these control weaknesses occurred and the nature of any internal governance controls and management weaknesses. This report was presented to the Trust in June 2014. A report was attached by the NIAO to the 2013/14 accounts in respect of procurement in the Estates Department.

The Trust has been taking forward the recommendations of the reports. Follow up Audits were undertaken in June 2014 and March 2015 and reports made to the Audit Committee. The positive progress on the implementation of the recommendations was acknowledged.

Staffing issues have been addressed and the necessary disciplinary action has been completed in respect of a number of employees.

A report has been made to Trust Board on the actions taken to strengthen the procurement systems, particularly the process for Single Tender Actions.

A business case for the provision of response maintenance services has been submitted to DHSSPS.

Human Resource Payroll and Travel System (HRPTS)

Following implementation of the system and resolution of the technical issues around pay, tax and national insurance, the system was deployed to all Human Resources and Finance staff. These issues were resolved during the early part of the 2014/15 financial year.

The Trust continues to deploy the system to Managers and employees within the available ICT infrastructure as agreed by the Trust BSTP Project Board in October 2014. The challenges of deploying to remaining staff have been escalated through the local BSTP project structure and regionally and work is on-going to address these challenges.

Agenda for Change (AfC)

The Trust continues to calculate and pay the AfC arrears due to staff. Despite efforts to finalise this process, there remains arrears to be paid. The Trust aims to reduce this outstanding amount in 2015/16.

Identification of new issues in the current year (including issues identified in the mid-year assurance statement) and anticipated future issues.

Urology Services

There has been a significant challenge providing urology services in-year. This was initially as a result of substantial medical shortages which were due to difficulties recruiting to consultant and middle grade vacant posts. The Trust advised the HSCB of the risk to safety and quality within the services as well as the impact on reduced performance as a result of these difficulties in recruitment. In December the situation was further compounded by the absence of the two substantive consultants. The HSCB responded to this situation by putting in place contingency arrangements involving the other Trusts. The Team Northwest plan that had been previously agreed by the Northern and Western Trust at a strategic level was operationalised and the Western Trust took the lead in providing in-reach urology services in Causeway hospital. Non-urgent urology surgery has been suspended to the end of March 2015 to ensure timely diagnosis and treatment for cancer and urgent patients.

Serious Adverse Incident – spillage of liquid drain solvent

A spillage of a liquid drain solvent leaked through the ceiling to a floor below when Estate Services were attempting to clear blockage in pipework contained within a ceiling void. A staff member went out to investigate and slipped on the spillage. Subsequently the staff member sustained significant burns to their lower back and forearms. Use of chemicals to clear blocked drains was stopped immediately following the incident and that ban remains in place indefinitely. The Estate Services Department are currently developing a revised procedure for dealing with blocked drains. A review and updating of all COSHH risk assessments in Estates has been completed. The Trust continues to co-operate with HSENI in its investigation of this incident. The member of staff is being supported during their recovery.

Health and Safety Risk Assessment

Further to this incident the Trust has identified a gap in controls with respect to Risk Assessment. On this basis the Trust is developing a risk management audit and assessment tool to assess compliance at departmental level across a range of clinical and non-clinical indicators and standards. The Trust has also agreed a specific piece of work by Internal Audit in 2015/16.

Serious Adverse Incident - chemical spillage

Four members of nursing staff were exposed to fumes which had escaped from a container holding 200 litres of disinfectant in the Renal Unit at Antrim Hospital. It has not been possible to determine with any confidence how the container came to be lying on the floor on its side or why the material was released from the container. The piece of equipment for which the container was supplied has not been used since the incident meaning that there is no longer a quantity of the material being stored in the Renal Unit.

Neo Natal Unit, Antrim Area Hospital

There have been significant delays in the completion of the capital project with respect to the Neo Natal Unit at Antrim Area Hospital. This is as a result of issues relating to contractor performance and capability and work is on-going to address this. A timetable has been drawn up to deal with the delays and it is expected that work will be completed by early summer 2015.

Joint Advisory Group (JAG) Accreditation

In 2010 the Trust achieved JAG accreditation of Whiteabbey Endoscopy unit. This facilitated the provision of Bowel Cancer Screening for the Northern Trust and also the provision of endoscopy training for Northern Ireland. In March 2015 the Trust were advised by JAG that they had withdrawn this accreditation due to a deviance from one of their core standards. This was one element of the access standard. All other standards were met as was the access standard of 9 weeks for all new patients. The element of access that fell short of the standard was the time waiting for planned / surveillance endoscopy. The Trust was aware of this backlog and had commenced actions to reduce the delay. However this was not sufficient to retain JAG. The Trust has written to JAG and requested a review of the situation and has also sought clarification from the PHA about the on-going provision of bowel cancer screening without this accreditation. Whilst the Trust has taken actions to improve waiting times for patients, it is not likely that reaccreditation can be achieved until further funding is obtained.

Judicial Review – Dalriada Hospital

In light of the Trust in-year savings plans, developed in late October 2014 as a result of notification from the DHSSPS and Board for in-year reduced spend plans, the Trust had proposed and approved to take forward the temporary closure of Dalriada Community Hospital intermediate care in-patient beds and MS respite unit beds from early December 2014. The Trust began the temporary closure with the redeployment of staff to other Trust services and the phased reduction of in-patient bed numbers through a “no new admissions” approach. A Judicial Review request was submitted by a service user of the MS respite unit against the DHSSPS in taking forward this temporary closure without consultation processes. A case for Interim Relief was also sought to stop the temporary closure and reinstate the service while the Judicial Review would be heard regarding the case for need for consultation. The Interim Review was granted and the service was reinstated (admissions recommenced and staff, who had been temporarily redeployed, returned to former posts in Dalriada). The Judicial Review did not then proceed, given the service was reinstated and the Trust withdrew (with DHSSPS agreement) the temporary closure plan, as no savings would likely to be made in-year (2014/15). The issue of need for proper Consultation is established and since in-year savings plans were developed in 2014/15, the DHSSPS has issued updated guidance on same.

Donaldson Review

The Trust, as part of a Departmental directive, undertook a review of all Serious Adverse Incidents reported from 2009 to 2013, which was validated in October 2014 by the Regulation and Quality Improvement Authority. This work also informed the visit by Sir Liam Donaldson and his Review Team in August 2014 and the subsequent publication of 'The Right Time, The Right Place' Report which examined the arrangements for assuring and improving the quality and safety of care in Northern Ireland. Subsequent to this the Trust has engaged with staff and a range of Stakeholders to consult on the recommendations of the report.

Client Charging

A number of independent sector providers of supported living services within Northern Ireland levy a charge on tenants. The Trust has been working along with the HSCB and the DHSSPS in clarifying the appropriateness of the charges that are being made. We have also been working with providers in our area to identify the extent of the charges and how they are being used in the care and support provided.

Prompt Payment Compliance

The Trust is required to pay their non HSC trade creditors in accordance with applicable terms and appropriate Government accounting guidance which requires payment to be made within 30 days of receipt of the invoice or in line with agreed payment terms with the supplier.

The 30 day target is 95% of relevant invoices paid within this time and the Trust did not meet this target in 2014/15. The Trust will continue to liaise with BSO Payments Shared Service Centre and Trust managers to endeavour to meet this duty.

Colposcopy Service

Following review by the NICAN Clinical Lead for Colposcopy, seventy one women who attended the Trust's specialist colposcopy service at Antrim Area Hospital, were identified as being discharged early from the colposcopy service. These women were recalled for follow up cervical smear as a precautionary measure. Additional clinics and an Advice and Appointment line were established to ensure access for the women on a timely basis.

11. Conclusion

Northern Health and Social Care Trust has a rigorous system of accountability which I can rely on as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI (MPMNI).

Further to considering the accountability framework within the Trust and in conjunction with assurances given to me by the Head of Internal Audit, I am content that the Northern Health and Social Care Trust has operated a sound system of internal governance during the period 2014/15.

Signature of Accounting Officer and date of signature

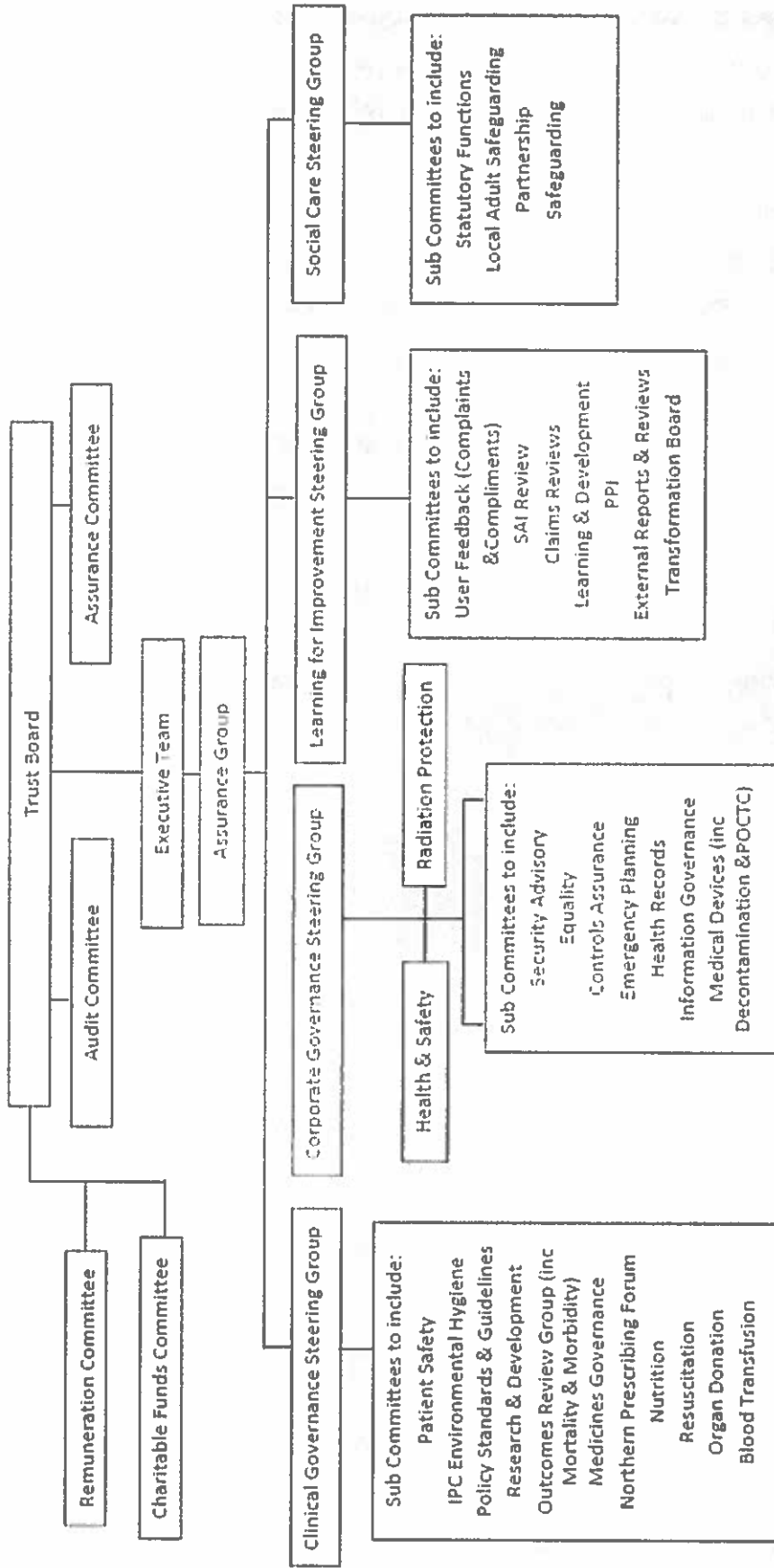
Handwritten signature of Anthony Street in blue ink.

Accounting Officer

Handwritten date 11 June 2015 in blue ink.

Date

Assurance Framework Committee Structure



Directorate Governance and Accountability Structures

NORTHERN HEALTH AND SOCIAL CARE TRUST

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

I certify that I have audited the financial statements of the Northern Health and Social Care Trust and its group for the year ended 31 March 2015 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise the Consolidated Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the Northern Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Health and Social Care Trust; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of the Northern Health and Social Care Trust's affairs as at 31 March 2015 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health, Social Services and Public Safety directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Health, Social Services and Public Safety directions made under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

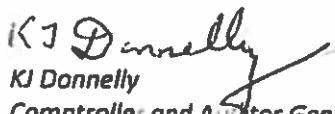
Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

Report

I have no observations to make on these financial statements.


KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

26 June 2015

NORTHERN IISC TRUST

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2015

		2015 £000s			2014 £000s		
	NOTE	Trust	CTF	Consolidation adjustments	Trust	CTF	Consolidation adjustments
				Consolidated			Consolidated
Expenditure							
Staff costs	3.1	(392,091)	(34)	0	(380,322)	(35)	0
Depreciation	4	(18,222)	0	0	(17,089)	0	0
Other expenditures	4	(281,018)	(735)	0	(248,921)	(1,083)	0
		(691,331)	(769)	0	(646,332)	(1,118)	0
Income							
Income from activities	5.1	39,732	0	0	37,520	0	0
Other operating income*	5.2	12,098	783	0	11,365	947	0
Voluntary and charitable income	5.3	0	0	0	0	0	0
		51,830	783	0	48,885	947	0
Net Expenditure		(639,501)	14	(639,487)	(597,447)	(171)	0
Revenue Resource Limit (RRL)	25.1	639,572	0	0	592,846	0	0
Add back charitable trust fund net expenditure*		0	(14)	0	0	171	0
Surplus / (Deficit) against RRL		71	0	0	(4,601)	0	(4,601)

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2015 £000s			2014 £000s		
		Trust	CTF	Consolidation adjustments	Trust	CTF	Consolidation adjustments
				Consolidated			Consolidated
Items that will not be reclassified to net operating costs:							
Net gain/(loss) on revaluation of property, plant and equipment	6.1/10.6.2/10	21,712	0	0	18,802	0	0
Net gain/(loss) on revaluation of intangibles	7.1/10.7.2/10	0	0	0	0	0	0
Net gain/(loss) on revaluation of charitable assets		0	98	0	0	48	0
Items that may be reclassified to net operating costs:							
Net gain/(loss) on revaluation of available for sales financial assets		0	0	0	0	0	0
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2015		(617,789)	112	0	(578,645)	(123)	0

The notes on pages 114 to 165 form part of these accounts.

* All donated funds have been used by Northern Health and Social Care Trust as intended by the benefactor. It is for the Charitable Trust Fund Committee within Trusts to manage the internal disbursements. The committee ensures that charitable donations received by the Trust are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Departmental guidance and legislation. All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor.

NORTHERN HSC TRUST

Consolidated Statement of Financial Position as at 31 March 2015

	NOTE	2015		2014	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
Non Current Assets					
Property, plant and equipment	6.1/6.2	384,544	384,544	387,983	387,983
Intangible assets	7.1/7.2	5,109	5,109	3,184	3,184
Financial assets	8.0	0	1,774	0	1,676
Trade and other receivables	12.0	0	0	0	0
Other current assets	12.0	0	0	0	0
Total Non Current Assets		389,653	391,427	391,167	392,843
Current Assets					
Assets classified as held for sale	9.0	235	235	428	428
Inventories	11.0	2,854	2,854	2,892	2,892
Trade and other receivables	12.0	14,246	14,259	11,162	11,187
Other current assets	12.0	790	790	994	994
Intangible current assets	12.0	0	0	0	0
Financial assets	8.1	0	3,600	0	3,500
Cash and cash equivalents	13.0	6,558	6,913	5,009	5,479
Total Current Assets		24,683	28,651	20,485	24,480
Total Assets		414,336	420,078	411,652	417,323
Current Liabilities					
Trade and other payables	14.0	(73,394)	(73,428)	(73,348)	(73,429)
Other liabilities	14.0	0	0	(82)	(82)
Intangible current liabilities	14.0	(409)	(409)	(318)	(318)
Provisions	16.0	(13,353)	(13,353)	(11,763)	(11,763)
Total Current Liabilities		(87,156)	(87,190)	(85,511)	(85,592)
Non Current Assets plus/less Net Current Assets / Liabilities		327,180	332,888	326,141	331,731
Non Current Liabilities					
Provisions	16.0	(13,303)	(13,303)	(18,294)	(18,294)
Other payables > 1 yr	14.0	0	0	0	0
Financial liabilities	8.0	0	0	0	0
Total Non Current Liabilities		(13,303)	(13,303)	(18,294)	(18,294)
Assets less Liabilities		313,877	319,585	307,847	313,437
Taxpayers' Equity					
Revaluation reserve		77,614	77,614	56,029	56,029
SoCNE reserve		236,263	236,263	251,818	251,818
Other reserves - charitable fund		0	5,708	0	5,590
		313,877	319,585	307,847	313,437

The notes on pages 114 to 165 form part of these accounts

Signed  (Chairman)

Date 11/6/2015

Signed  (Chief Executive)

Date 11 June 2015

NORTHERN HSC TRUST

Consolidated Statement of Cash Flows for the year ended 31 March 2015

	NOTE	2015 £000s	2014 £000s
Cash flows from operating activities			
Net expenditure after interest		(639,486)	(597,618)
Adjustments for non cash costs		49,607	22,440
(Increase)/decrease in trade and other receivables		(2,968)	1,837
(Increase)/decrease in inventories		38	(14)
Increase/(decrease) in trade payables		8	(10,590)
Movements in payables relating to the purchase of property, plant and equipment		3,084	272
Movements in payables relating to the purchase of intangibles		261	(259)
Movements in payables relating to finance leases		82	73
Movements in payables relating to PFI and other service concession arrangement contracts		0	0
Use of provisions	16	<u>(4,579)</u>	<u>(3,769)</u>
Net cash outflow from operating activities		(593,953)	(587,628)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	6	(25,162)	(19,610)
(Purchase of intangible assets)	7	(3,484)	(1,252)
Proceeds of disposal of property, plant & equipment		69	131
Proceeds on disposal of intangibles		0	0
Proceeds on disposal of assets held for resale		546	0
Drawdown from investment fund		0	151
Share of income reinvested		<u>0</u>	<u>0</u>
Net cash outflow from investing activities		(28,031)	(20,580)
Cash flows from financing activities			
Grant in aid		623,500	605,000
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		<u>(82)</u>	<u>(73)</u>
Net financing		623,418	604,927
Net increase (decrease) in cash & cash equivalents in the period		1,434	(3,281)
Cash & cash equivalents at the beginning of the period	13	5,479	8,760
Cash & cash equivalents at the end of the period	13	6,913	5,479

The notes on pages 114 to 165 form part of these accounts.

NORTHERN HSC TRUST

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2015

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
Balance at 31 March 2013		243,794	37,640	5,706	287,140
Changes in accounting policy		0	0	0	0
Restated balance at 1 April 2013		243,794	37,640	5,706	287,140
Changes in Taxpayers Equity 2013-14					
Grant from DHSSPS		605,000	0	0	605,000
Transfers between reserves		413	(413)	0	0
(Comprehensive expenditure for the year)		(597,447)	18,802	(123)	(578,768)
Transfer of asset ownership		3	0	0	3
Non cash charges - auditors remuneration	4	55	0	7	62
Movement - other		0	0	0	0
Balance at 31 March 2014		251,818	56,029	5,590	313,437
Changes in Taxpayers Equity 2014-15					
Grant from DHSSPS		623,500	0	0	623,500
Transfers between reserves		127	(127)	0	0
(Comprehensive expenditure for the year)		(639,501)	21,712	112	(617,677)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	4	57	0	6	63
Movement - other		262	0	0	262
Balance at 31 March 2015		236,263	77,614	5,708	319,585

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES

1. Authority

These accounts have been prepared in a form determined by the Department of Health, Social Services and Public Safety based on guidance from the Department of Finance and Personnel's Financial Reporting manual (FReM) and in accordance with the requirements of Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to HSC bodies. Where a choice of accounting policy is permitted, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The Trust's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts, unless otherwise stated.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

1.2 Currency and Rounding

These accounts are presented in UK Pounds sterling. The figures in the accounts are shown to the nearest £1,000.

1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Land, Buildings, Dwellings, Transport Equipment, Plant & Machinery, Information Technology, Furniture & Fittings, and Assets under Construction.

Recognition

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the entity;
- it is expected to be used for more than one financial year;

- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

On initial recognition property, plant and equipment is measured at cost including any expenditure such as installation, directly attributable to bringing it into working condition. Items classified as “under construction” are recognised in the Statement of Financial Position to the extent that money has been paid or a liability has been incurred.

Valuation of Land and Buildings

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institute of Chartered (RCIS) Valuation – professional Standards in so far as these are consistent with the specific needs of the HSC.

The last valuation was carried out on 31 January 2015 by Land and Property Services (LPS) which is part of the Department of Finance and Personnel. The valuers are qualified to meet the ‘Member of Royal Institution of Chartered Surveyors’ (MRICS) standard.

Professional revaluations of land and buildings are undertaken at least once in every five year period and are revalued annually, between professional valuations, using indices provided by LPS.

Land and buildings used for the Trust services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Fair values are determined as follows:

- Land and non-specialised buildings – open market value for existing use
- Specialised buildings – depreciated replacement cost
- Properties surplus to requirements – the lower of open market value less any material directly attributable selling costs, or book value at date of moving to non-current assets.

Modern Equivalent Asset

DFP has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. Land and Property Services (LPS) have included this requirement within the latest valuation.

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

Short Life Assets

Short life assets are not indexed. Short life is defined as a useful life of up to and including 5 years. Short life assets are carried at depreciated historic cost as this is not considered to be materially different from fair value and are depreciated over their useful life.

Where estimated life of fixtures and equipment exceed 5 years, suitable indices will be applied each year and depreciation will be based on indexed amount.

Revaluation Reserve

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

1.4 Depreciation

No depreciation is provided on freehold land since land has unlimited or a very long established useful life. Items under construction are not depreciated until they are commissioned. Properties that are surplus to requirements and which meet the definition of “noncurrent assets held for sale” are also not depreciated.

Otherwise, depreciation is charged to write off the costs or valuation of property, plant and equipment and similarly amortisation is applied to intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over the lower of their estimated useful life and the terms of the lease. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The following asset lives have been used:

Asset Type	Asset Life
Freehold Buildings and Dwellings	25 – 80 years
Leasehold property	Remaining period of lease
IT Assets	4 – 15 years
Intangible assets	4 – 10 years
Transport Equipment	5 – 7 years
Furniture and Fittings	5 – 15 years
Plant, Machinery and Equipment	5 – 15 years

1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure within the Statement of Comprehensive Net Expenditure. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.6 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure which meets the definition of capital restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

The overall useful life of the Trust's buildings takes account of the fact that different components of those buildings have different useful lives. This ensures that depreciation is charged on those assets at the same rate as if separate components had been identified and depreciated at different rates.

1.7 Intangible assets

Intangible assets includes any of the following held - software, licences, trademarks, websites, development expenditure, patents, goodwill and intangible assets under construction. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment.

Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust business or which arise from contractual or other legal rights. Intangible assets are considered to have a finite life. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably. All single items over £5,000 in value must be capitalised while intangible assets which fall within the grouped asset definition must be capitalised if their individual value is at least £1,000 each and the group is at least £5,000 in value.

The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date of commencement of the intangible asset, until it is complete and ready for use.

Intangible assets acquired separately are initially recognised at fair value

Following initial recognition, intangible assets are carried at fair value by reference to an active market, and as no active market currently exists depreciated replacement cost has been used as fair value.

1.8 Donated assets

With effect from 1 April 2011, DFP changed the policy on donated asset reserves. The donation reserve no longer exists. What used to be contained in the donated asset reserve has moved to the Statement of Comprehensive Net Expenditure Reserve (previously known as General Reserve) and to the Revaluation Reserve. Income for donated assets is now recognised when received.

1.9 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. In order to meet this definition IFRS 5 requires that the asset must be immediately available for sale in its current condition and that the sale is highly probable. A sale is regarded as highly probable where an active plan is in place to find a buyer for the asset and the sale is considered likely to be concluded within one year. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value, less any material directly attributable selling costs. Fair value is open market value, where one is available, including alternative uses. Assets classified as held for sale are not depreciated.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount. The profit from sale of land which is a non-depreciating asset is recognised within income. The profit from sale of a depreciating asset is shown as a reduced expense. The loss from sale of land or from any depreciating assets is shown within operating expenses. On disposal, the balance for the asset on the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure Reserve.

Property, plant or equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of inventories.

1.11 Income

Income relates directly to the operating activities of the Trust and is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

Grant in Aid

Funding received from other entities, including the Department and the Health and Social Care Board are accounted for as grant in aid and are reflected through the Statement of Comprehensive Net Expenditure Reserve.

1.12 Investments

The Trust does not have any investments.

1.13 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.14 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated. Leased land may be either an operating lease or a Finance lease depending on the conditions in the lease agreement and following the general guidance set out in IAS 17. Leased buildings are assessed as to whether they are

operating or finance leases.

The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.16 Private Finance Initiative (PFI) transactions.

DFP has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including replacement of components and
- c) Payment for finance (interest costs).

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Assets

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Net Expenditure.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.17 Financial instruments

- **Financial assets**

Financial assets are recognised on the Statement of Financial Position when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

- **Financial liabilities**

Financial liabilities are recognised on the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

- **Financial risk management**

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within HSC bodies in creating risk than would apply to a non-public sector body of a similar size, therefore the Trust is not exposed to the degree of financial risk faced by business entities. The Trust has limited power to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing the Trust in undertaking activities. Therefore the HSC is exposed to little credit, liquidity or market risk.

- **Currency risk**
The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.
- **Interest rate risk**
The Trust has limited powers to borrow or invest and therefore has low exposure to interest rate fluctuations.
- **Credit risk**
Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk.
- **Liquidity risk**
Since the Trust receives the majority of its funding through its principal Commissioner which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

1.18 Provisions

In accordance with IAS 37, provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using DFP's discount rate of 2.2% in real terms (1.3% for employee early departure obligations).

Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using DFP's discount rate of -1.5% (negative real rate) for 0 up to and including 5 years, -1.05% (negative real rate) after year 6 up to 10 years and +2.2% in real terms for 10 years or more (+1.3% for employee early departure obligations for all periods).

The Trust has also disclosed the carrying amount at the beginning and end of the period, additional provisions made, amounts used during the period, unused amounts reversed during the period and increases in the discounted amount arising from the passage of time and the effect of any change in the discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the

receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

1.19 Contingencies

Under IAS 37, the Trust discloses contingent liabilities where there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

In addition to contingent liabilities disclosed in accordance with IAS 37, HSC Trusts disclose for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

Employee benefits

1.20

Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded

as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using average staff numbers and costs applied to the average untaken leave balance determined from the results of a survey to ascertain leave balances as at 31st March 2012. It is not anticipated that the level of untaken leave will vary significantly from year to year. Flexi leave is not operationally available to the majority of Trust staff.

Retirement benefit costs

The Trust participates in the HSC Pension Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSC Pension Scheme can be found in the HSC Pension Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

The costs of early retirements are met by the Trust and charged to the Statement of Comprehensive Net Expenditure at the time the Trust commits itself to the retirement. As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2012 valuation will be used in the 2014/15 accounts.

1.21 Reserves

Statement of Comprehensive Net Expenditure Reserve

Accumulated surpluses are accounted for in the Statement of Comprehensive Net Expenditure Reserve.

Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of cumulative indexation and revaluation adjustments to assets.

1.22 Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

1.23 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details

of third party assets are given in Note 24 to the accounts.

1.24 Government Grants

Government assistance for capital projects whether from UK, or Europe, were treated as a Government grant even where there were no conditions specifically relating to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors. Such grants (not including grant-in-aid) were previously credited to a government grant reserve and were released to income over the useful life of the asset.

DFP has issued new guidance effective from 1 April 2011. Government grant reserves are no longer permitted. Income is generally recognised when it is received. In exceptional cases where there are conditions attached to the use of the grant, which, if not met, would mean the grant is repayable, the income should be deferred and released when obligations are met.

The Trust had no Government Grants.

1.25 Losses and Special Payments

Losses and special payments are items that the Assembly would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses

1.26 Charitable Trust Account Consolidation

In 2012-13, HM Treasury/DFP agreed a one year extension to the exemption granted by HM Treasury from the FReM consolidation accounting policy which otherwise would have required the HSC Trusts and ALBs financial statements to consolidate the accounts of controlled charitable organisations and funds held on trust. This exemption no longer applies and as a result the financial performance and funds have been consolidated. The HSC Trusts and ALBs has accounted for these

transfers using merger accounting as required by the FReM. Prior year figures have been restated to reflect the change in accounting policy.

It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

All funds have been used by the Trust as intended by the benefactor. It is for the Charitable Trust Fund Committee within Trust to manage the internal disbursements. The committee ensures that charitable donations received by the Trust are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Departmental guidance and legislation.

All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor.

1.27 Accounting standards that have been issued but have not yet been adopted

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted.

The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards are effective with EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process, which will bring NI departments under the same adaptation, has been presented to the Executive, but a decision has yet to be made. Should the Executive agree to the recommendations, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.'

Management consider that any other new accounting policies issued but not yet adopted are unlikely to have a significant impact on the accounts in the period of the initial application.

NORTHERN HSC TRUST

ANNUAL ACCOUNTS 31 MARCH 2015

ANALYSIS of NET EXPENDITURE by SEGMENT

NOTE 2

The Trust is managed by way of a directorate structure, each led by a Director, providing an integrated healthcare service for the resident population. The Directors along with Non Executive Directors, Chairman and Chief Executive form the Trust Board which coordinates the activities of the Trust and is considered to be the Chief Operating Decision Maker. The information disclosed in this statement does not reflect budgetary performance and is based solely on expenditure information provided from the accounting system used to prepare the accounts.

Directorate	2015			2014		
	Staff Costs £000s	Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	Other Expenditure £000s	Total Expenditure £000s
Children's Services	57,032	23,311	80,343	56,503	24,955	81,458
Acute Hospital Services	146,201	47,376	193,577	142,980	47,017	189,997
Older People's Services	67,889	71,504	139,393	67,839	70,055	137,894
Mental Health and Disability Services	59,792	76,660	136,452	58,676	73,574	132,250
Planning, Performance Management and Support Services	11,738	12,649	24,387	11,852	12,047	23,899
Research and Development	36	590	626	47	479	526
Nursing User Experience	23,485	4,688	28,173	22,705	4,849	27,554
Other Trust Directorates	25,897	12,859	38,756	19,720	10,602	30,322
Expenditure for Reportable Segments net of Non Cash Expenditure	392,070	249,637	641,707	380,322	243,578	623,900
Non Cash Expenditure			49,601			22,432
Total Expenditure per Net Expenditure Account			691,331			646,332
Income Note 5			51,830			48,885
Net Expenditure			639,501			597,447
Revenue Resource Limit			639,572			592,846
Surplus / (Deficit) against RRL			71			(4,601)

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.1 Staff Costs

Staff costs comprise:	2015		2014	
	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	321,674	15,483	337,157	324,688
Social security costs	22,221	0	22,221	22,138
Other pension costs	33,443	0	33,443	34,000
Sub-Total	377,338	15,483	392,821	380,826
Capitalised staff costs	640	90	730	504
Total staff costs reported in Statement of Comprehensive Expenditure	376,698	15,393	392,091	380,322
Less recoveries in respect of outward secondments	2,950	0	2,950	2,911
Total net costs			389,141	377,411

Total Net costs of which:

	£000s	£000s
Northern HSC Trust	389,107	377,376
Charitable Trust Fund	34	35
Consolidation Adjustments	0	0
Total	389,141	377,411

Staff Costs exclude £730K charged to capital projects during the year (2014 £504K)

The Trust participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was certified in February 2015 and used in the 2014/15 accounts

3.2 Average number of persons employed

The average number of whole time equivalent persons employed during the year was as follows:

	2015		2014	
	Permanently employed staff No.	Others No.	Total No.	Total No.
Medical and Dental	561	91	652	609
Nursing and Midwifery	3,135	47	3,182	3,087
Professions Allied to Medicine	730	13	743	714
Ancillaries	810	37	847	823
Administrative & Clerical	1,590	36	1,626	1,798
Ambulance Staff	0	0	0	0
Works	126	0	126	126
Other Professional and Technical	551	17	568	532
Social Services	2,173	38	2,211	2,143
Other	0	0	0	0
Total average number of persons employed	9,676	279	9,955	9,832
Less average staff number relating to capitalised staff costs	19	2	21	16
Less average staff number in respect of outward secondments	16	0	16	17
Total net average number of persons employed	9,641	277	9,918	9,799

Of which:

Northern HSC Trust	9,917
Charitable Trust Fund	1
	9,918

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.3 Senior Employees' Remuneration

The salary, pension entitlements and the value of any taxable benefits in kind of the most senior members of the Trust were as follows:

Name	2014-15		2013-14		2014-15		Pension Benefits (to nearest £1,000)	Benefits in Kind (Rounded to nearest £100)	Benefits in Kind (Rounded to nearest £100)	Pension Benefits (to nearest £1,000)	Total	Salary £000s	Bonus / Performance pay £000	Real increase in age 60 and related lump sum £000s	Total accrued pension at age 60 and related lump sum £000s	CETV at 31/03/14 £000s	CETV at 31/03/15 £000s	Real increase in CETV £000s
	Salary £000s	Bonus / Performance pay £000	Salary £000s	Bonus / Performance pay £000	Real increase in age 60 and related lump sum £000s	Total accrued pension at age 60 and related lump sum £000s												
Non-Executive Members																		
R McCann	25 - 30	0	25 - 30	0	25 - 30	0	0	0	0	0	0	25 - 30	0	0	0	0	0	0
C Aekah	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
J Moore	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
S Foyliffe	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
P Montgomery	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
D Whittington	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
W Graham (1)	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
L Ensor (2)	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	5 - 10	0	0	0	0	0	0
M Rankin (3)	0	0	0	0	0	0	0	0	0	0	0	0 - 5	0	0	0	0	0	0
Executive Members																		
T Stevens (4)	120 - 125	0	110 - 115	0	110 - 115	168	0	0	12	190 - 195	0	0	0	5 to 10 plus lump sum 25 to 30	75 to 80 plus lump sum 225 to 230	1,444	1,705	212
L O'Neill	90 - 95	0	130 - 135	0	130 - 135	39	0	0	(5)	85 - 90	0	0	0	0 to 2.5 plus lump sum 5 to 7.5	45 to 50 plus lump sum 140 to 145	1,022	1,111	53
M Sloan	90 - 95	0	125 - 130	0	125 - 130	33	0	0	1	95 - 100	0	0	0	0 to 2.5 plus lump sum 5 to 7.5	35 to 40 plus lump sum 105 to 110	615	674	39
O Donnelly	75 - 80	0	125 - 130	0	125 - 130	30	0	0	(1)	75 - 80	0	0	0	0 to 2.5 plus lump sum 5 to 7.5	30 to 35 plus lump sum 100 to 105	675	737	39
U Cuning	75 - 80	0	90 - 95	0	90 - 95	15	0	0	0	75 - 80	0	0	0	0 to 2.5 plus lump sum 2.5 to 3.5 plus lump sum 90 to 95	599	642	23	
O Macleod	70 - 75	0	85 - 90	0	85 - 90	13	0	0	6	75 - 80	0	0	0	0 to 2.5 plus lump sum 2.5 to 5 to 5	305	336	21	
M Roulston	70 - 75	0	95 - 100	0	95 - 100	14	0	0	14	85 - 90	0	0	0	0 to 2.5 plus lump sum 2.5 to 5 to 5	563	605	23	
M O'Hagan	85 - 90	0	135 - 140	0	135 - 140	47	0	0	63	140 - 145	0	0	0	2.5 to 5 plus lump sum 7.5 to 10 to 10	479	541	45	
P Cummings (5)	20 - 25	0	20 - 25	0	20 - 25	0	8	8	7	95 - 100	0	0	0	N/A	N/A	N/A	N/A	N/A
G Furness (6)	80 - 85	0	80 - 85	0	80 - 85	0	0	0	0	5 - 10	0	0	0	N/A	N/A	N/A	N/A	N/A
C Duffield (7)	45 - 50	0	50 - 55	0	50 - 55	16	0	0	0	0	0	0	0	0 to 2.5 plus lump sum 0 to 10 to 15 plus lump sum 35 to 40	0 to 2.5 plus lump sum 0 to 85 to 90 plus lump sum 255 to 260	4	17	13
K Lowry (8)	40 - 45	0	40 - 45	0	40 - 45	250	0	0	0	0	0	0	0	0	1,561	2,018	480	
J Hunter	40 - 45	0	40 - 45	0	40 - 45	0	0	0	0	30 - 35	0	0	0	N/A	N/A	N/A	N/A	N/A
D McAlistar (9)	25 - 30	0	25 - 30	0	25 - 30	0	0	0	26	80 - 85	0	0	0	N/A	N/A	N/A	N/A	N/A
B Donaghy (10)	55 - 60	0	55 - 60	0	55 - 60	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
M Crilly (11)	10 - 15	0	10 - 15	0	10 - 15	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
E Brownless (12)	5 - 10	0	5 - 10	0	5 - 10	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
M Hinds (13)	0	0	0	0	0	0	0	0	10	95 - 100	0	0	0	N/A	N/A	N/A	N/A	N/A
S Donaghy (14)	0	0	0	0	0	0	0	0	0	20 - 25	0	0	0	N/A	N/A	N/A	N/A	N/A
P Flanagan (15)	0	0	0	0	0	0	0	0	0	15 - 20	0	0	0	N/A	N/A	N/A	N/A	N/A
J McLaugh (16)	0	0	0	0	0	0	0	0	0	30 - 35	0	0	0	N/A	N/A	N/A	N/A	N/A
C Macleod (17)	0	0	0	0	0	0	0	0	12	85 - 90	0	0	0	N/A	N/A	N/A	N/A	N/A
M Wylie (18)	0	0	0	0	0	0	0	0	0	15 - 20	0	0	0	N/A	N/A	N/A	N/A	N/A

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.3 Senior Employees' Remuneration

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HPSS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

- (1) Commenced 1/8/14. Estimated full year equivalent salary £5-£10k.
- (2) Commenced 1/8/14. Estimated full year equivalent salary £5-£10k.
- (3) Deceased October 2013
- (4) Commenced 1/8/14. Estimated full year equivalent salary £180-£185k.
- (5) Left 31/5/14. Pension details reported by HSCB. Estimated full year equivalent salary £135-£140k.
- (6) Left 31/12/14. Estimated full year equivalent salary £105-£110k.
- (7) Commenced 1/9/14. Estimated full year equivalent salary £80-£85k.
- (8) Commenced 1/1/15. Estimated full year equivalent salary £95-£100k
- (9) Left 31/7/14. Pension details reported by BHSCT. Estimated full year equivalent salary £80-£85k.
- (10) Acting up to Director post from 1/7/14 until 31/3/15. Estimated full year equivalent salary £70-£75k.
- (11) Acting up to Director post from 1/6/14 until 31/7/14. Estimated full year equivalent salary £80-£85k.
- (12) Acting up to Director post from 1/8/14 until 31/8/14. Estimated full year equivalent salary £70-£75k.
- (13) Left 31/3/14.
- (14) Left 12/5/13.
- (15) Left 31/5/13
- (16) Left 23/8/13.
- (17) Left Director post 28/2/14.
- (18) Acting up ceased 31/7/13

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

3.4 Reporting of early retirement and other compensation scheme - exit packages

Comparative data to be shown (in brackets) for previous year.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2015	2014	2015	2014	2015	2014
<£10,000	0	0	0	4	0	4
£10,001 - £25,000	0	0	0	24	0	24
£25,001 - £50,000	0	0	1	11	1	11
£50,001 - £100,000	0	0	2	12	2	12
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
£200,001 - £250,000	0	0	0	0	0	0
£250,001 - £300,000	0	0	0	0	0	0
£300,001 - £350,000	0	0	0	0	0	0
£350,001 - £400,000	0	0	0	0	0	0
Total number of exit packages by type	0	0	3	51	3	51
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	0	0	187	1,886	187	1,886

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at Note 4. Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 3 STAFF NUMBERS AND RELATED COSTS

	2015 £000s	2014 £000s
3.5 Staff Benefits		
Staff benefits	0	0

3.6 Trust Management Costs

	2015 £000s	2014 £000s
Trust management costs	24,423	24,116
Income:		
RRL	639,572	592,846
Income per Note 5	51,830	48,885
Non cash RRL for movement in Clinical Negligence provision	(162)	(5,412)
Less interest receivable	0	0
Total Income	691,240	636,319
% of total income	3.53%	3.79%

The above information is based on the Audit Commission's definition "M2" Trust management costs, as detailed in HSS (THR) 2/99.

3.7 Retirements due to ill-health

During 2014/15 there were 24 early retirements from the Trust (29 in 2013/14), agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £99K, (£161K in 2013/14). These costs are borne by the HSC Pension Scheme.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 4 OPERATING EXPENSES

	2015 £000s			2014 £000s		
	Trust	Consolidation adjustments	Consolidated	CTF	Consolidation adjustments	Consolidated
Operating Expenses are as follows:-	128,596	0	128,596	121,647	0	121,647
Purchase of care from non-HPSS bodies	3,825	0	3,825	3,079	0	3,079
Revenue grants to voluntary organisations	0	0	0	0	0	0
Capital grants to voluntary organisations	11,602	0	11,602	12,870	0	12,870
Personal social services	1,692	0	1,692	1,658	0	1,658
Recharges from other HSC organisations	43,193	0	43,193	42,013	0	42,013
Supplies and services - Clinical	5,953	0	5,953	6,221	0	6,221
Supplies and services - General	12,585	0	12,585	14,485	0	14,485
Establishment	2,187	0	2,187	2,086	0	2,086
Transport	21,190	0	21,190	21,703	0	21,703
Premises	223	0	223	241	0	241
Bad debts	1,863	0	1,863	2,013	0	2,013
Rentals under operating leases	(93)	0	(93)	(93)	0	(93)
Rentals under finance leases	11	0	11	21	0	21
Finance cost of finance leases	0	0	0	0	0	0
Interest charges	0	0	0	0	0	0
PFI and other service concession arrangements service charges	1,305	0	1,305	1,296	0	1,296
Research & development expenditure	590	0	590	479	0	479
Clinical Negligence - other expenditure	0	0	0	0	0	0
BSO Services	3,598	0	3,598	2,511	0	2,511
Training	1,324	0	1,324	1,576	0	1,576
Professional fees	1,214	0	1,214	1,241	0	1,241
Patents travelling expenses	169	0	169	156	0	156
Costs of exit packages provided for	0	0	0	0	0	0
Costs of exit packages not provided for	0	0	0	0	0	0
Elective care	3,099	0	3,099	4,726	0	4,726
Other charitable expenditure	0	729	729	1,111	0	1,111
Miscellaneous expenditure	5,513	0	5,513	3,648	0	3,648
Non cash items	18,222	0	18,222	17,089	0	17,089
Depreciation	1,298	0	1,298	730	0	730
Amortisation	28,719	0	28,719	(1,560)	0	(1,560)
Impairments	(55)	0	(55)	(40)	0	(40)
(Profit) on disposal of property, plant & equipment (excluding profit on land)	0	0	0	0	0	0
(Profit) on disposal of intangibles	0	0	0	0	0	0
Loss on disposal of property, plant & equipment (including land)	182	0	182	321	0	321
Loss on disposal of intangibles	0	0	0	0	0	0
Provisions provided for in year	1,332	0	1,332	5,847	0	5,847
Cost of borrowing of provisions (unwinding of discount on provisions)	(154)	0	(154)	(9)	0	(9)
Auditors remuneration	57	0	57	55	0	55
Add back of notional charitable expenditure	0	6	6	0	7	7
Total	299,240	735	299,975	266,010	1,118	267,128

During the year the Trust purchased no non audit services from its external auditor (NIAO).

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 5 INCOME

5.1 Income from Activities

	2015 £000s		2014 £000s	
	Trust	Consolidation adjustments	Trust	Consolidation adjustments
GB/Republic of Ireland Health Authorities	123	0	0	0
HSC Trusts	0	0	0	0
Non-HSC:- Private patients	188	0	216	0
Non-HSC:- Other	1,145	0	1,294	0
Clients contributions	38,276	0	36,010	0
Total	39,732	0	37,520	0

5.2 Other Operating Income

	2015 £000s		2014 £000s	
	Trust	Consolidation adjustments	Trust	Consolidation adjustments
Other income from non-patient services	8,832	0	8,301	0
Seconded staff	2,950	0	2,911	0
Charitable and other contributions to expenditure by core trust	203	0	0	0
Donations / Government grant / Lottery funding for non current assets	113	0	153	0
Charitable income received by charitable trust fund	0	699	0	842
Investment income	0	84	0	105
Profit on disposal of land	0	0	0	0
Interest receivable	0	0	0	0
Total	12,098	783	11,365	947

5.3 Other Income

	2015 £000s		2014 £000s	
	Trust	Consolidation adjustments	Trust	Consolidation adjustments
Income released from conditional grants	0	0	0	0
Total	0	0	0	0
TOTAL INCOME	51,830	783	48,885	947
				0
				49,832

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 6.1 Consolidated Property, plant & equipment - year ended 31 March 2015

	Land	Buildings (excluding dwellings)	Dwellings	Assets under Construction	Plant and Machinery (Equipment)	Transport Equipment	Information Technology (IT)	Furniture and Fittings	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Cost or Valuation									
At 1 April 2014	72,622	269,241	22,911	27,356	51,246	8,536	12,180	1,944	466,036
Indexation	0	0	0	0	459	0	0	0	459
Additions	0	3,343	240	11,572	4,874	801	1,254	229	22,313
Donations / Government grant / Lottery funding	0	0	0	0	107	0	0	6	113
Reclassifications	302	(302)	0	0	0	0	0	0	0
Transfers	(623)	18,432	1,281	(19,471)	0	0	0	0	(381)
Revaluation	26	5,517	240	45	0	0	0	0	5,828
Impairment charged to the SoCNE	(24,588)	(3,587)	(1,241)	(3,689)	0	0	0	0	(33,105)
Impairment charged to the revaluation reserve	(211)	(22,840)	(2,086)	0	0	0	0	0	(25,137)
Reversal of impairments	527	27	17	0	0	0	0	0	571
Disposals	0	(17)	0	0	(3,249)	(902)	(892)	0	(5,060)
At 31 March 2015	48,055	269,814	21,362	15,813	53,437	8,435	12,542	2,179	431,637
Depreciation									
At 1 April 2014	0	33,227	3,173	0	30,195	5,357	1,251	850	78,053
Indexation	0	0	0	0	193	0	0	0	193
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	(4,717)	(534)	0	0	0	0	0	(5,251)
Impairment charged to the SoCNE	0	(3,028)	(672)	0	0	0	0	0	(3,700)
Impairment charged to the revaluation reserve	0	(12,877)	(2,627)	0	0	0	0	0	(35,504)
Reversal of impairments	0	(139)	(3)	0	0	0	0	0	(142)
Disposals	0	(4)	0	0	(3,068)	(902)	(892)	0	(4,866)
Provided during the year	0	9,272	796	0	4,767	844	2,462	169	18,310
At 31 March 2015	0	1,734	133	0	32,087	5,299	6,821	1,019	47,093
Carrying Amount									
At 31 March 2015	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
At 31 March 2014	72,622	236,014	19,738	27,356	21,051	3,179	6,929	1,094	387,983
Asset financing									
Owned	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
At 31 March 2015	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
Northern HSC Trust at 31 March 2015	47,870	266,453	21,229	15,813	20,714	3,136	5,710	1,038	381,963
Northern HSC Trust Charitable Trust Fund at 31 March 2015	185	1,627	0	0	636	0	11	122	2,581
	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544

Any fall in value through negative indexation or revaluation is shown as an impairment

The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £ 0 (2014 £70K)

The fair value of assets funded from the following sources during the year was:

	2015 £000s	2014 £000s
Donations	113	153
Government grant	0	0
Lottery funding	0	0

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 6.2 Consolidated Property, plant & equipment - year ended 31 March 2014

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2013	72,898	240,701	22,691	24,832	48,289	8,222	10,428	1,692	429,753
Indexation	0	19,461	1,495	0	830	0	0	26	21,812
Additions	0	5,649	53	3,323	5,290	1,230	3,413	226	19,184
Donations / Government grant / Lottery funding	0	0	0	0	136	0	17	0	153
Reclassifications	0	2,468	(1,657)	(811)	0	0	0	0	0
Transfers	(209)	0	0	0	0	0	0	0	(209)
Revaluation	0	0	0	14	0	0	0	0	14
Impairment charged to the SoCNE	0	0	0	(2)	0	0	0	0	(2)
Impairment charged to the revaluation reserve	(67)	0	0	0	0	0	0	0	(67)
Reversal of impairments (indexation)	0	1,584	329	0	0	0	0	0	1,913
Disposals	0	(622)	0	0	(3,299)	(916)	(1,678)	0	(6,513)
At 31 March 2014	72,622	269,241	22,911	27,356	51,246	8,536	12,180	1,944	466,036
Depreciation									
At 1 April 2013	0	22,711	2,338	0	28,111	5,508	4,509	683	63,860
Indexation	0	2,265	198	0	483	0	0	11	2,957
Reclassifications	0	195	(195)	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexation)	0	211	39	0	0	0	0	0	250
Disposals	0	(602)	0	0	(3,062)	(904)	(1,535)	0	(6,103)
Provided during the year	0	8,447	793	0	4,663	753	2,277	156	17,089
At 31 March 2014	0	33,227	3,173	0	30,195	5,357	5,251	850	78,053
Carrying Amount									
At 31 March 2014	72,622	236,014	19,738	27,356	21,051	3,179	6,929	1,094	387,983
At 1 April 2013	72,898	217,990	20,353	24,832	20,178	2,714	5,919	1,009	365,893
Asset financing									
Owned	72,622	236,014	19,738	27,356	21,051	3,179	6,929	1,094	387,983
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2014	72,622	236,014	19,738	27,356	21,051	3,179	6,929	1,094	387,983
Asset financing									
Owned	72,898	217,990	20,353	24,832	20,178	2,714	5,919	1,009	365,893
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 1 April 2013	72,898	217,990	20,353	24,832	20,178	2,714	5,919	1,009	365,893
Carrying amount comprises:									
Northern HSC Trust at 31 March 2014	72,438	235,173	19,738	25,823	20,278	3,179	6,914	950	384,493
Northern HSC Trust Charitable Trust Fund at 31 March 2014	184	841	0	1,533	772	0	16	144	3,490
At 31 March 2014	72,622	236,014	19,738	27,356	21,050	3,179	6,930	1,094	387,983
Northern HSC Trust at 31 March 2013	72,715	217,184	20,353	23,299	19,277	2,714	5,919	837	362,298
Northern HSC Trust Charitable Trust Fund at 31 March 2013	183	806	0	1,533	901	0	0	172	3,595
At 31 March 2013	72,898	217,990	20,353	24,832	20,178	2,714	5,919	1,009	365,893

NORTHERN IISC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 7.1 Consolidated Intangible assets - year ended 31 March 2015

	Software Licences £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
Cost or Valuation									
At 1 April 2014	6,435	0	0	0	0	0	0	0	6,435
Indexation	0	0	0	0	0	0	0	0	0
Additions	3,223	0	0	0	0	0	0	0	3,223
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(167)	0	0	0	0	0	0	0	(167)
At 31 March 2015	9,491	0	0	0	0	0	0	0	9,491
Amortisation									
At 1 April 2014	3,251	0	0	0	0	0	0	0	3,251
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(167)	0	0	0	0	0	0	0	(167)
Provided during the year	1,298	0	0	0	0	0	0	0	1,298
At 31 March 2015	4,382	0	0	0	0	0	0	0	4,382
Carrying Amount									
At 31 March 2015	5,109	0	0	0	0	0	0	0	5,109
At 31 March 2014	3,184	0	0	0	0	0	0	0	3,184
Asset financing									
Owned	5,109	0	0	0	0	0	0	0	5,109
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2015	5,109	0	0	0	0	0	0	0	5,109

Any fall in value through negative indexation or revaluation is shown as an impairment

The fair value of assets funded from the following sources during the year was:

	2015 £000s	2014 £000s
Donations	0	0
Government grant	0	0
Lottery funding	0	0

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 7.2 Consolidated Intangible assets - year ended 31 March 2014

	Software Licenses £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
Cost or Valuation									
At 1 April 2013	5,252	0	0	0	0	0	0	0	5,252
Indexation	0	0	0	0	0	0	0	0	0
Additions	1,511	0	0	0	0	0	0	0	1,511
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(328)	0	0	0	0	0	0	0	(328)
At 31 March 2014	6,435	0	0	0	0	0	0	0	6,435

Amortisation									
At 1 April 2013	2,849	0	0	0	0	0	0	0	2,849
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(328)	0	0	0	0	0	0	0	(328)
Provided during the year	730	0	0	0	0	0	0	0	730
At 31 March 2014	3,251	0	0	0	0	0	0	0	3,251

Carrying Amount									
At 31 March 2014	3,184	0	0	0	0	0	0	0	3,184

At 1 April 2013	2,403	0	0	0	0	0	0	0	2,403
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Asset Financing									
Owned	3,184	0	0	0	0	0	0	0	3,184
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2014	3,184	0	0	0	0	0	0	0	3,184

Asset financing									
Owned	2,403	0	0	0	0	0	0	0	2,403
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangement contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 1 April 2013	2,403	0	0	0	0	0	0	0	2,403

Carrying amount comprises:

Northern HSC Trust at 31 March 2015	5,109	0	0	0	0	0	0	0	5,109
Northern HSC Trust Charitable Trust Fund at 31 March 2015	0	0	0	0	0	0	0	0	0
	5,109	0	0	0	0	0	0	0	5,109
Northern HSC Trust at 31 March 2014	3,184	0	0	0	0	0	0	0	3,184
Northern HSC Trust Charitable Trust Fund at 31 March 2014	0	0	0	0	0	0	0	0	0
	3,184	0	0	0	0	0	0	0	3,184
Northern HSC Trust at 31 March 2013	2,403	0	0	0	0	0	0	0	2,403
Northern HSC Trust Charitable Trust Fund at 31 March 2013	0	0	0	0	0	0	0	0	0
	2,403	0	0	0	0	0	0	0	2,403

NORTHERN IISC TRUST**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015****NOTE 8 FINANCIAL INSTRUMENTS**

The financial instruments held by the Trust as at 31 March 2015 are trade receivables, cash and trade payables. Details of these can be seen in Notes 12, 13 and 14 respectively. This situation also applied in 2014/15.

NOTE 8.1 Market value of Investments as at 31 March 2015

	Held in UK £000s	Held outside UK £000s	2015 Total £000s	2014 Total £000s
Investment properties	0	0	0	0
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF	0	0	0	0
Investments in a Common Deposit Fund or Investment Fund	1,674	0	1,674	1,576
Unlisted securities	0	0	0	0
Cash held as part of the investment portfolio	0	0	0	0
Investments in connected bodies	0	0	0	0
Short Term Investments and Deposits	3,600	0	3,600	3,500
Other investments	100	0	100	100
	0	0	0	
Total market value of fixed asset investments	5,374	0	5,374	5,176

Please note these investments relate to Charitable Trust Funds

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2015 £000s	2014 £000s	2015 £000s	2014 £000s	2015 £000s	2014 £000s
Cost						
At 1 April	324	178	104	142	428	320
Transfers in	380	209	0	0	380	209
Transfers out	0	0	0	0	0	0
(Disposals)	(546)	0	0	0	(546)	0
Impairment	(13)	(63)	(14)	(38)	(27)	(101)
At 31 March	<u>145</u>	<u>324</u>	<u>90</u>	<u>104</u>	<u>235</u>	<u>428</u>
Depreciation						
At 1 April	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
(Disposals)	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
At 31 March	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Carrying amount at 31 March	<u>145</u>	<u>324</u>	<u>90</u>	<u>104</u>	<u>235</u>	<u>428</u>

Non current assets held for sale comprise non current assets that are held for resale rather than for continuing use within the business.

The amount disclosed in 2014/15 refers to land and building assets at the following sites: Lynwood, Princess Gardens and Carnview.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 10 IMPAIRMENTS

	2015		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	18,352	0	18,352
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	(10,367)	0	(10,367)
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	28,719	0	28,719
	2014		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	(1,493)	0	(1,493)
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	67	0	67
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	(1,560)	0	(1,560)

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 11 INVENTORIES

Classification	2015 £000s			2014 £000s				
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Pharmacy supplies	2,187	0	0	2,187	2,159	0	0	2,159
Theatre equipment	0	0	0	0	0	0	0	0
Building & engineering supplies	91	0	0	91	87	0	0	87
Fuel	0	0	0	0	0	0	0	0
Community care appliances	0	0	0	0	0	0	0	0
Laboratory materials	170	0	0	170	189	0	0	189
Stationery	0	0	0	0	0	0	0	0
Laundry	0	0	0	0	0	0	0	0
X-Ray	0	0	0	0	0	0	0	0
Stock held for resale	0	0	0	0	0	0	0	0
Orthopaedic equipment	0	0	0	0	0	0	0	0
Heat, light and power	206	0	0	206	299	0	0	299
Other	200	0	0	200	158	0	0	158
Total	2,854	0	0	2,854	2,892	0	0	2,892

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

12.1 Trade receivables and other current assets

	2015 £000s				2014 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Amounts falling due within one year								
Trade receivables	6,711	0	0	6,711	6,931	0	0	6,931
Deposits and advances	0	0	0	0	0	0	0	0
VAT receivable	5,145	0	0	5,145	2,575	0	0	2,575
Other receivables - not relating to fixed assets	2,390	13	0	2,403	1,636	25	0	1,681
Other receivables - relating to property plant and equipment	0	0	0	0	0	0	0	0
Other receivables - relating to intangibles	0	0	0	0	0	0	0	0
Trade and other receivables	14,246	13	0	14,259	11,162	25	0	11,187
Prepayments and accrued income	790	0	0	790	994	0	0	994
Current part of PFI and other service concession arrangements prepayment	0	0	0	0	0	0	0	0
Other current assets	790	0	0	790	994	0	0	994
Carbon reduction commitment	0	0	0	0	0	0	0	0
Intangible current assets	0	0	0	0	0	0	0	0
Amounts falling due after more than one year								
Trade receivables	0	0	0	0	0	0	0	0
Deposits and advances	0	0	0	0	0	0	0	0
Other receivables	0	0	0	0	0	0	0	0
Trade and other receivables	0	0	0	0	0	0	0	0
Prepayments and accrued income	0	0	0	0	0	0	0	0
Other current assets falling due after more than one year	0	0	0	0	0	0	0	0
TOTAL TRADE AND OTHER RECEIVABLES	14,246	13	0	14,259	11,162	25	0	11,187
TOTAL OTHER CURRENT ASSETS	790	0	0	790	994	0	0	994
TOTAL INTANGIBLE CURRENT ASSETS	0	0	0	0	0	0	0	0
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	15,036	13	0	15,049	12,156	25	0	12,181

The balances are net of a provision for bad debts of £1,088K (2014 £866K).

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

12.2 Trade receivables and other current assets: Intra-Government balances

	Amounts falling due within 1 year 2014/15 £000s	Amounts falling due within 1 year 2013/14 £000s	Amounts falling due after more than 1 year £000s	Amounts falling due after more than 1 year £000s
Balances with other central government bodies	978	40	0	0
Balances with local authorities	0	0	0	0
Balances with NHS /HSC Trusts	659	992	0	0
Balances with public corporations and trading funds	0	0	0	0
Intra-government balances	1,637	1,032	0	0
Balances with bodies external to government	13,412	11,149	0	0
Total receivables and other current assets at 31 March	15,049	12,181	0	0

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 13 CASH AND CASH EQUIVALENTS

	2015 £000s			2014 £000s		
	Core Trust	CTF	Consolidated	Core Trust	CTF	Consolidated
Balance at 1st April	5,009	470	5,479	8,263	497	8,760
Net change in cash and cash equivalents	1,549	(115)	1,434	(3,254)	(27)	(3,281)
Balance at 31st March	6,558	355	6,913	5,009	470	5,479

The following balances at 31 March were held at	2015 £000s			2014 £000s		
	Core Trust	CTF	Consolidated	Core Trust	CTF	Consolidated
Commercial banks and cash in hand	6,558	355	6,913	5,009	470	5,479
Balance at 31st March	6,558	355	6,913	5,009	470	5,479

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

14.1 Trade payables and other current liabilities

	2015 £000s				2014 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Amounts falling due within one year								
Other taxation and social security	12,249	0	0	12,249	11,748	0	0	11,748
VAT payable	0	0	0	0	0	0	0	0
Bank overdraft	0	0	0	0	0	0	0	0
Trade capital payables - property, plant and equipment	9,067	0	0	9,067	11,803	0	0	11,803
Trade capital payables - intangibles	48	0	0	48	309	0	0	309
Trade revenue payables	27,156	0	0	27,156	26,868	0	0	26,868
Payroll payables	23,223	0	0	23,223	20,410	0	0	20,410
VR / VER Payables	328	0	0	328	515	0	0	515
BSO payables	1,295	0	0	1,295	1,627	0	0	1,627
Other payables	28	34	0	62	68	81	0	149
Accruals and deferred income	0	0	0	0	0	0	0	0
Accruals and deferred income - relating to property, plant and equipment	0	0	0	0	0	0	0	0
Accruals and deferred income - relating to intangibles	0	0	0	0	0	0	0	0
Trade and other payables	73,394	34	0	73,428	73,348	81	0	73,429
Current part of finance leases	0	0	0	0	82	0	0	82
Current part of long term loans	0	0	0	0	0	0	0	0
Current part of imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	82	0	0	82
Carbon reduction commitment	409			409	318	0		318
Intangible current liabilities	409	0	0	409	318	0	0	318
Total payables falling due within one year	73,803	34	0	73,837	73,748	81	0	73,829
Amounts falling due after more than one year								
Other payables, accruals and deferred income	0	0	0	0	0	0	0	0
Trade and other payables	0	0	0	0	0	0	0	0
Clinical negligence payables	0	0	0	0	0	0	0	0
Finance leases	0	0	0	0	0	0	0	0
Imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0
Long term loans	0	0	0	0	0	0	0	0
Total non current other payables	0	0	0	0	0	0	0	0
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	73,803	34	0	73,837	73,748	81	0	73,829

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

14.2 Trade payables and other current liabilities - Intra-government balances

	Amounts falling due within 1 year 2014/15 £000s	Amounts falling due within 1 year 2013/14 £000s	Amounts falling due after more than 1 year 2014/15 £000s	Amounts falling due after more than 1 year 2013/14 £000s
Balances with other central government bodies	13,544	13,506	0	0
Balances with local authorities	0	0	0	0
Balances with NHS /HSC Trusts	657	1,143	0	0
Balances with public corporations and trading funds	0	0	0	0
Intra-government balances	14,201	14,649	0	0
Balances with bodies external to government	59,636	59,180	0	0
Total payables and other liabilities at 31 March	73,837	73,829	0	0

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

14.3 Loans

The Trust did not have any loans payable at either 31 March 2015 or 31 March 2014.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 15 PROMPT PAYMENT POLICY

15.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trusts pay their non HSC trade creditors in accordance with applicable terms and appropriate Government Accounting guidance. The Trust's payment policy is consistent with applicable terms and appropriate Government Accounting guidance and its measure of compliance is:

	2015 Number	2015 Value £000s	2014 Number	2014 Value £000s
Total bills paid	154,693	144,201	141,982	159,160
Total bills paid within 30 day target or under agreed payment terms	<u>130,464</u>	<u>117,011</u>	<u>119,407</u>	<u>140,148</u>
% of bills paid within 30 day target or under agreed payment terms	<u>84.3%</u>	<u>81.1%</u>	<u>84.1%</u>	<u>88.1%</u>
Total bills paid within 30 days of receipt of an undisputed invoice*	<u>130,464</u>	<u>117,011</u>		
% of bills paid within 30 days of receipt of an undisputed invoice	<u>84.3%</u>	<u>81.1%</u>		
Total bills paid within 10 day target	<u>93,744</u>	<u>76,700</u>	<u>64,722</u>	<u>95,030</u>
% of bills paid within 10 day target	<u>60.6%</u>	<u>53.2%</u>	<u>45.6%</u>	<u>59.7%</u>

15.2 The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	54
Amount of interest paid for payment(s) being late	<u>205</u>
Total	<u><u>259</u></u>

This is also reflected as a fruitless payment in Note 26

* New late payment legislation (Late Payment of Commercial Debts Regulations 2013) came into force on 16 March 2013. The effect of the new legislation is that a payment is normally regarded as late unless it is made within 30 days after receipt of an undisputed invoice.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 16 PROVISIONS FOR LIABILITIES AND CHARGES - 2015

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical Negligence £000s	CSR restructuring £000s	Other £000s	2015 £000s
Balance at 1 April 2014	0	766	25,274	0	4,017	30,057
Provided in year	0	0	4,657	0	1,852	6,509
(Provisions not required written back)	0	(266)	(4,341)	0	(570)	(5,177)
(Provisions utilised in the year)	0	(14)	(3,961)	0	(604)	(4,579)
Cost of borrowing (unwinding of discount)	0	0	(154)	0	0	(154)
At 31 March 2015	0	486	21,475	0	4,695	26,656

Provisions have been made for 5 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Early Retirement, Injury Benefit, and Employment Law. The provision for Early Retirement and Injury Benefit relates to the future liabilities for the Trust based on information provided by the HSC Superannuation Branch. For Clinical Negligence, Employer's and Occupier's claims and Employment Law the Trust has estimated an appropriate level of provision based on professional legal advice. Note 4 reflects the total charge within the Operating Costs and Note 26 Losses and Special Payments reflects the relevant amounts utilised.

	CSR £000s
CSR utilised costs include the following:	
Pension costs for early retirement reflecting the single lump sum to buy over the full liability	0
Redundancy costs	0
	<u>0</u>

Comprehensive Net Expenditure Account charges	2015 £000s	2014 £'000
Arising during the year	6,509	10,978
Reversed unused	(5,177)	(5,131)
Cost of borrowing (unwinding of discount)	(154)	(9)
Total charge within Operating expenses	<u>1,178</u>	<u>5,838</u>

Analysis of expected timing of discounted flows

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical Negligence £000s	CSR restructuring £000s	Other £000s	2015 £000s
Not later than one year	0	23	11,131	0	2,199	13,353
Later than one year and not later than five years	0	115	9,424	0	634	10,173
Later than five years	0	348	920	0	1,862	3,130
At 31 March 2015	0	486	21,475	0	4,695	26,656

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

16 PROVISIONS FOR LIABILITIES AND CHARGES - 2014

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical Negligence £000s	CSR restructuring £000s	Other £000s	2014 £000s
Balance at 1 April 2013	0	1,318	22,924	0	3,746	27,988
Provided in year	0	0	9,720	0	1,258	10,978
(Provisions not required written back)	0	(518)	(4,298)	0	(315)	(5,131)
(Provisions utilised in the year)	0	(34)	(3,062)	0	(673)	(3,769)
Cost of borrowing (unwinding of discount)	0	0	(10)	0	1	(9)
At 31 March 2014	0	766	25,274	0	4,017	30,057

Provisions have been made for 5 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Early Retirement, Injury Benefit, and Employment Law. The provision for Early Retirement and Injury Benefit relates to the future liabilities for the Trust based on information provided by the HSC Superannuation Branch. For Clinical Negligence, Employer's and Occupier's claims and Employment Law the Trust has estimated an appropriate level of provision based on professional legal advice. Note 4 reflects the total charge within the Operating Costs and Note 26 Losses and Special Payments reflects the relevant amounts utilised.

Analysis of expected timing of discounted flows

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2014 £000s
Not later than one year	0	35	9,796	0	1,932	11,763
Later than one year and not later than five year	0	174	15,478	0	555	16,207
Later than five years	0	557	0	0	1,530	2,087
At 31 March 2014	0	766	25,274	0	4,017	30,057

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 17 CAPITAL COMMITMENTS

	2015	2014
	£000s	£000s
Contracted capital commitments at 31 March not otherwise included in these financial statements		
Property, plant & equipment	6,735	22,383
Intangible assets	<u>0</u>	<u>0</u>
	<u><u>6,735</u></u>	<u><u>22,383</u></u>

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 18 COMMITMENTS UNDER LEASES

18.1 Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2015 £000s	2014 £000s
Obligations under operating leases comprise		
Land		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<u>0</u>	<u>0</u>
Buildings		
Not later than 1 year	468	530
Later than 1 year and not later than 5 years	417	542
Later than 5 years	178	216
	<u>1,063</u>	<u>1,288</u>
Other		
Not later than 1 year	194	242
Later than 1 year and not later than 5 years	254	183
Later than 5 years	0	0
	<u>448</u>	<u>425</u>

The Trust leases a range of accommodation to deliver health and social care throughout the Trust area. The Trust leases a number of items of office equipment - mainly small value photocopiers and multi functional devices. The Trust also operates a car leasing scheme for qualifying staff.

18.2 Finance Leases

Total future minimum lease payments under finance leases are given in the table below for each of the following periods.

	2015 £000s	2014 £000s
Obligations under finance leases comprise		
Buildings		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<u>0</u>	<u>0</u>
Less interest element	0	0
Present value of obligations	<u>0</u>	<u>0</u>
Other		
Not later than 1 year	0	93
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<u>0</u>	<u>93</u>
Less interest element	0	11
Present value of Future Obligations	<u>0</u>	<u>82</u>

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 18 COMMITMENTS UNDER LESSOR AGREEMENTS

18.3 Operating Leases

Total future minimum lease income under operating leases are given in the table below for each of the following periods.

	2015	2014
	£000s	£000s
Obligations under operating leases issued by the Trust comprise		
Land & Buildings		
Not later than 1 year	82	85
Later than 1 year and not later than 5 years	22	55
Later than 5 years		0
	<u>104</u>	<u>140</u>
Other		
Not later than 1 year	178	85
Later than 1 year and not later than 5 years	249	52
Later than 5 years	0	0
	<u>427</u>	<u>137</u>

The Trust acts as a lessor in the following arrangements: 1) SRCL Ltd - whereby the Trust has a leasing arrangement until October 2015 with the Trust receiving 386,000kgs of clinical waste treated annually, without charge, in return for the leasing of part of the service yard in Antrim Hospital. In 2014/15 this benefit was estimated to be valued at £270K. 2) Car Leasing Scheme - for qualifying employees whereby the Trust leases vehicles from a private sector provider then in turn leases these to employees. There are 80 car leasing agreements in place at present. 3) Grazing Land - a small amount of land is leased to private individuals 4) Joymount Carpark is leased to a local council. 5) Three wards on Whiteabbey Hospital site are leased to two organisations. 6) The reservoir at Holywell Hospital is leased to an angling association.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 19 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

19.1 Off balance sheet PFI and other service concession arrangements schemes

	2015 £000s	2014 £000s
Estimated capital value of the PFI schemes	2,877	2,877
	<u>2,877</u>	<u>2,877</u>

Contract start date 17/4/2000

Contract end date 16/4/2015

The Trust has a PFI arrangement for the provision of a renal dialysis service at Antrim Hospital. Under the agreement the Trust will make a single payment for each dialysis session commenced with the private sector partner providing the building, equipment and certain services.

Total future minimum payments under off-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

	2015 £000s	2014 £000s
Not later than one year	53	1,348
Later than one year and not later than five years	0	59
Later than five years	0	0
	<u>53</u>	<u>1,407</u>

19.2 On balance sheet (SoFP) PFI Schemes

The Trust has no on balance sheet (SoFP) PFI and other service concession arrangements schemes

19.3 Charge to the Statement of Comprehensive Net Expenditure account and future commitments

	2015 £000s	2014 £000s
Amounts included within operating expenses in respect of off balance sheet (SoFP) PFI and other service concession arrangement transactions	1,305	1,296
Amounts included within operating expenses in respect of the service element of on balance sheet (SoFP) PFI and other service concession arrangement transactions	0	0
	<u>1,305</u>	<u>1,296</u>

The payments to which the Trust is committed is as follows:

	2015 £000s	2014 £000s
Not later than one year	53	1,348
Later than one year and not later than five years	0	59
Later than five years	0	0
	<u>53</u>	<u>1,407</u>

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 20 OTHER FINANCIAL COMMITMENTS

The Trust did not have any other financial commitments at either 31 March 2015 or 31 March 2014.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 21 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within Trusts in creating risk than would apply to a non public sector body of a similar size, therefore Trusts are not exposed to the degree of financial risk faced by business entities. Trusts have limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing the Trusts in undertaking activities. Therefore the HSC is exposed to little credit, liquidity or market risk.

The Trust has not entered into any quantifiable guarantees, indemnities or provided letters of comfort.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 22 CONTINGENT LIABILITIES

Material contingent liabilities are noted in the table below, where there is a 50% or less probability that a payment will be required to settle any possible obligations. The amounts or timing of any outflow will depend on the merits of each case.

	2015	2014
	£000s	£000s
Clinical Negligence	2,163	2,021
Public Liability	0	0
Employers' Liability	0	0
Accrued Leave	0	0
Injury Benefit	0	0
Other	0	0
Total	2,163	2,021

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 23 RELATED PARTY TRANSACTIONS

The Northern HSC Trust is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related party with which the Trust has had various material transactions during the year.

The Northern HSC Trust had a number of material transactions with other entities that are also arms length bodies of the Department such as the Business Services Organisation, the Health and Social Care Board, the Public Health Agency and the other five HSC Trusts.

During the year the Northern HSC Trust entered into the following material transactions. These interests were declared by Executive and Non Executive Directors and recorded in the Trust Register of Interests. Where an interest is disclosed the relevant party is not involved directly in the awarding of a contract with the related organisation. The interests declared and the value of the related party transactions were as follows:-

Dr. Carol Ackah, Non Executive Director, also held a position as a Board Member of RELATE NI (a voluntary counselling organisation). The value of transactions between related parties was £57K, being payments made by the Trust in relation to services provided for social care activities.

Mr. Jim Moore, Non Executive Director, is Professional Head of Signaling and Telecoms for Northern Ireland Railways, which is an operating company of Translink. The value of transactions between related parties was £83K, being payments made by the Trust in relation to travel warrants for clients.

Mrs. Elizabeth Ensor, Non Executive Director, also held posts as Executive Director with Domestic Care Ltd., and has an interest in Optimum Care, (Domiciliary Care providers), and as a Non Executive Director with N.I. Community Addiction Service. The value of transactions between related parties was £538K being payments to Domestic Care and £2,764K being payments to Optimum Care. The value of transactions in respect of N.I. Community Addiction Service was £115K.

Mrs. Ensor's husband is employed as Regional Business Manager for N.I. with Boehringer Ingelheim (pharmaceutical suppliers). The value of transactions between related parties was £80K, being payments made by the Trust for supplies.

NOTE 24 THIRD PARTY ASSETS

The Trust held £3,502K cash at bank and in hand at 31/3/15 which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand amounts reported in the accounts. A separate audited account of these monies is maintained by the Trust.

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 25 Financial Performance Targets

25.1 Revenue Resource Limit

The Trust is given a Revenue Resource Limit which it is not permitted to overspend

The Revenue Resource Limit (RRL) for Northern HSC Trust is calculated as follows:

	2015 Total £000s	2014 Total £000s
HSCB	577,546	558,892
PIA	7,302	6,490
SUMDE & NIMDTA	5,236	5,185
DHSSPS (excludes non cash)	0	0
Other Government Departments	0	0
Non cash RRL (from DHSSPS)	49,601	22,432
Total agreed RRL	639,685	592,999
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	(113)	(153)
Total Revenue Resource Limit to Statement of Comprehensive Net Expenditure	639,572	592,846

25.2 Capital Resource Limit

The Trust is given a Capital Resource Limit (CRL) which it is not permitted to overspend.

	2015 Total £000s	2014 Total £000s
Gross capital expenditure	25,649	20,848
Less charitable trust fund capital expenditure	(113)	(153)
Less receipts for sale of fixed assets	(573)	0
Net capital expenditure	24,963	20,695
Capital Resource Limit	25,144	20,989
Overspend/(Underspend) against CRL	(181)	(294)

NORTHERN HSC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

25.3 Financial Performance Targets

The Trust is required to ensure that it breaks even on an annual basis by containing its net expenditure to within 0.25 % of RRL limits

	2014/15 £000s	2013/14 £000s
Net Expenditure	(639,501)	(597,447)
RRL	639,572	592,846
Surplus / (Deficit) against RRL	71	(4,601)
Break Even cumulative position(opening)	(5,084)	(483)
Break Even cumulative position (closing)	<u>(5,013)</u>	<u>(5,084)</u>
Materiality Test:		
	2014/15 %	2013/14 %
Break Even in year position as % of RRL	<u>0.01%</u>	<u>-0.78%</u>
Break Even cumulative position as % of RRL	<u>-0.78%</u>	<u>-0.86%</u>

The Trust has achieved a small surplus in 2014/15 and is working with HSCB and other commissioners to achieve a balanced cumulative position.

NOTE 26 Losses and Special Payments

Type of loss and special payment	2014-15		2013-14	2012-13
	Number of	£	£	£
Cash losses				
Cash Losses - Theft, fraud etc	4	1,495	1,091	174
Cash Losses - Overpayments of salaries, wages and allowances	3	8,449	7,255	726
Cash Losses - Other causes	6	903	5,502	14,577
	13	10,847	13,848	15,477
Claims abandoned				
Waived or abandoned claims	0	0	0	0
Administrative write-offs				
Bad debts	5	4,457	16,723	11,459
Other	0	0	0	0
	5	4,457	16,723	11,459
Fruitless payments				
Late Payment of Commercial Debt	6	259	0	0
Other fruitless payments and constructive losses	0	0	0	0
	6	259	0	0
Stores losses				
Losses of accountable stores through any deliberate act	26	9,252	12,513	0
Other stores losses	56	114,564	50,625	101,238
	82	123,816	63,138	101,238
Special Payments				
Compensation payments				
- Clinical Negligence	81	3,961,161	3,059,715	2,907,852
- Public Liability	11	103,830	126,668	206,728
- Employers Liability	43	322,207	414,507	274,390
- Other	10	55,375	60,592	59,171
	145	4,442,573	3,661,482	3,448,141
Ex-gratia payments	25	8,453	11,034	9,167
Extra contractual	0	0	0	0
Special severance payments	0	0	0	0
TOTAL	276	4,590,405	3,766,225	3,585,482

26.1 Special Payments

There were no other special payments or gifts made during the year.

26.2 Other Payments

There were no other payments made during the year

26.3 Losses and Special Payments over £250,000

Losses and Special Payments over £250,000	Number of Cases	2014-15	2013-14	2012-13
		£	£	£
Cash losses	0	0	0	0
Claims abandoned	0	0	0	0
Administrative write-offs	0	0	0	0
Fruitless payments	0	0	0	0
Stores losses	0	0	0	0
Special Payments				
These payments related to clinical negligence claim settlements	2	2,138,240	1,067,717	958,845
TOTAL	2	2,138,240	1,067,717	958,845

NORTHERN IISC TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

NOTE 27 POST BALANCE SHEET EVENTS

There are no post balance sheet events having a material effect on the accounts.

DATE AUTHORISED FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 2nd July 2015

NORTHERN HSC TRUST

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS / RESIDENTS

YEAR ENDED 31 MARCH, 2015

STATEMENT OF TRUST'S RESPONSIBILITIES IN RELATION TO PATIENTS' / RESIDENTS' MONIES

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, the Trust is required to prepare and submit accounts in such form as the Department may direct.

The Trust is also required to maintain proper and distinct accounting records and is responsible for safeguarding the monies held on behalf of patients/residents and for taking reasonable steps to prevent and detect fraud and other irregularities.

Northern HSC Trust

Year Ended 31 March, 2015

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS / RESIDENTS

Previous Year	RECEIPTS		
£		£	£
1,800,000	Balance at 1 April, 2014		
292,783	1. Investments (at cost)	2,400,000	
6,825	2. Cash at Bank	258,071	
	3. Cash in Hand	6,620	2,664,691
1,796,489	Amounts Received in the Year		2,314,295
20,195	Interest Received		18,250
3,916,292	TOTAL		4,997,236
PAYMENTS			
1,251,601	Amounts Paid to or on behalf of Patients/Residents		1,494,876
	Balance at 31 March, 2015		
2,400,000	1. Investments (at cost)	3,100,000	
258,071	2. Cash at Bank	395,380	
6,620	3. Cash in Hand	6,980	3,502,360
3,916,292	TOTAL		4,997,236

Schedule of Investments held at 31 March, 2015

		Nominal Value £	Cost Price £
2,400,000	Investment	3,100,000	3,100,000

I certify that the above account has been compiled from and is in accordance with the financial records maintained by the Trust.

L. A. O'Keefe Director of Finance
11/6/2015 Date

I certify that the above account has been submitted to and duly approved by the Board.

Anthony Sheehy Chief Executive
11 June 2015 Date

NORTHERN HEALTH AND SOCIAL CARE TRUST

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

I certify that I have audited the Northern Health and Social Care Trust's account of Monies held on behalf of Patients/ Residents for the year ended 31 March 2015 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

Respective responsibilities of the Trust and auditor

As explained more fully in the Statement of Trust Responsibilities in relation to Patients' and Residents' Monies, the Trust is responsible for the preparation of the account in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health, Social Services and Public Safety's directions made thereunder. My responsibility is to audit, certify and report on the account in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the account

An audit involves obtaining evidence about the amounts and disclosures in the account sufficient to give reasonable assurance that the account is free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Northern Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Health and Social Care Trust; and the overall presentation of the account. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited Patient's and Resident's Monies account and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the financial transactions recorded in the account conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the financial transactions recorded in the account conform to the authorities which govern them.

Opinion on account

In my opinion:

- the account properly presents the receipts and payments of the monies held on behalf of the patients and residents of the Northern Health and Social Care Trust for the year ended 31 March 2015 and balances held at that date; and

- the account has been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health, Social Services and Public Safety directions issued thereunder.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the account is not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

Report

I have no observations to make on this account.


KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

26 June 2015

