

The Annual Report and Accounts

Northern HSC Trust

for the year ended 31 March 2016

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Health and Personal Social Services (NI) Order 1972 by the
Department of Health.**

on

31st August 2016



Northern Health
and Social Care Trust

Annual Report 2015-2016

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Chairman's Report

The Northern Health and Social Care Trust is a dynamic, complex organisation offering a wide range of services to almost half a million people living within the area we serve. Our challenge is to plan for the future whilst delivering effective services today.

In the past year we have developed a Reform and Modernisation Programme (RAMP), which brings together in one document a clear plan for the ongoing development of services, our staff and our facilities.

It is our belief that services should be provided at home or as close to home as possible, where it is safe to do so. To deliver on this we are organising our services within four localities, each with health and social care hubs which will be the centre for locality and community based services, delivered by integrated, multi-disciplinary teams. Acute services will continue to be delivered from our two acute hospitals, Antrim and Causeway, right sized to deliver the services required by people in the Northern Trust area. We will continue to build strong links with other hospitals in Belfast and Western Trusts and throughout the province.

Our Reform and Modernisation Programme (RAMP) includes a strong People strand aimed at harnessing, engaging and developing staff at all levels to deliver our ambitious plans for the next five years. This year we have focused on developing a five year staff engagement plan which will drive organisational development through a culture of high employee engagement, great leadership and learning and development.

The third element of RAMP is resources, money, ICT infrastructure and buildings. The Trust currently operates from more than 330 buildings and our aim is to rationalise and modernise our estate, ensuring that our staff can better provide services from facilities that meet the needs of local service users and staff alike. We want to do this in partnership with our communities.

This year saw the official opening of our £24.5m flagship community facility, Ballymena Health and Care Centre, which is an excellent example of the type of facilities we would want in each locality. It will facilitate integrated working between clinical and social care teams and allow us to deliver truly patient centred care.

We continue to strive to find innovative ways to improve outcomes for all those who use our services and I was therefore delighted with the establishment, last autumn, of our Medicine Optimisation and Innovation Centre (MOIC) where we will be working in partnership with many experts from throughout the health sector as well as the universities, community pharmacies and the pharmaceutical industry to improve health outcomes for patients.

This year we have again achieved financial break even in a difficult financial environment and I would commend all our staff for the great effort to achieve this whilst maintaining the quality

and safety of our services.

It is important that we recognise and appreciate the professionalism and commitment of our staff and I therefore reintroduced the Chairman's Awards, this year, with five categories based on our vision and values to celebrate and reward some of the great work taking place across the organisation.

I was delighted to announce the following key appointments to the Trust in the last year: Pamela McCreedy took up post of Deputy Chief Executive and Director of Operations, a key post cutting across directorates and embedding integrated, multi-professional working. In July, Larry O'Neill retired after more than 40 years' service and was replaced by Owen Harkin as Director of Finance.

I would also like to offer my deep thanks and best wishes to our retiring Non-Executive Directors. The role is often challenging and they have always risen to those challenges in the past number of years. It is my pleasure to welcome our newly appointed non-executive directors.

It is clear from the patient stories that we hear and from the feedback we receive that our greatest asset remains the commitment and dedication of the 11,800 talented and professional employees of the Trust. I am continually impressed by the superb work that they do, even in difficult circumstances and would like to thank each and every one of them for the compassion, openness, respect and excellence with which they do their jobs 24 hours a day, every day of the year.



Bob McCann
Chairman

Date: 9/6/2016

Chief Executive's Report

This has been a year of consolidation during which we delivered our planned restructuring, real service improvement and meaningful engagement with both our staff and the communities we serve.

Through restructuring we significantly reduced management costs, while bringing clinical staff into leadership roles, giving them greater responsibility for running services.

Our newly appointed Director of Operations has overseen greater integration of services. We have developed our locality model for community care, to ensure better integration of services at a local level. We have put in place new services such as our Rapid Assessment Interface Discharge (RAID) team. RAID delivers timely services to people with mental health problems, including dementia, when they present in our acute hospitals. This provides prompt, expert care, supporting patients, families and staff. Another example is in the ongoing development of our Stroke Service. We have seen a real and valuable increase in the number of patients who can rapidly and directly access specialist care.

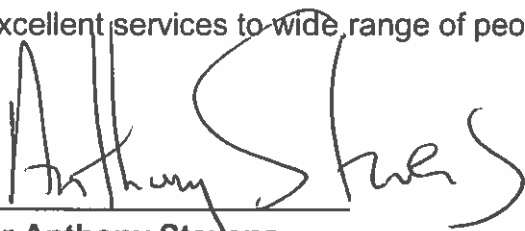
Within Children's Services we have developed our early intervention services including the introduction of family nurse partnership model. We have introduced our primary mental health team and our crisis response team which has helped us improve our overall performance within this service.

We have developed a Reform and Modernisation Programme (RAMP). RAMP sets out a five year strategy for delivering investment and service improvement. It will form the basis for a conversation with the public, about how we can together modernise services and deliver the care people are going to need in the future. RAMP recognises the very real increase in our elderly population and will reflect the generally held preference for services to be delivered as close to home as possible.

We are committed to engagement both internally and externally and have a number of well-established fora including an older people's panel, learning disability panel and a carer's forum. These representative groups help us to engage more widely with the people who use our services. We have engaged meaningfully with our staff in developing our Vision and Values. In recognising that our staff are our most important asset we have brought a renewed focus to staff wellbeing and health and safety.

The Trust has been recognised on a number of occasions for exceptional performance or individual achievement. I congratulate all concerned. I would wish to highlight our success in winning the Caspe Healthcare Knowledge Systems (CHKS) Patient Safety Award for Outstanding Performance. This reflects the exceptional work and dedication of all our staff.

I look forward to continuing to work with the thousands of staff in our organisation who demonstrate our values on a day to day basis in their commitment to ensuring that we deliver excellent services to wide range of people we serve.

A handwritten signature in black ink that reads "Anthony Stevens". The signature is written in a cursive style with a large, prominent "S" at the end.

Dr Anthony Stevens
Chief Executive

Date:

9/6/16.

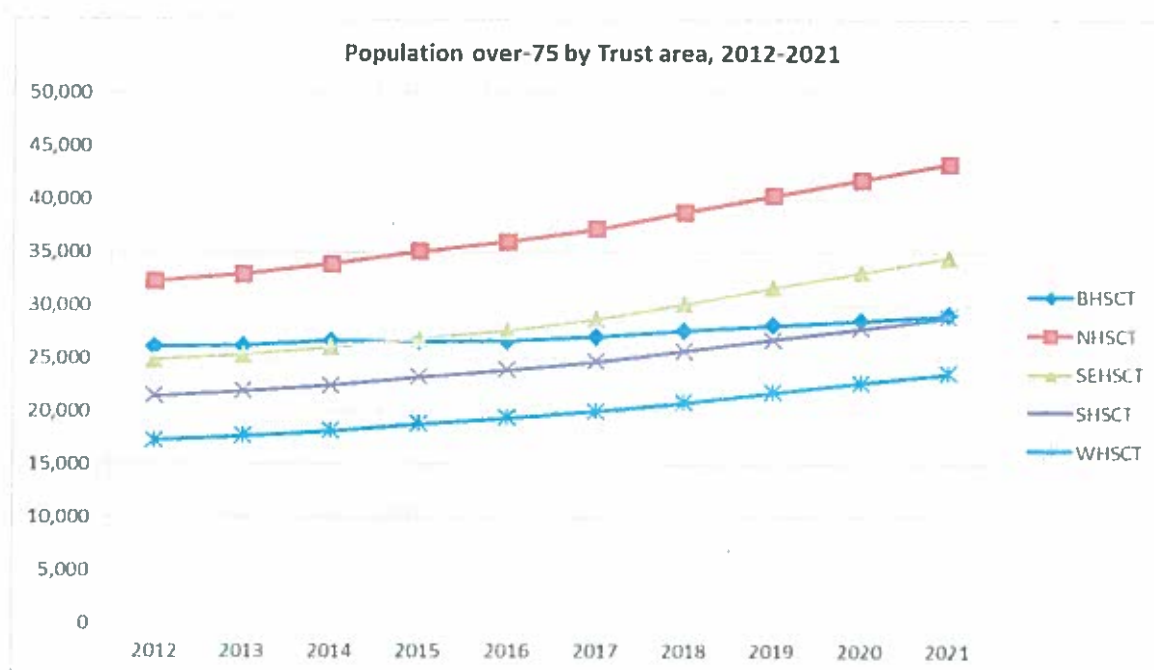
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About the Trust

The Northern Health and Social Care Trust became operational on 1 April 2007. The Trust has an annual revenue budget in the region of £687 million and employs 11,800 people. Funding is secured from a range of commissioners, the main commissioner being the Health and Social Care Board.

The Trust covers four local council areas – Antrim and Newtownabbey, Causeway Coast and Glens, Mid and East Antrim and Mid Ulster.

The Trust provides services for a population of approximately 471,000, the largest resident population in Northern Ireland. We also provide services to the only inhabited island off the coast of Northern Ireland, Rathlin.



The profile of the population shows that we have the largest older population and the largest child population. We have an increased number of people with higher levels of complexity presenting to services particularly dementia, disability and older people's services.

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

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.

The Trust provides a range of health and social care services, the majority of which are provided in people's own homes. We also provide community based health and social care services from approximately 330 facilities including day centres, health centres and

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residential homes. Over the past year we had 660,000 people coming through our hospitals and over 1,055,000 contacts with people in our local communities.

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

- Acute Medical and Maternity Services – Antrim Area and Causeway Hospitals
- Sub-acute Rehabilitation – Causeway, Whiteabbey and Mid Ulster Hospitals
- Day Surgery, Endoscopy and Radiology – Antrim Area, Causeway, Whiteabbey and Mid Ulster Hospitals

Outpatients' services are provided from Antrim Area, Causeway, Whiteabbey, Mid Ulster, Braid Valley and Moyle Hospitals as well as from a range of community settings such as Ballymena Health and Care Centre.

Holywell Hospital is a 121 bed psychiatric hospital in Antrim providing a range of inpatient mental health and addiction services. The Trust also provides 18 acute mental health inpatient beds in the Ross Thompson Unit in Causeway.

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

Performance Overview

The Trust Reform and Modernisation Programme – RAMP outlines a five year plan. It provides a strategic framework to address challenges and to capture opportunities and is the means by which we will deliver our vision. Strategic change and modernisation will be taken forward in three key areas: services; people; and resources.

Services

Underpinning service reform is the need to focus on person centered care, supported by integrated working. There are two elements to our service reform programme – locality based, integrated care with services delivered in the home as first choice, with access to local rehabilitation beds. Community based staff working in integrated teams delivering community services from four localities, with community hubs in each locality. Acute services will be delivered from two sites with Antrim Area Hospital and Causeway Hospital, right sized to meet presenting demand.

Community Services

The Community Care Division has been restructured to amalgamate services for older people, with services for adults with a physical disability and sensory impairment. This redesign will simplify the way people can get access to services when they need them.

The division is also working through structural change which will see four localities established: Causeway and Glens, Mid Ulster, Antrim/Ballymena and East Antrim.

One possible model which we are exploring with local people from Ballycastle and Moyle

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hinterland is the Dalriada Pathfinder partnership which brings together the Trust, Local Commissioning Group, Causeway Coast and Glens Borough Council and the local community including community and voluntary groups. This group is seeking to deliver innovative solutions to provide sustainable care and support for service users from the local population who are most in need with a focus on person centred care planning.

To support people to remain at home we are working more closely with the community and voluntary sector. The Community Navigator post has made a significant contribution as a referral service signposting health professionals and older clients to local voluntary/community support services.

Domiciliary care services provide a vital support for people living in their own home. Almost 5,000 people receive the service each week however demand can exceed capacity both in-house and in the independent sector. It was challenging to attract and retain staff into home care service. This challenge was not unique to the Northern Trust area but was experienced across the region and in some rural areas particularly. Local and regional work aims to address these issues so that we can support those already working in homecare services and develop the capacity of the service further. Our reablement service, designed to support people to regain their independence after a period of illness or debility, has been further enhanced by developing an Occupational Therapy led service, providing expert assessment and the development of reablement plans to meet individual need.

Supporting acute services to get people home from hospital quickly has been a significant part of the division's work this year. Our Community Discharge Co-ordinators, The Intermediate Rehabilitation and Stroke Teams and The Hospital Diversion Nursing Team has supported service users at home or enabled their early discharge from acute hospitals to have a variety of treatments. They are also working in partnership with Northern Ireland Ambulance Service to accept referrals for appropriate service users to be treated at home and avoid unnecessary visits to the emergency department.

Our community hospitals and rehabilitation units, in partnership with our primary care colleagues, have continued to provide rehabilitation services to an increasing number of patients and clients mainly older people

Mental Health, Learning Disability, and Community Wellbeing

The Mental Health, Learning Disability, and Community Wellbeing Division continues to drive forward reform of services. This is in the context of a growing and ageing population with increased numbers of people presenting to services, particularly dementia and disability services, with increased levels of complexity and comorbidities.

The Trust was successful in obtaining funding from the regional change fund to establish a multidisciplinary mental health liaison team which is integrated into acute services. The RAID (Rapid Assessment, Interface and Discharge) service recognises and provides an effective response to the high levels of mental and physical health comorbidities presenting inpatients

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accessing acute hospital care. It was developed in collaboration with acute services and commenced in September 2015. RAID provides rapid, timely and high quality interventions to promote the recovery and well-being of patients who present at emergency departments and/or are admitted to general hospitals. The service has been very positively received, and is currently being subject to qualitative and quantitative evaluations.

As with other Trusts, the Northern Trust has faced challenges with an increasing number of mental health acute admissions and pressure on acute beds. We hosted a visit from the Crisp Commission which is looking at acute psychiatric inpatient care in N Ireland and England and is due to report in May 2016. It was led by Lord Nigel Crisp who is a former Chief Executive of the NHS.

The Trust's Dementia Home Support service provides behavioural assessments in support of carers in community settings. The service has developed the CLEAR (Cognition, Life story and personality, Emotional & physical wellbeing, Activity & environment, Relationships) dementia support model which is a new model of behavioural assessment. The model has attracted interest regionally and nationally and was presented at the 2015 National Dementia Conference.

During the year the Trust completed its development of a Trust wide Memory Service with the establishment of the Mid Ulster Memory Service in December 2015. The Memory Service offer accessible and timely diagnosis and follow up to improve the quality of care in dementia. Since 2013 the Northern Trust has seen an increase in the levels of new dementia diagnoses per year as a result of the development and roll out of these services.

Building on recovery orientated practice the Trust is committed to providing early community based interventions for people suffering from common mental health conditions such as anxiety and mild depression. Emotional Wellbeing Hubs are now established in the Causeway and Larne/Carrick/Newtownabbey localities. Antrim/Ballymena and Mid Ulster localities will be operational by April 2016.

It has been a challenging year for Addiction Services due to significantly reduced funding from the Department of Justice for our Railway Street service. This resulted in major service reconfiguration within addictions services aimed at consolidating care pathways. This has allowed us to continue to maintain our harm reduction service to injecting drug users and the shared care pathway with general practice. This year we piloted a new approach where trained service users, who are in stable recovery, act as coaches to support service users who are aiming to recover from alcohol or drug dependency.

The successful resettlement programme of long stay patients from Holywell Hospital continues to transform lives. Working in partnership with housing providers Trust staff have supported individuals who have lived in Holywell Hospital for very many years to live more independently in their own homes in the community.

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Community Learning Disability Teams embarked on a comprehensive programme of reform to develop and implement a model of service that reflects best practice.

The Trust celebrated ten years of the Day Opportunities Programme for adults with a learning disability. The Programme has, for over 500 individuals, opened up a range of opportunities for learning and development in socially inclusive ways.

The Trust has continued to develop and provide more socially inclusive community based day care through the provision of satellite units in Coleraine and Magherafelt. These units linked to adult centres provide a greater level of community presence and involvement which better meet the needs of service users.

This year saw the continuing resettlement of long stay patients from Muckamore Abbey Hospital. Many of these people have lived most of their lives in hospital and have extremely complex needs and challenging behaviours. Resettlement into new homes and placements in the community requires very skilled preparation and support both for the individuals and their relatives. Overall resettlement has led to significant improvement in the service users' quality of life with positive feedback from both service users and their families.

The Trust's Psychological Therapy Service (PTS) became the first psychology service in N Ireland to receive APPTS – the Accreditation Programme for Psychological Therapies Services - accreditation from the British Psychological Society and the Royal College of Psychiatrists, for the delivery of high quality services. This accreditation is awarded to services which meet exacting standards. The Trust is one of only seven across the UK to achieve this accreditation.

Psychologists have continued to link with local community groups, local and national charities and voluntary organisations to support the drive for early intervention and enhanced community resilience. Psychological Services have worked in partnership with local organisations to provide Stress Control classes in the community - to date in excess of 400 people have attended these classes.

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.

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We have seen a significant improvement in Family Support referrals in the last year. While the number of children looked after by the Trust has fallen from 688 to 655.

The Trust has continued to develop and enhance services for tackling Child Sexual Exploitation, working with colleagues on a multi-disciplinary/multi-agency partnership basis to support children and young people and their carers.

Acute Paediatrics

A number of improvement initiatives have been progressed within acute paediatrics over the last year period.

Implementation of Paediatric Physiological Early Warning Scores (PEWS) and Situation Background Assessment Recommendation (SBAR) has taken place across the three sites with 100% of available staff trained. An audit of PEWS is ongoing in line with regional priorities. The three paediatric wards are currently piloting a regionally agreed acute nursing admission and plan of care booklet. Random safety audits have been introduced onto the Antrim Area Hospital site allowing real time feedback on a number of safety indicators including areas of clinical practice for example compliance with paediatric fluid guidelines and oxygen prescription.

We have significantly improved shared learning in relation to compliments, incidents and complaints with the production of a bi-monthly bulletin for all paediatric medical and nursing teams across the trust.

A new parent information leaflet has been developed for acute paediatrics on Antrim Area Hospital site and is to be replicated in the Coleraine Hospital and Mid Ulster Hospital.

The Child and Adolescent Mental Health Service (CAMHS) has been transformed over the course of the year. A Crisis Response Team was established to divert young people from psychiatrist in-patient admissions wherever possible and the Primary Mental Health Team has gone from strength to strength in offering support and training to other professionals such as teachers and health visitors in meeting the earlier intervention needs of children and young people.

The CAMHS service has also introduced the CAPA - Choices and Partnership Approach - model which has helped match the needs of a child or young person to the specific skills needed from a CAMHS professional to address these. The model has also improved workflow, creating the capacity to allocate cases in a much more timely way.

There has been a significant increase in the demand for placements for the 11 to 17 year old age group. A rapid response fostering placement service has been initiated, to cope with increased demand with respect to this particular age group. The Willows Children's Home in Ballymena has continued to develop its Intensive Support Services and we are continuing to develop an Integrated Model of Care alongside the Intensive Support Community Team and

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the Intensive Support Fostering Services with the objective of providing an integrated seamless family support resource.

Planning permission for the 13 bedded supported living accommodation in Magherafelt was granted in February 2015 and we continue to work towards the opening of the new facility in 2016.

Family Nurse Partnership (FNP) is an intensive preventive programme for first time young parents launched during the year. It runs from early pregnancy until the child is two. Parents receive regular home visits from a specially trained nurse. The approach and materials used are rooted in theories of attachment, self-efficacy and human ecology. This innovative programme achieves remarkable outcomes for both parents and children.

Acute Services

The Trust's two major Emergency Departments in Antrim Area and Causeway Hospitals saw over 120,000 patients during the year. Whilst it was a challenging year, over 80,000 patients concluded their Emergency Department attendance within four hours of arrival.

Overall attendances were 3% higher in 2015/16 compared to 2014/15, equivalent to an additional 75 patients per week attending the Emergency Departments. March 2016 was a particularly challenging month with attendances 9% higher than March 2015 in Antrim Area Hospital ED and 11% higher in Causeway Hospital ED. This is an increase of 32 additional attendances per day between the two sites.

Across the year, there have been a number of initiatives to improve patient experience within the Emergency Department. In November 2015, a self-select pathway was introduced at Antrim Area Hospital to ensure that patients could be seen directly by an Emergency Nurse Practitioner. Since its introduction 95% of self-select patients were able to conclude their Emergency Department journey within four hours of arrival.

The Trust received significant funding which enabled it to secure the long term future of Antrim Area Hospital Direct Assessment Unit, designed to provide GPs with a streamlined pathway for urgent patient assessments. Investment allowed the Trust to increase the hours of operation, capacity and clinical scope so that it could provide care for over additional patients per month. Aligned to the Direct Assessment Unit and the wider unscheduled care service is a new Early Intervention Team which focuses upon the rapid assessment and safe discharge of patients from 09:00 - 17:00 seven days per week. The team is the epitome of multidisciplinary working, comprised of an interdependent team of Occupational Therapists, Physiotherapists, Social Workers and a new Patient Discharge Co-Coordinator - a role introduced by the Trust.

The roll out of Integrated Care Partnership projects has taken place in diabetes, respiratory and stroke services. In relation to diabetes, a nationally recognised education programme for patients with type 2 diabetes commenced in the Trust in November 2015. Through its

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implementation, the programme will offer 500 newly diagnosed patients and 500 patients with unstable type 2 diabetes the necessary skills to be in control of and self-manage their condition. The programme is provided by specially trained staff professionally qualified in Diabetic Specialist Nursing or Dietetics. The Diabetic Specialist Nursing Team continue to support on an individual basis those patients with complex needs who require individualised interventions.

The Integrated Respiratory Specialist Team has received significant transformational funding in 2015/16 which has enabled the Trust to provide an enhanced Respiratory Specialist Service into the evening and weekends. The enhanced service has led to the development of a dedicated team in the Mid Ulster locality which has been welcomed by GPs in the area. Four teams are now working closely with over 50 GPs to provide a rapid response home service to patients suffering from an acute flare up of Chronic Obstructive Pulmonary Disease (COPD). The aim of this service is to prevent unnecessary admissions and develop shared care pathways between GPs and Respiratory Consultant Staff for patients with more complex illnesses.

The Trust has also established an out of hours stroke lysis rota: stroke lysis is as an important treatment with the potential to reduce long term mobility problems in patients suffering certain types of stroke. Funding has been secured to appoint a Care of the Elderly, Stroke Specialty Doctor at Antrim Area Hospital to enable the service to further improve rapid treatment responses.

The development of acute hospital services is a key element of our Reform and Modernisation Programme. Service Transformation work streams have been set up for Outpatients Services Reform and Surgical Services Reform and Effective Theatre Utilisation streams. Each stream involves a multidisciplinary team of people from across a range of service programmes.

The Surgical Division has worked with the Commissioner to secure around £3m to extend and expand existing services and invest in new services such as radiology, breast surgery and pain management.

Representatives from surgery, oncology, breast cancer, nursing, radiology and cancer services have been working together to radically transform breast cancer pathways and implement the Transforming Cancer Follow-up (TCFU) Programme. TCFU empowers patients through self-management, with patients only accessing the service if they identify a problem thus reducing the need for hospital visits. Approximately 70% of all newly-diagnosed breast cancer patients now move onto Self-Directed Aftercare. This has reduced the number of routine review appointments increasing capacity to see other patients.

It has been challenging meeting the cancer targets due to the increase in referrals across a number of tumour sites; work has been undertaken to address capacity issues and to

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continue to improve the quality of services and support offered to patients with a cancer diagnosis.

The Orthoptic Service continued to progress the rollout of partial booking for patients. There has been a significant reduction in the number of patients who 'did not attend' the rates have fallen from 16.7% in 2012/13 to 8.7% in 2015/16. The successful implementation of the 'one stop' model for the Visual Field Service enables patients to have their Visual Field test carried out on the same day as their eye appointment with Consultant. New patients referred to the Orthoptic Service are seen within 13 weeks in line with waiting time targets.

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 entire Trust and form an integral part of the overall patient/client experience.

The Acute and Community Catering Services retained the Customer Services Excellence Award for the fifth year running. Customer service excellence is a driver for continuous improvement within Catering Services, focusing on a skills development programme for the Catering Teams.

The Catering Management Information System continues to be implemented with standardised recipes now complete. Standardised menus, food wastage records and stock analysis have been introduced into all residential and children's homes. In the Food Standards Agency Food Hygiene Rating Scheme all Acute and Community Catering Facilities have been rated between 4 and 5, which are the highest categories in the scheme.

The Acute and Community Domestic Services teams continued to provide a high quality cleaning service to facilities throughout the Trust. Environmental Cleanliness Audits were carried out in wards, departments and facilities on a monthly basis to ensure the expected patient/client environment standards continued to be met. The Regional Healthcare Hygiene and Cleanliness Audit Tool is also now fully in use for the completion of the annual multi-disciplinary audits of wards, departments and facilities. In addition an enhanced tool has been established for audits of Augmented Care areas. During the year RQIA completed Unannounced Hygiene Inspections of the Causeway and Antrim Area Hospitals and the inspection results reflect the good work undertaken by the multi-disciplinary team involved in infection control measures, including the Domestic Services staff.

Patient Environment Leadership Walkabouts have continued throughout the year to assist in identifying and rectifying any environmental issues that may impact on the overall patient experience. Environmental Cleanliness Focus Groups continue in departments where gaps in standards have been noted, providing a forum where targeted actions are agreed and taken forward.

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In 2015 Domestic Services were included in the application for the Customer Services Excellence Award. The award tests in depth those areas that research has indicated are a priority for customers, with particular focus on delivery, timeliness, information, professionalism and staff attitude. Feedback was very positive.

Portering teams on all sites have undertaken the World Host Customer Care Training and participants are now recognised as customer care ambassadors for the Trust.

The Trust takes the security of staff, patients, buildings and property very seriously and has a contract in place for the provision of security services in Causeway and Antrim Area Hospitals. The contractor also provides the Trust with a community response for those buildings that are alarmed. The Trust has installed the SALTO access control system in Antrim Area Hospital, and various other facilities throughout the Trust. The system allows flexibility for the security team to provide access for staff only to areas that have been authorised by their manager. The system also allows for card access to be stopped immediately if a member of staff leaves, or loses a card thus enhancing security on these sites.

The car parking teams have also completed the World Host Customer Care Training and continue to provide support as required for all visitors, patients and staff using the car parks in the Antrim Area and Causeway Hospitals.

During 2015/16 the Transport Department travelled over 2.5 million miles, providing transport for clients attending Adult and Day Centres, delivering Pharmacy, HSDU equipment, furniture and internal mail. On-going modernisation of the fleet remains a priority 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. A continuous training programme is in place to ensure all drivers meet the required CPC National Standard.

The Trust's Laundry Department has continued to work towards the realisation of several best practice recommendations. These include monitoring and verification of thermal disinfection during the wash process.

Infection Prevention and Control

The Northern Trust Infection Prevention Control (IPC) Team has continued to deliver a high quality service in collaboration with all teams across the Trust.

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

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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. Despite previously reducing our numbers of MRSA bacteraemia last year, the Trust is reporting an increase in cases and was unable to achieve a reduction of cases for 2015/16 where we identified 21 cases of MRSA bacteraemia. Not all cases of MRSA bacteraemia are preventable and a proportion of cases seen this year have been acquired in the community.

Reducing the number of patients who develop C difficile remains important priority for the Trust. The number of cases of C difficile 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 an overall rise in the number of cases of C difficile in the province again this year, the Trust has achieved the required reduction in C difficile cases to attain the set target of 59 cases.

Equality Matters

Our ongoing commitment to equality is demonstrated in our CORE value of Respect which states "We will respect the dignity, diversity and individuality of all our patients, clients and colleagues promoting equality and addressing inequality."

The Trust User Forums are established groups of individuals and representative organisations who have a keen interest in the standard and quality of our services. They work in partnership with Trust staff to ensure their views are part of the planning, delivery and monitoring of services.

The Disability Consultation Panel has welcomed a number of new members and panel members were actively involved in the design of the signage, lighting and furniture in the new Ballymena Health and Care Centre.

This year the Chair of the Forum, a user group for adults who use learning disability services, spoke at our Leadership Conference and members of the Forum have been involved in the development of the Trust's Personal and Sexual Relationship Protocol for Adults with a Learning Disability.

Older People's Panel members have come together to develop joint responses to regional and local consultations. The Panel also provides an opportunity for staff to present information about their service and to respond to queries, comments or concerns. During the year staff from Self Directed Support Service, Homecare and the NI Ambulance Service attended Panel meetings.

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.

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Within the Trust area it is estimated that there are almost 54,000 family carers. It is important that carers are supported and we have updated our Directory 'A-Z for Carers'. As the number of male family carers continues to grow there is recognition that Trust carers support events may not fully meet the support needs of men with a caring role. We have carried out a survey of male carers within our dementia service to find out the type of support that could be provided in the future which has resulted in carer support events targeted specifically at men.

During the year we ran an event with black and minority ethnic communities to raise awareness of services available. The Trust's Carers Register has exceeded the target of a 20% increase per year and we are in the process of setting up a carers' reference group.

We continue to engage with minority ethnic communities by working in partnership with the Inter Ethnic Forum (Mid and East Antrim) and by Chairing the Ballymena Inter Agency Ethnic Support Group.

We have also held Traveller and Gypsy Awareness Training for Trust staff to make sure we can engage with and meet the needs of the traveller community. The training was facilitated by two members of the traveller community.

Being able to communicate with the people we provide services to is vital and part of our day to day business. We need to collate and provide accurate and comprehensive information by making sure people have proper communication support. Last year we booked minority language interpreters for 10,808 health and social care appointments. In addition 720 Trust appointments were supported by a sign language interpreter.

Emergency Planning

The development and enhancement of Emergency Planning resilience and capability within the Trust continues to be progressed as outlined within the Northern Ireland Civil Contingencies Framework.

Training is provided to a wide range of Trust staff to assist with embedding the plans into the organisation and facilitating familiarisation within roles and responsibilities during a major incident response.

The Trust has adopted the DHSSPS revised guidelines in relation to Chemical, Biological, Radiological, Nuclear (CBRN) response within the CBRN Response Plan. The Trust received new decontamination tents on both acute sites and training was provided for appropriate staff.

Training has been enhanced by Trust participation in multi-agency major incident exercises hence facilitating the testing and validation of Trust plans. This has included testing the Multi-agency Control Room at Belfast International Airport during an aircraft incident based scenario. The Trust has participated in the multi-agency response table-top exercise to a

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major incident occurring on sites that are within the Control of Major Accident Hazards (NI) Regulations 2015 (COMAH) which included Kilroot & Cloughan Point and the Bushmills Distillery.

Over the coming year we will expand the Control and Information Team Control Room in the Antrim Area Hospital Site to improve the facility to accommodate the major incident control team. The Trust will also revise the notification procedure to major incident response and will consider the implementation of the 'i-messaging' system to facilitate this.

Supporting the provision of health and social care using Information and Communications Technology (ICT)

The Trust has continued to develop the ICT Infrastructure, the portfolio of Information Systems and analytics.

We continue to work towards a full electronic health and social care record for each service user. Eventually, service users will be able to access their own records on-line and clinical and professional staff will 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.

Across the Trust, a range of systems have been developed to support the day-to-day work of our clinical and professional staff. These include systems that support ordering tests (such as x-rays), managing bed availability and brokering domiciliary care. We now accept referrals from General Practice to Consultant-led Outpatient clinics, Community Nursing and a range of smaller services electronically. Technology that allows these referrals to be processed with minimal intervention from staff has been developed and tested, and is being implemented. This will mean that a large percentage of referrals will be received and processed on the same day. Our aim is to make this facility available for all services and, in parallel, to develop an Access Centre to deal with the more urgent referrals.

Managers and clinicians, striving to continually improve the services they deliver, have welcomed the development of Business Intelligence 'apps' that allow them to access information on performance on a near real-time basis. We have continued to enhance the information that we deliver via these apps, drawing together information from a number of sources. We recognise that apps must be continually flexed so that they address current issues. We see the continuing development of analytics as vital to improvement in the future and are working with partners on predictive modelling.

Many of our staff work in the community and, as such, need access to records and to other information on the move. We are gradually enabling access using a flexible range of devices and are seeing benefits. However there are some challenges, not least the consistency of the mobile network across our rural localities.

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The entire technical infrastructure, including information systems, requires to be continually upgraded to ensure that staff are provided with consistent, secure and reliable access whether they are based within a clinical area or provide services in our rural community. As the infrastructure grows, the continual updating requires additional resource to maintain.

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. The ICT Department has maintained its ISO 27001 (Information Security Management) accreditation.

Estate Services

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

Estate Services continue to be proactive to ensure the Trust estate is of optimum size, fit for purpose, including investment and rationalisation, and has produced a property asset management plan that assisted in identifying the Trust release from leases, producing significant savings.

Estate Services continues to ensure that all critical services: water, electricity, medical gases, ventilation, etc. are safe, including 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 Area and Causeway Hospitals and Legionella control Trust-wide.

Estate Services continues to 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 are managed in accordance with all published advice, instruction and best practice.

The Clinical Engineering Section is one of only two ISO accredited Clinical Engineering departments in Northern Ireland. The service is responsible for all technical support relating to the procurement and use of medical devices and equipment.

The Telecommunications Section of Estates has had another busy year, improving efficient ways of working with commencement of upgrading to Windows Smartphones, the introduction of voicemail replacing answering machines and improvements in video conferencing successfully being used in the Antrim Simulation Suite Project.

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Leadership Transformation Programme

During the year the Trust undertook a review of the Executive Team and senior management structures to support the implementation of a Divisional Service Delivery Model. This review had key design principles which were:

- To improve patient care pathways and experience through the identification of clear business units, each led by a divisional cross professional leadership triumvirate. This would support improved strategic decision making, better patient journey and experience;
- To support performance delivery through the appointment of a Deputy Chief Executive / Director of Operations role to support improvements in quality and safety of services and optimise performance outcomes by reducing variability and silo working;
- To enable Medical Leadership;
- To improve connection with front line services, patients and clients
- To provide a highly capable Executive Team providing role model leadership in the organisation.

Each of our new Divisions is now in place and has in post a Divisional Medical Director to provide strategic and operational leadership across the division and to enhance medical staff engagement. The appointment of Divisional Nurses, which is almost complete, further strengthens our clinical and professional leadership.

This structure will support cultural change, enabled by a highly capable leadership team, and address barriers to organisational performance. To this end we have designed and implemented an ongoing Top Leaders development programme and continue to support our senior leaders through personal and team development.

Realignment of our services where appropriate across our divisions is almost complete and senior structures within directorates and divisions have been reviewed in line with the principles above and are almost complete.

Whilst still in the early stages of full implementation, benefits emerging already from our divisional services model are clear examples of increased collaboration within and across divisions and improved creativity and innovation in the planning and delivery of services.

The appointment of the Director of Operations has provided a renewed focus on performance with a more rigorous approach to accountability arrangements and has provided the platform to integrate and coordinate the delivery of patient care particularly between Emergency Medicine, Surgery and Community Care.

Our Divisional Medical Directors are leading in the provision of a clinical perspective in strategic decision making and ensuring the voice of clinicians is listened to and acted upon and their new roles are greatly welcomed by Directors. More work remains to embed the new ways of working and we will keep the arrangements under continuous review to ensure their effectiveness.

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Nursing and Midwifery

Our nursing and midwifery workforce continue to deliver excellent patient care despite major recruitment challenges.

Phase one 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 provided £3 million on a recurrent basis to enable the Trust to recruit an additional 65.49 wte nursing staff. Further to this investment additional funding has been made available from 1st April 2016 to recruit 18.16 wte band 6 staff in the medical wards to support clinical leadership at the front line.

Practice development and service improvement are important to us. During the year the team embarked on many improvement initiatives to improve the quality of care delivery, to include:

- Stroke Resource Pack - an initiative to review the information patients with stroke receive from Trust services and the development of a discharge information resource pack entitled 'My Stroke Journey'.
- In-reach into Nursing Homes Training, Education and Development Programme – training, education and development programme to 20 nursing / dual registered homes in the Antrim / Ballymena area with the aim to maintain residents safely in their home.
- Care of Older Persons – to investigate the education, training and support requirements to assist nursing staff in the care of older person care settings and enhance care in this area.
- The 'First Steps' Healthcare Assistant (HCA) programme continues to be delivered with excellent evaluations from both HCAs and registrant staff. This programme helps HCAs build their personal and clinical confidence.

A number of key strategic documents are driving the development and implementation of increased Midwifery Led Care (MLC). One of the key elements of MLC is to provide women with choice, control during their pregnancy and labour experience.

The midwives across the Trust have embraced the concept of water birth as it accentuates normality, provides women with greater choice and thus a positive birth experience. Women are now being offered water birth in both hospital and community.

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The midwifery team have developed their practice and shown great motivation in offering women an alternative form of care. The team has worked together, sharing knowledge and providing support to both women and their colleagues.

We now have over 200 women within the Northern Trust who have experienced a water birth with excellent outcomes. The positive feedback from women has inspired midwives to continue with this service with 95% of the women described their experience and pain relief as excellent or good.

Performance Analysis

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. 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 2015/16 it has been challenging to meet some of the targets set. This is due in part to the growth of the population, an ageing population and also 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 implementing a wide range of actions aimed at improving and sustaining performance. Causeway Hospital maintained a position of zero 12 hour breaches until November 2015 (with 29 breaches from November to March). Total breaches in Antrim Area Hospital increased from 663 in 2014/15 to 1,058 in 2015/16 an increase of 60%. Performance against the 4 hour target fell on both sites, from an overall performance of 64% in Antrim and 73% in Causeway in 2014/15 to 62% and 67% in 2015/16 respectively.











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For inpatient and day case admissions, 67% of patients have been seen within 13 weeks and 45% of outpatients have been seen within nine weeks at the end of March 2016. Demand is significantly higher than capacity in a number of outpatient specialties which has meant that some patients have waited 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.

Inpatients / Day cases – From April 2015, at least 65% of inpatients and day cases are treated within 13 weeks and no patient to wait > 26 weeks.	67% <13 weeks @ 31/03/16	
	631 >26 weeks @ 31/03/16	
Diagnostic Tests - From April 2015, 100% of all urgent diagnostic tests to be reported on within 2 days.	94% (April 2015 – March 2016)	
ED - From April 2015, 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.	ANT 61%, CAU 65% < 4 hours ANT 297, CAU 0 > 12 hours March 2016	
Delayed Discharges – From April 2015, 90% of complex discharges take place within 48 hours of decision to discharge	88% within 48 Hrs. (April 2015 – March 2016)	
Hospital Acquired Infections By March 2015, reduce MRSA infections – (all ages) Target: not more than 10 cases for 2015/16.	21 cases (April 2015 – March 2016)	
By March 2015, reduce C Difficile infections – (>2 yrs.) Target: not more than 59 cases for 2015/16.	59 cases (April 2015 – March 2016)	

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<p>Cancer Care 31 Day – From April 2015, 98% of patients to commence treatment within 31 days of decision to treat.</p>	<p>99% (March 2016)</p>	
<p>Breast Cancer Referrals - From April 2015, all urgent referrals to be seen within 14 days.</p>	<p>95% (March 2016)</p>	
<p>Care Leavers – Target by March 2016, increase the number of care leavers aged 19 in education, training or employment to 75%</p>	<p>72% (April 2015 – March 2016)</p>	
<p>Children In Care – From April 15, Initial assessment completed <14 working days of child being looked after.</p>	<p>100% completed (April 2015 – March 2016)</p>	
<p>Child Protection – From April 15, Child Protection referrals to be allocated to social worker <24 hrs.</p>	<p>100% completed (April 2015 – March 2016)</p>	
<p>Family Support – Family Support (Referrals) - allocated to a social worker within 20 working days for initial assessment.</p>	<p>92% referrals allocated <20 working days (April 2015 – March 2016)</p>	
<p>CAMH'S - From April 15, no waits > 9 weeks to access child and adolescent mental health services.</p>	<p>0 > 9wks @ 31/03/16</p>	
<p>Delayed Discharges - From April 15, 99% of patients admitted as Mental Health Inpatients for assessment and treatment are discharged < 7 days of decision to discharge.</p>	<p>100% (April '15 – March '16)</p>	
<p>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.</p>	<p>376 >13wks for assessment @ 31/03/16</p> <p>17 > 13 wks. For intervention @ 31/03/16</p>	 

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Acquired Brain Injury - Maintain 13 week maximum waiting time from referral to assessment and commencement of specialised treatment.	0 >13 wks. @ 31/03/16	
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Sustainability Report

The Trust continues to recognise the importance of environmental protection to minimise any impact activities may have on the environment. This is outlined in The Trust's Environmental Policy under the headings of energy, waste, water and procurement.

2015/16 year has seen the installation of 50kWp of photovoltaic panels on the roof at Antrim Area Hospital helping to increase the amount of self-generated green energy.

Smart heating controllers were trialled in the Trust for the first time in 2014/15. They have proved to be a success and in 2015/16, 10 more have been installed giving better control over our energy usage. The benefits of remote access include reduced consumption due to better control of evening and weekend usage.

Automatic water metering again proved invaluable for The Trust and is on-going each year. It has detected water leaks at Braid Valley Hospital, Whiteabbey Hospital, Antrim Area Hospital and many community facilities.

Wastage of gas and electricity have also be identified and remedied in year.

The Trust Waste Section of Estates Services 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.

In 2015/16 clinical, pharmaceutical and anatomical waste (clinical waste) was again reduced by 45.tonnes Trust wide (1,040 tonnes produced in total). All hospitals and community facilities showed a reduction in the amount of clinical waste produced with the exception of Causeway Hospital which showed a small increase.

All healthcare waste is disposed of in accordance with legislation and the Trust Waste Policy. The current contractor processes the clinical waste by shredding and steam treating the waste rendering it safe, forming a flock as a by-product. This is subsequently sent to a waste to energy facility (Indaver) where it is used as a sustainable fuel to provide electricity within County Meath. The Trust's clinical waste is now 'nil to landfill'.

Since the introduction of recycling domestic waste in 2011 throughout the Trust the amount of waste sent to landfill by the Trust has steadily decreased with recycling rates increasing each year. Throughout 2015/16 the average recycling rate of the Trust was 71% with the majority of the hospitals recycling 80+%. The total tonnage of domestic waste collected was 1,506 tonnes; of this 146 tonnes used was baled cardboard for recycling at Antrim Area, Causeway, Holywell, Mid Ulster and Whiteabbey Hospitals and 9 tonnes was sent for composting.

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Other recycling projects operating across the Trust include:

- Clothes banks;
- Furniture stores;
- Toner cartridge bins;
- Metal banks;
- Battery bins;
- Paint tin bins; and
- Fluorescent tube bins

At Antrim Area, Causeway and Holywell Hospital sites there are containers for redundant furniture and bulky items. The contractor strips the furniture, recycling components such as metal, wood and fabric.

Social enterprise groups also refurbish furniture so that it can be either reused within the Trust or sold within the charitable community shops diverting the furniture from landfill.

These groups also collect and distil waste cooking oil from our catering facilities across the Trust to form biodiesel.

Wards, departments and community facilities are encouraged to shred their own confidential waste to reduce collection and disposal charges, reduce the amount of vehicles on the road and most importantly to reduce the risk of confidential material falling into the wrong hands. To help reduce the amount of confidential waste produced and to increase security 211 shredders have been placed throughout the Trust.

Waste Electrical and Electronic Equipment (WEEE) is a complex mixture of materials and components that because of their hazardous content, and if not properly managed, can cause major environmental and health problems. Moreover the production of modern electronics requires the use of scarce and expensive resources.

During 2015/16 the Trust recycled under contract

- 32 TVs
- 40 Fridges
- 2103 Fluorescent tubes
- 15 tonnes of small domestic appliances (fans, microwaves, heaters, lamps etc.)

Waste management legislation is continuously changing to protect the environment and the people within it; safeguarding resources and preventing pollution. 2016/17 will see the implementation of the Food Waste Regulation (NI) throughout the Trust and enhance the measures that are already in place to prevent food wastage within the catering facilities.

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Greening of Vehicles

The purchase of vehicles within the Trust represents a major capital expenditure and an important investment. The Trust's use of fleet vehicles is kept under constant review given the changing impact of vehicle design and fuels on the environment.

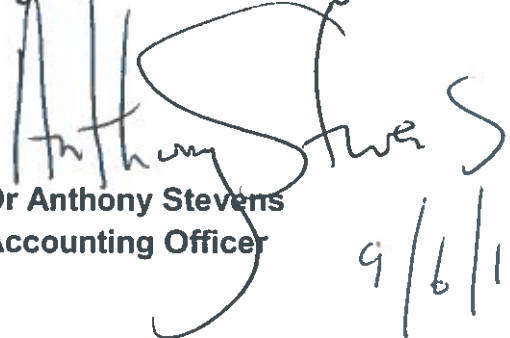
Vehicle selection is a key issue when reviewing the fleet. The Trust has developed vehicle specifications which consider environmental issues as well as cost and fuel efficiency in the choice of new vehicles. Consideration is given to trialling new cleaner and greener technologies, as they become available.

The Trust has also been involved in a benchmarking exercise to monitor fuel consumption, the associated cost, the distance covered, and the type of terrain i.e. urban/rural. This has generated a picture of fuel performance by vehicle.

Cycle to Work

Since the implementation of the Trust's Cycle to Work Scheme, 255 staff have been helped to buy a bike.

Signature of Accounting Officer and date of signature


Dr Anthony Stevens
Accounting Officer
9/6/16.

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Corporate Governance Report

Directors' Report

The role of the Trust Board is to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions. During the year the Trust Board was comprised of the following members:

i. Non Executive Directors

- Mr Bob McCann
- Dr Carol Ackah
- Mr Jim Moore
- Mr Billy Graham
- Mrs Liz Ensor
- Mr Stanley Forsythe – completed term in office September 2015
- Ms Pamela Montgomery – completed term in office September 2015
- Prof. Dorothy Whittington – completed term in office September 2015
- Mrs Geraldine McGahey – appointed March 2016
- Mr Paul Corrigan – appointed March 2016
- Mr Jim McCall – appointed March 2016

ii. Executive Directors

- Dr Anthony Stevens, Chief Executive
- Ms Pamela McCreedy, Deputy Chief Executive & Director of Operations (appointed October 2015)
- Mr Larry O'Neill, Executive Director of Finance (retired August 2015)
- Mr Owen Harkin, Executive Director of Finance (appointed September 2015)
- Ms Olive MacLeod, Executive Director of Nursing
- Mr Kenneth Lowry, Executive Director of Medicine
- Ms Marie Roulston, Executive Director of Social Work

iii. Directors

- Mrs Clare Duffield, Director of Human Resources

Please see the Governance Statement for a full listing of other senior staff who are Divisional Directors.

A declaration of Board Members' interests has been completed and is available on request from the Chief Executive's office, Northern Health and Social Care Trust headquarters, Bretten Hall, Antrim Area Hospital, Bush Road, Antrim BT41 2RL.

Any relevant disclosures are recorded in the Trust Register of Interests and details are included in Annual Accounts Note 22 Related Party Transactions, where applicable. The executive and senior management, along with the Director of Finance have responsibility for the preparation of the accounts and the Annual Report. They have provided the auditors with the relevant information and documents required for the completion of the audit. The

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Northern Ireland Audit Office (NIAO) are responsible for the completion of the audit. The Board has confirmed that there is no relevant audit information of which the Trust's auditors are unaware. The Board are content with the quality and accuracy of the data presented to assist them in the decision making process.

Statement of Accounting Officer's 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 (FReM) 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 FReM 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 Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

The auditor for the Trust is the Northern Ireland Audit Office. The notional cost of the audit for the year ending 31 March 2016 which pertained solely to the audit of the accounts is £64,000 made up as follows, public funds £59,000 and Charitable Trust Funds £5,000.

No other non-audit services were purchased or commissioned during the year (2014/15 nil).

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Governance Statement 2015/16

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.

Compliance with Corporate Governance Best Practice

The Northern Health and Social Care Trust apply the principles of good practice in Corporate Governance and continue to further strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance Best Practice. In accordance with the 2015/16 annual plan, BSO Internal Audit carried out an audit of Integrated Governance (including dissemination of standards and guidance) within the Trust between October and December 2015. Satisfactory assurance was provided on the basis that good progress has been made towards the implementation of 51 recommendations that arose from an independent governance review undertaken by the HSC Leadership Centre in 2014. Internal Audit concluded that overall there is an adequate and effective system of governance risk management and control.

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. This was subject to independent verification through the HSC Leadership Centre. This assessment reflected significant improvements from the previous year's assessment and an action plan has been produced to take forward further improvements.

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Governance Framework

The Trust Board is the primary Governing Body of the Trust. It is constituted by the 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 2015/16, 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	7	8	
Mr S Forsythe Non Ex Director	3	3	Term expired 30/9/15
Mr J Moore Non Ex Director	7	8	
Ms P Montgomery Non Ex Director	2	3	Term expired 30/9/15
Professor Whittington Non Ex Director	3	3	Term expired 30/9/15
Mrs L Ensor Non Ex Director	7	8	
Mr B Graham Non Ex Director	7	8	
Mrs G McGahey Non Ex Director	1	1	Commenced 01/03/2016
Mr P Corrigan Non Ex Director	1	1	Commenced 01/03/2016
Mr J McCall Non Ex Director	1	1	Commenced 01/03/2016
Dr A Stevens Chief Executive	8	8	
Mrs P McCreedy Director of Operations/Deputy Chief Executive	6	8	Interim appointment May 2015 / Permanent appointment 01/10/2015
Mr L O'Neill Director of Finance	1	3	Retired 31/08/15
Mrs M Roulston Director Children Services/Ex Director Social Work	5	8	
Mrs O MacLeod	6	8	

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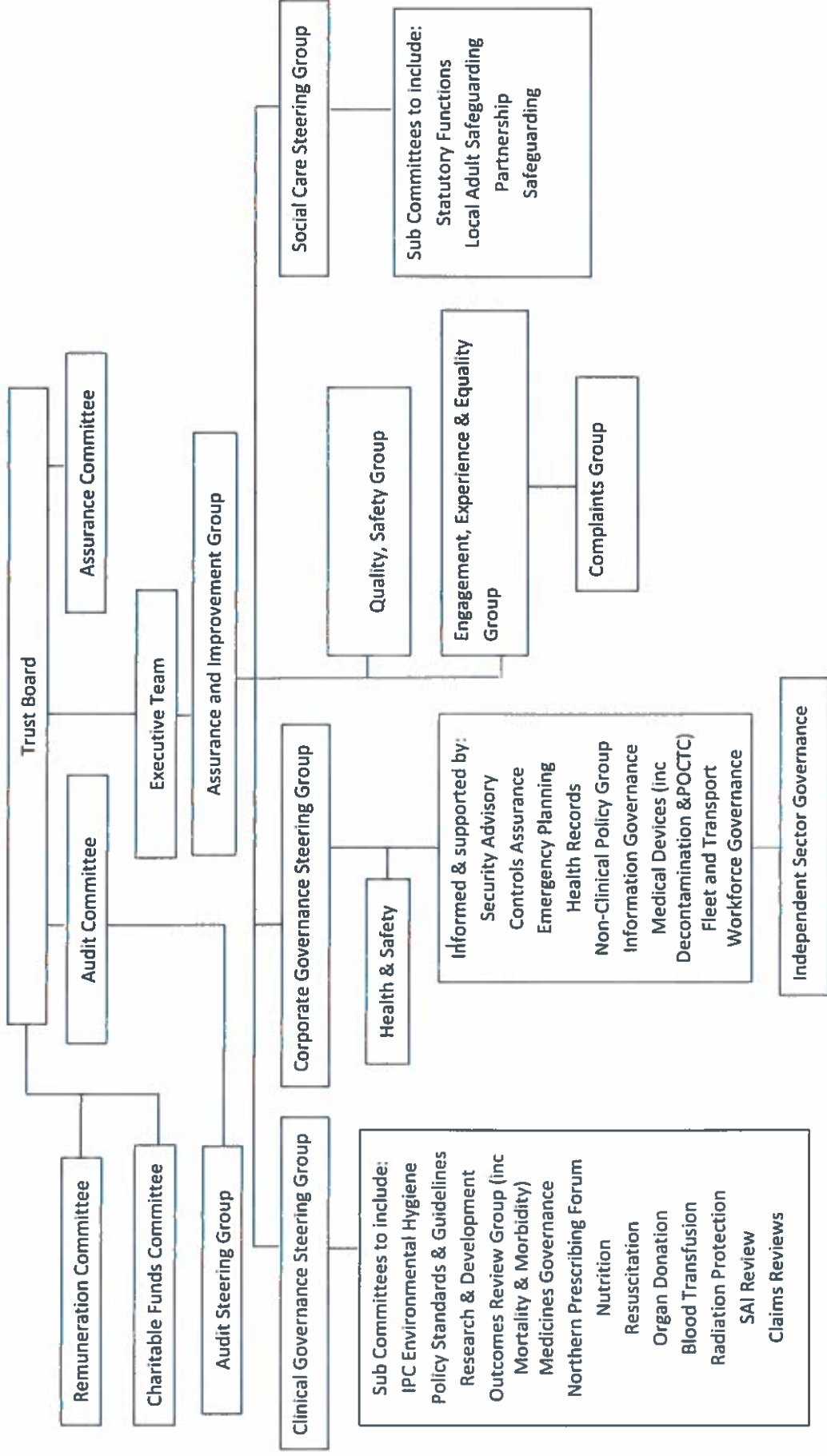
Director Nursing and User Experience			
Mrs U Cunning Director Community Care	6	8	
Mr O Donnelly Director Mental Health, Learning Disability and Community Wellbeing	8	8	
Ms B Donaghy Interim Director Strategic Development and Business Services	8	8	
Mrs W Magowan Interim Director Medicine and Emergency Medicine	4	4	Interim Director from 01/11/2015
Mrs M O'Hagan Director Acute Services	6	8	
Mrs C Duffield Director Human Resources	6	8	
Dr K Lowry Medical Director	7	8	
Mr O Harkin Director of Finance	5	5	Commenced 01/09/2015

In 2014/15, a revised 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.

A review of governance arrangements in 2014/15 recommended that the governance accountability arrangements be reviewed and the Trust Board Committee structure be revised. This process continued in 2015/16 to strengthen accountability and a revised Assurance Framework Committee Structure has been implemented.

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Assurance Framework Committee Structure



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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 and
- User Feedback and Involvement Committee.

The Assurance Group, composed of Executive and Operational Directors, continues 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 organisation's 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;

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- 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 2015/16. 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.

The Audit Committee completed the NAO Committee Checklist and an action plan was implemented to address the issues identified. The Audit Committee has produced an annual Audit Report for 2015/16.

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 three times during 2015/16.

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 Assurance Committee consists of all Non-Executive Directors and met on four occasions during 2015/16. 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

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effectively and that structures support good governance.

The Committee:

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

The User Feedback and Involvement Committee met on four occasions during 2015/16, 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

This Committee is being reconstituted from 1 April 2016, in line with the revised Assurance Framework Committee structure, under the remit of an Engagement, Experience and Equality Group. This group will report to the new Assurance and Improvement 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 2015/16, the Committee met on two occasions and reviewed and agreed revised Terms of Reference

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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 Risk Management Strategy describes the ongoing processes in place to identify and prioritise the risks to the achievement of the organisation's objectives and the systems that are in place for the identification, analysis, control and review of risks.

The Principal Risk Document highlights the key risks to the achievement of the organisation's objectives. This tool was developed to ensure there is a comprehensive method for the effective, focused identification and management of the principal risks that arise in meeting the corporate objectives. The Principal Risk Document is used to provide the Trust Board with a simple and comprehensive account of those risks identified, actions required and outstanding gaps in control. This document was last presented to the Assurance Committee in February 2016.

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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.

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. Since April 2015, four new data security breaches have been reported by the Trust to the Information Commissioner's Office (ICO). Of the four incidents reported to the ICO in the previous year (2014/15), three received a 'no further action' decision with the fourth incident resulting in an Undertaking from the ICO. The Undertaking is focused on the uptake of general Information Governance training with reference to the lack of awareness of policies and procedures relating to the reporting of Information Governance incidents. Significant work is still required in the area of Information Risk Management and Physical Security, which was highlighted as a concern during a voluntary audit by the ICO in October 2014 and a follow up review in December 2015. An internal audit conducted during 2015/16 confirmed this position. The Trust is taking this work forward collectively through an Information Governance Improvement Plan.

The Trust has identified and provided training to its Senior Information Risk Owner (SIRO), Information Asset Owners (IAO) and Information Asset Administrators (IAA). These roles continue to be developed, with a new role of Assistant Information Asset Owner (AIAO) emerging in the last year. 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 an established Information Governance Forum, which reports to the Assurance Group via the Corporate Governance Steering Group. The Information Governance Forum oversees and directs a rolling work programme that addresses a number of risk areas.

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A new work programme is being prepared for the period 2016/17 to 2018/19.

Information Governance

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

- Information Governance Awareness for all staff;
- Processing of Personal Information for Managers (POPI); and
- ICT Security training for all ICT users.

Currently 60% of Trust staff have completed the mandatory Information Governance training, with 81% of managers having undertaken the mandatory POPI Training. Attendance at this training has been prioritised within Directorates and is discussed at Accountability Meetings with the Deputy Chief Executive.

Information Governance is addressed as part of a standard approach to Information System implementation (e.g. access control, contingency planning etc).

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

The Trust has in place a number of policies that support Information Governance, 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;
- Data Quality Policy; and
- Corporate policies including Risk Management Strategy and Incident Reporting Policy.

As of March 2016, the Trust achieved substantive compliance with the Information and Communications Technology (ICT) Controls Assurance Standard and the Information Management (IM) Controls Assurance Standard. Internal Audit undertook verification on the Trust's self-assessment of the IM Controls Assurance Standard. The Trust ICT Service continues to hold ISO 270001 Accreditation.

Public and Stakeholder Involvement

The Trust is committed to Personal and Public Involvement (PPI) and has assigned responsibility for this to the Director of Operations/Deputy Chief Executive. The Trust has established an Engagement, Experience and Equality Group (EEEG) to ensure

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compliance with and mainstreaming of personal and public involvement. The EEEG 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 shape 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. During 2015/16, the Trust worked with its user and carer groups to develop a new PPI Strategy and detailed plan, which will include key performance indicators.

The PPI Annual Report was presented to the Trust Board in January 2016. This 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. In addition, 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.

The Trust also 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 to improve services for our users.

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

- Disability Consultation Panel
- Older Peoples Panel
- The Forum – for people who access 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.

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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.

Assurance

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, Assurance Committee 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.

Quality of Assurance

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

- BSO Internal Audit – through a programme of annual audits based on an analysis of risk
- Northern Ireland Audit Office – Provides an independent opinion on whether the Trust's Public Fund Accounts and Charitable Trust Funds Accounts present a true and fair view in respect of the Trust's financial activities.
- Regulation and Quality Improvement Authority (RQIA) – on the extent to which services provided by the Trusts, or those commissioned from Third party providers, comply with applicable quality standards.
- Annual BSO Assurance Letter in respect of Shared Services functions
- Social Services Inspectorate for older people and children's' services.
- Medicines and Healthcare Products Regulatory Agency (MHRA) through regular inspections and reports.
- General Medical Council (GMC), General Dental Council (GDC), NI Medical and Dental Training Agency (NIMDTA) and various Royal Colleges.

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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
- Controls Assurance Standards;
- Risk Registers;
- Board appointed committees including the Assurance Committee, Audit Committee, and the Engagement, Experience and Equality Group (User Feedback and Involvement Committee until February 2016).
- Reports from Directors at Board Meetings.

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 a recent BSO Audit (December 2015) provided satisfactory assurance of an adequate and effective system of governance.

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 2015/16.

The Organisation achieved the following levels of compliance for 2015/16:

Standard	DHSSPS Expected Level of Compliance	Trust Level of Compliance	Audited by
Buildings, land, plant and non-medical equipment	75% - 99% (Substantive)	Substantive	Self-Assessment
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	Self-Assessment
Information Communication Technology	75% - 99% (Substantive)	Substantive	Self-Assessment
Information Management	75% - 99% (Substantive)	Substantive	BSO Audit
Management of Purchasing and Supply	75% - 99% (Substantive)	Substantive	Self-Assessment
Medical Devices and Equipment	75% - 99% (Substantive)	Substantive	Self-Assessment

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Management			
Medicines Management	75% - 99% (Substantive)	Substantive	BSO Audit
Research Governance	75% - 99% (Substantive)	Substantive	Self-Assessment
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.

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 2015/16 Internal Audit reviewed the following systems:

AUDIT ASSIGNMENT	LEVEL OF ASSURANCE PROVIDED
Finance Audits:	
Payments to Staff	Limited
Non Pay Expenditure	Satisfactory
Bank and Cash	Satisfactory
Budgetary control	Satisfactory
Income	Satisfactory - Debt Management and Identification of Private Patients Limited - Provision of Health Services to Persons not Ordinarily Resident
Charitable Trust Funds	Satisfactory
Laboratory Procurement and Contract Management	Limited
Management of Estates Contracts	Limited
Client Monies & Cash and Valuables Handling in Social Services Setting	Satisfactory
Client Monies in Independent Sector (Residential Homes and Adult Supported Living Facilities)	Satisfactory
AUDIT ASSIGNMENT	LEVEL OF ASSURANCE PROVIDED
Corporate Risk Audits:	
Mental Health and Disability Services Directorate Risk Audit: Deprivation of Liberties and Admission of Patients into Acute Inpatient Mental Health beds	Satisfactory
Care Management	Limited

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Information Governance	Limited
Management of Control of Substances Hazardous to Health (COSHH)	Limited
Governance Audits:	
Review of Decontamination of Re-Usable Medical Devices	Satisfactory - Decontamination of acute reusable medical devices Limited- Decontamination of podiatry and dental reusable medical devices
Risk Management and Management of the Assurance Framework	Satisfactory
Integrated Governance (including Standards and Guidance)	Satisfactory
Whistleblowing and Fraud Processes	Limited – Fraud Satisfactory – Whistleblowing processes.

In their annual report, the Internal Auditor reported that there is a satisfactory system of internal control designed to meet the Trust's objectives for the year ended 31 March 2016.

However, limited assurance has been provided in respect of a number of areas:

- **Payments to Staff:** Limited assurance due to issues in relation to pre-employment checks; authorisation controls where the system has not been deployed; performance reporting from BSO in relation to overpayments; inaccurate payments; job plans; insufficient backup to payments; an out of date Segregation of Duties Matrix; uploads of electronic timesheets; and system issues in relation to the facility to report on activities carried out by Finance and HR staff and the transfer of approval rights to a Manager's deputy.
- **Income (Provision of Health Services to Persons Not Ordinarily Resident):** Limited assurance due to significant issues in relation to the robustness of procedures for identifying patients as being entitled to free healthcare, and issues in relation to the evidence presented and review of this.
- **Laboratory Procurement and Contract Management :** Limited assurance in relation to the lack of a signed agreement with the BHSCT for the regional service, inability to reconcile activity information, lack of formal performance reporting and review arrangements, a comprehensive register of all contracts was not in place, absence of monitoring and analysis of spend, payments made outside of contract, limited management of contracts with no Trust verification of information provided by suppliers and issues regarding informal ordering processes and lack of evidence of receipt in relation to payments made in 2014/15.
- **Management of Estates Contracts:** Limited assurance due to concerns in respect of workplace culture and relationships in the Department, roll forward and

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awarding of contracts, regularisation of contracts, validation of work, regular contract review meetings, lack of formal agreements and incomplete monitoring of spend against contract, and maintenance of the Contracts register

- Care Management: Limited assurance due to issues in relation to formal communication lines with the Office of Care and protection (OCP) in respect of Service User's finances, lack of a Memorandum of Understanding between the Trust and the OCP, and issues regarding the timeliness, completion, existence, content and reporting of care plans.
- Information Governance: Limited assurance in respect of incomplete Data Flow Mapping exercise, incomplete risk assessments, treatment of confidential waste and associated guidance, and information security and training.
- Management of Control of Substances Hazardous to Health (COSHH): Limited assurance due to issues in relation to the maintenance of a central database of all substances retained/used by Trust that may be hazardous to health, lack of a formalised COSHH training strategy/plan, and incomplete risk assessments.
- Whistleblowing and Fraud Processes: Limited assurance due to issues relating to a lack of understanding by staff of what constitutes a fraud and when it should be reported and the lack of a robust investigation process

Whilst the Non Pay Expenditure Audit had a Satisfactory assurance there was a Priority 1 finding regarding monitoring of spend against contracts. The Trust acknowledges that the area requires further development and is working with BSO PaLS to improve the process.

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, oversees 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:

- Independent Care Home
- Residents' Monies in a Residential Care Home
- Follow up on Charging and Management of a Service User
- Locum Consultant Workload
- Domiciliary Care Independent Service Provider Review

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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, Information Management, and Medicines Management are reasonable. NHSCT has met the DHSSPS requirement for substantive compliance with all five 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), Recruitment and Selection Services and Payroll Services 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 2015/16" at the date of preparing this Governance Statement. The assurance outlines a number of areas of the activities of BSO where the Chief Internal Auditor has identified weaknesses in internal controls including Payroll Shared Services, which received 'limited assurance' in an audit carried out in September 2015 and a follow up audit in March 2016. An 'unacceptable assurance' was also provided in respect of the Recruitment Shared Services Centre.

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With respect to the recruitment audit, there were significant ERecruitment system functionality issues and performance of the Recruitment Shared Service was not being effectively managed and monitored. Improvement is required in the following areas: Erecruitment system functionality; standing operating procedures; performance management; management of customer queries; information governance; and control of user access rights.

Limited assurance has repeatedly been provided in respect of the Payroll Shared Service Centre with a significant number of priority one findings and recommendations have been reported. Improvement is required particularly in the following areas: management of overpayments; authorisation and processing of manual payments; accuracy of maternity payments; variance monitoring; payroll information relating to pension calculations; and system access controls.

The Trust will continue to liaise with BSO via the relevant customer forum to ensure improvements in internal control are prioritised and that the impact on the Trust and its staff is minimised.

RQIA

Thematic Reviews

Since April 2015, the Trust has received seven final reports from RQIA Thematic Reviews, and I can confirm that all accepted recommendations have been, or are being, implemented, and action plans are monitored by the Governance Department. The reports received relate to the following:

- Review of Risk Management of Addiction Services;
- Review of Eating Disorder Services;
- Review of Acquired Brain Injury Services in Northern Ireland;
- Review of Community Respiratory Services;
- Review of Palliative and End of Life Care;
- Review of Advocacy Services for Children and Adults in Northern Ireland;
- Review of Early Years Services.

Listed below are those reviews that commenced during the 2015/16 year, for which we await the final reports:

- Review of Quality Improvement Systems and Processes;
- Review of Allied Health Profession Services in the Community;
- Review of Governance Arrangements in HSC Organisations;
- Review of Whistleblowing Arrangements in HSC Organisations;
- Review of Maternity Strategy NI
- Review of Learning Disability: Community Services – Phase 2 – Adults

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Inspections

The new unannounced Acute Hospital Inspection took place in Antrim Area Hospital in October 2015, involving three wards. There were four unannounced hygiene inspections carried out across the Trust, involving eight wards. Each inspection generates an action plan that is monitored by the appropriate Divisional Governance Team.

Failure to Comply Notices

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.

Prior Year Control Issues - closed

Turnaround and Support Team (TAST)/Reform and Modernisation

The Turnaround process for the Trust is complete and the Trusts' Reform and Modernisation Programme will now set the direction for the Trust over the next five years.

Child and Adolescent Mental Health Services (CAMHS)

The achievement of a maximum waiting time of 9 weeks for CAMH services remained challenging at the end of 2014/15. Demand for the service exceeded available capacity due to a number of issues including increased referrals and staff vacancies. A breach reduction plan was agreed with HSCB and additional service improvement actions implemented. A zero breach position has been achieved from September 2015 to February 2016, the latest available month.

Urology Services

In line with the regional review of Adult Urology Services, the Northern Trust has worked closely with the Western Trust and the Health and Social Care Board to progress the establishment of Team Northwest. Team Northwest will serve the northern sector of the Northern Trust. The Western Trust will be the host Trust with outreach to Causeway Hospital. All inpatient services will be provided solely in Altnagelvin Hospital with day surgery and outpatients provided in Altnagelvin, Causeway, and Tyrone County Hospitals. Outpatient clinics will also be held at the Roe Valley Hospital. The new team was formally established from 1st April 2016 however due to medical staff shortages in the Northern Trust it was operating in an interim capacity from December 2014. Prior to implementation this change in service delivery was consulted on in a joint collaborative process with the Western Trust.

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

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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. The recall process is now complete, with no adverse outcomes for any women identified.

Neonatal Unit, Antrim Area Hospital

The scheme for the Neonatal Unit was completed in mid-July 2015.

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. 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. The Judicial Review did not then proceed, given the service was reinstated and the Trust withdrew (with DHSSPS agreement) the temporary closure plan.

Serious Adverse Incident: Private Nursing Home

The proprietors pleaded guilty to a breach of H&S Regulations in failing to conduct an undertaking in such a way as to protect persons not in their employment from risks to their safety. The charges of Corporate Manslaughter were dropped.

Progress on Prior Year Control Issues – on-going

Performance against Departmental Objectives

Unscheduled Care

Performance against the 12-hour target at Antrim Area Hospital Emergency Department (ED) has deteriorated from 663 twelve-hour breaches for 2014/15 to 1,058 breaches for this year, a 60% increase. Causeway Hospital ED had 29 twelve-hour breaches compared to zero the previous year. Progress to the achievement of the 4-hour target has continued to challenge both acute hospitals. Performance against the 95% target from April 2015 to March 2016 has ranged from 57% to 68% at Antrim Area Hospital and between 61% and 75% at Causeway Hospital.

Across both of its type 1 EDs, the Trust has experienced a significant increase in demand: Antrim Area Hospital ED: 9% more attendances and 5% more ambulance arrivals in March 2016 compared to March 2015. Causeway Hospital ED: 11% more ED attendances and 13% more ambulance arrivals in March 2016 compared to March 2015. The increase in patient numbers and acuity has placed both EDs under

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increased pressure in which it has been difficult to ensure that patients have been able to conclude their pathway within four hours of arrival. Antrim Area Hospital in particular has a lack of bed capacity on site, which makes it more difficult to transfer patients out of ED in a timely manner.

Across the last quarters of 15/16, the Trust has been able to implement a number of reform initiatives that have been designed to ease pressure on Antrim Area Hospital ED. The new Emergency Nurse Practitioner (ENP) Self Select Stream has improved four-hour performance across the minor injury pathway by allowing patients to be seen by an ENP in the first instance, without the need to undergo the traditional process of initial nurse triage.

The clinical scope, capacity and operational hours of Antrim Area Hospital's Direct Assessment Unit (DAU) has been expanded so that the Unit can accept more unscheduled care patients - be they referred from their GP or the ED itself. Aligned to the DAU, and the wider ED, is a new 'Early Intervention Team' of Occupational Therapists, Physiotherapists and Social Workers providing a rapid seven-day assessment service to help reduce the need for patient admission.

Through the out workings of its RAMP programme, the Trust is also putting in place a number of work streams designed to improve the flow of unscheduled care patients across both Antrim Area and Causeway Hospitals. The Trust will be enhancing the assessment capacity of Antrim Area Hospital and addressing the physical limitations at Causeway Hospital. Across both sites, the Trust will be reviewing, and where necessary bolstering, the medical pathways as a means to decongest both EDs and improve the accessibility of care.

The Trust will also be putting in place steps to identify complex delay patients earlier in their unscheduled care journey, to improve the quality of care afforded to patients and reduce their inpatient length of stay.

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

Sustaining elective levels of activity in some specialties (compared to previous year) is challenging, particularly for those reliant on a small number of specialists or a single-handed consultant base. The issues continue to relate in the main to vacancies and absence, with subsequent diminished capacity of 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. Elective volumes have also continued to be affected by the unscheduled care pressures on the Trust's acute sites, given the same clinical teams deal with both elective and unscheduled activity. The Trust continues to manage its capacity on a day-to-day basis, responding to unscheduled pressures as they arise. Any decisions to defer elective patients are taken based on clinical priority.

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Demand is an overarching issue with demand being significantly higher than capacity in a number of specialties. Outpatient referrals increased by 6% in 2015/16 compared to last year. Of this increase in demand, there are an increasing number of red flag (suspect cancer) referrals who need to be seen in a much shorter timeframe, which reduces the capacity available to see less urgent patients. These issues are affecting the waiting list position. In addition, access to the independent sector to address waiting lists has only been available from the end of Q3. The additional elective access funding made available in Q3-4 has helped address long waits in a number of specialties. All efforts will be made to meet both urgent need and address longer elective waiting times.

Medical Workforce

The Trust has made a number of Consultant appointments in Obstetrics & Gynaecology, Breast Radiology, Anaesthetics and Psychiatry. At Antrim Area Hospital, a consultant neurologist post is proving difficult to fill, however the Trust is optimistic that a consultant radiology post will be filled in the near future.

At Causeway Hospital, there are still a number of consultant vacancies, which remain unfilled; these include posts in Palliative Medicine, and Care of the Elderly/Stroke. The Trust has filled two physician posts (Gastroenterology and Diabetes / Endocrinology) and one of the two vacant Emergency Medicine posts. The Trust will also advertise for a number of vacancies within Emergency Medicine; these include two locum consultants and three specialty doctors.

The challenge of populating middle grade and training grade rotas continues across a range of specialties.

Cancer Services

Having sustained 100% performance against the 14-day target between April to September 2015 the Trust experienced a dip in performance from October onwards. This was predominately within the breast service, which had a sharp increase in referrals following a public awareness campaign. The 31-day target also saw a dip from November to February 2016. Generally, this was again within the breast service.

It has not been possible to meet the 62-day cancer performance target due to increased demand, exceeding capacity in some tumour sites including breast, gynaecology, upper and lower GI, dermatology and urology. HSCB provided additional non-recurrent funding to support extra breast clinics. Recurrent investment in gynaecology has resulted in an improvement in performance over the past few months, which is set to continue. Urology performance has improved with the return of two consultants and the continued development of Team Northwest, which is on track for full implementation by April 2016. Gastroenterology is currently delivering increased volumes but suspect cancer / red flag access to endoscopy remains challenging. Additional non-recurring

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funding for endoscopy has enabled the Trust to address the demand capacity gap for red flag endoscopy, resulting in a reduction in the number of patients breaching the 62 day cancer target, however there is unlikely to be a sustained improvement until the capacity/demand gap is addressed recurrently. Dermatology performance has been impacted by capacity issues in the Belfast Trust Plastic Surgery Service; work is on-going with the Belfast Trust and PHA to address this.

The number of red flag cases presenting at referral continues to increase requiring on-going adjustment of clinical and treatment templates to allow for additional capacity for these urgent referrals. This also has an impact on routine elective waits.

Allied Health Professional (AHP) Services

AHP services have worked with HSCB and PHA in year to agree the extent of recurrent elective AHP capacity gaps. It has been acknowledged that there is a recurrent gap in Physiotherapy and Dietetics services. When formally agreed this information will inform the setting of the elective element of AHP SBA volumes.

At end of year Podiatry, Dietetics, Orthoptics and Paediatric SLT services are meeting the PfA access target of 13 weeks.

Within the last quarter, some non-recurrent funding was approved for a few services to assist with improving their elective waiting list position. Numbers waiting and waiting times for Occupational Therapy remain high but have shown significant improvement due to the additional non-recurrent investment to address the waiting list.

However, numbers waiting and waiting times for Physiotherapy and Adult SLT have increased. Short term non recurrent funding has not addressed these increases as significant recruitment to short term temporary posts has not proved possible and longer term solutions are necessary (i.e. additional posts in Physiotherapy and a long term Service Improvement Plan in SLT).

Although there have been recruitment challenges, Dietetic services have been able to utilise the majority of short term funding they secured to address review waiting lists and there has been a significant improvement in waiting time for review.

Control of Infection: MRSA/CDIFF

The 2015/16 year was challenging for Infection Prevention and Control (IPC) and the Priority for Action targets for Healthcare Associated Infections (HCAI). A further increase in demand led to over-occupancy with additional beds and wards being opened, reduced nursing staff levels, increased turnover of patients and the loss of the recommended bed spacing between patients advised for the control of spread of HCAs. For a number of years the IPC team have set internal targets for HCAI based on activity and occupancy within the Trust to achieve in addition to those set in the Ministerial Priorities for Action (PfA). Last year, for the first time, the Trust met the PfA

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target for C difficile infection in patients over the age of 2 years (59 cases against a target of 59). When compared to the internal target, the incidence of C difficile infection came in under target with a rate of 23.26 cases per 100,000 occupied bed days (target 24.32 per 100,000 OBDs). We were the only Trust to achieve this as there was a regional increase in incidence across Northern Ireland during last year.

With regards MRSA bloodstream infections the Trust's performance fell short of the target set for us. In the 2015/16 year there were 21 cases of MRSA bloodstream infection against a target of 10. The IPC team review every case of HCAI within the Trust both at the time and with a post-infection review with senior management involvement. The information gathered from this exercise has shown that, of the 21 cases described, 17 of these were symptomatic of infection on admission to the Trust from the community. Under our local case definitions all of these 17 cases are attributed to the Trust but it is worth noting that in other areas these would be classed as community-associated infections and would not be attributed to hospitals. The remaining 4 cases that occurred within the year would be comparable to the corrected number in the last 4 years when set against the same definitions. Whilst this offers some reassurance, in the forthcoming year we plan to explore projects to strengthen and increase Infection Control practices within the Trust and, in particular, at the interface between primary and secondary care to drive our low rates of HCAI towards the minimum possible.

Whistleblowing

During the year 2015/16, an audit of Whistleblowing and Fraud Processes was undertaken by Internal Audit and the Trust received 'satisfactory assurance' reflecting the progress made during the past year in this area. As part of the action plan developed for Whistleblowing, we have started to deliver a training programme to our managers on 'Whistleblowing'. A pro-forma has also been developed which provides for both Divisional and Executive Directors to give assurance to the Trust that any issues of concerns reported have been investigated, dealt with appropriately and lessons learned shared. To date this year a total of 4 concerns have been raised anonymously (or have requested anonymity) via the Whistleblowing Policy; of these 2 remain live and 2 have been concluded. Following the Donaldson review the RQIA is carrying out a regional review of Whistleblowing within HSCNI. This has involved carrying out a Trust-wide survey and RQIA and Public Concern at Work (PCAW) facilitating a number of focus groups on Whistleblowing. While we have made significant progress in this area, we continue to review and develop our procedures and practices in relation to Whistleblowing through our action plan.

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

A follow up Internal Audit review was undertaken in December 2015. This found that 67% of recommendations were fully implemented and 98% were either fully or partially

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implemented. It is planned that full implementation will be achieved early in 16/17. A Memorandum of Understanding with the Office of Care and Protection and the Official Solicitors Office is being developed and staff training regarding responsibilities for, and protection of, client's finances continues.

Child Sexual Exploitation (CSE) / Children going missing

The Trust continues to contribute to the regional working groups tasked with implementing the recommendations of the Marshall Report. The Trust will also contribute to the regional and local actions required to address the findings of the Thematic Review report. The Trust has well established monthly CSE meetings for senior managers and quarterly CSE meetings with PSNI, Youth Justice Agency and the Education Authority 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 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 Trust supported the Safeguarding Board Northern Ireland (SBNI) in completion of the Thematic Review of the Operation Owl cases and continues to contribute to the regional group tasked with implementing the recommendations set out in the Marshall report.

The Trust's monthly CSE meetings for senior managers and quarterly CSE meetings with PSNI, Youth Justice Agency and the Education Authority continue 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 is currently developing a Champions Model for CSE in which one or more staff in each front line team will receive additional training and support to act as a

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mentor for their colleagues on CSE issues. The Senior Practitioner has also developed CSE guidance that will shortly be placed on the Safeguarding Children page of the Trust's Staffnet.

In March 2016, the Trust and PSNI held a joint workshop re CSE issues. This highly successful event was attended by 140 people from a variety of agencies and included extremely helpful insights from an adult survivor of CSE as well as contributions re: recent developments in respect of local services tackling CSE.

The Senior Practitioner for CSE continues to be co-located 2 days per week with PSNI colleagues to help ensure close inter-agency working.

The caseload pressures faced by Family & Childcare Social Workers militates against best efforts to establish and maintain the long-term working relationship required to gain the trust of vulnerable young people in the context of CSE in particular.

Since November, 2015, the Rowan Sexual Assault Referral Centre has become an integral part of the Women, Children, and Families Division and continues to be highly regarded as Northern Ireland's Sexual Assault Referral Centre.

Staff Appraisal

For the year 2015/16 the Trust was set a Departmental target of 80% in relation to appraisal compliance. 77% of staff (not including medical and dental) have had an annual appraisal and agreed Personal Development Plan in 2015/16. This is compared to 75% compliance as at the end of March 2015. Where progress in compliance has not been consistent, targeted action is being taken to address this with Directorates. We are continually striving to improve the integrity of compliance data and have been working to identify how compliance reporting could be provided electronically rather than continuing with the current labour intensive manual process. It is anticipated that in the next year reporting will be progressed to a level where we will produce more accurate and timely information relating to appraisal compliance.

Staff Absence

The Regional Attendance Framework was reviewed and signed off by Trade Unions and HR Directors. The Trust was set a target by DHSSPS of improving cumulative absence by 2.5% giving us a target of 7.35% cumulative absence for 2015/16 which was achieved by the Trust reducing the average days lost per member of staff by 0.34 days in 2015/16. Our Managing Attendance Protocol has been revised in order to simplify arrangements for managing attendance and reduce unnecessary referrals to Occupational Health Service in order to free up clinical time to focus on priority absences. We continued to provide additional support to Manager through a new Managing Attendance Toolkit and further Guidance for Managers in the areas of supporting staff involved in potentially traumatic incidents at work and musculoskeletal conditions. Master classes on attendance management were introduced.

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In addition to Directorate case management meetings for complex cases of sickness absence, Business Partners, Occupational Health Service and Human Resources have been working with high absence sections to review systemic issues in services.

During the year, the Trust also undertook a review of management arrangements for the Occupational Health Service.

Human Resource, Payroll, Travel and Subsistence (HRPTS)

Significant progress was made over the year 2015/2016 in deploying HRPTS with all those staff being deployed to where the infrastructure allows. Deployment equates to 61% of the total staffing headcount now having access to HRPTS. A pilot was undertaken on the Holywell site to allow 300 staff to access HRPTS, once they had received their basic IT skills training. This was the first stage in addressing the issue of restricted deployment due to the limitations of the current ICT infrastructure. Further deployment will need to be supported by capital and revenue funding in order to progress. Manual payslips were switched off for those staff deployed to in a bid to optimise system usage and realise savings. A Benefits Realisation Plan was developed identifying a number of work streams to support and embed 'Business as Usual' processes and to progress the functionality of the system. Work is on-going both at local and regional levels in a number of areas to support these 'Work streams' and to start to realise the benefits of the system.

Estates Services

The Trust reported last year on investigations being undertaken as a result of a whistleblowing allegation and a resulting Internal Audit Report (January 2014), identified over 70 recommendations primarily concerned with the weaknesses in controls exercised over the use of contractors, procurement, private work by Estates staff, and health / safety issues. In March 2014, the Trust commissioned an Independent Review and has since taken forward actions to address the recommendations of the reports. A follow up Audit was undertaken and reports made to the Audit Committee. Positive progress has been noted with majority of actions from the original audit now complete.

A business case for the provision of response maintenance services was completed recommending a tender process. That is now substantially completed; the new providers selected are due to start 1st April 2016. There is a need to strengthen the Estates Service leadership through the permanent appointment of the Head of Estates post and further team development is required.

Serious Adverse Incident – spillage of liquid drain solvent and chemical spillage

Further to the occurrence of these Serious Adverse Incidents, Internal Audit has audited 23 sites/wards including the Estates Services to ensure appropriate management of substances hazardous to health. Internal Audit have confirmed a Limited Assurance and identified three Priority 1 weaknesses with respect to the availability of inventory lists, incomplete assessment of all substances (12% of those reviewed) and availability

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of Substance Material Datasheets. An action plan and system of review/audit have been put in place in respect of COSHH.

Health and Safety Risk Assessment

As a further step to improve health and safety management a tool to support General Risk Assessment and a Risk Management Audit and Assessment Tool (RAANT) have been developed for implementation throughout the Trust. Staff training in the use of the General Risk Assessment Tool (GRANT) has commenced. The Trust intends to have all GRANT assessments completed by March 2016. Implementation of RAANT is planned for April 2016.

Agenda for Change (AfC)

The Trust continues to calculate and pay the AfC arrears due to staff. Significant progress has been made in 2015/16 to finalise the process, however some arrears still remain to be calculated and paid. The Trust will continue to reduce the outstanding amount in 2016/17.

Joint Advisory Group (JAG) Accreditation

Following the removal of JAG accreditation in 2015, the Trust has agreed a two tier approach with the Joint Advisory Group to address the non-compliant standard. JAG advised that the Trust access waiting times for surveillance patients must be reduced to 18 weeks by the end March 2016 with a 9 week access date to be set at a later date. The Trust is on track to deliver 18 weeks. A JAG visit is scheduled for June 2016. The bowel cancer screening programme continued to be delivered as normal during this period as the PHA were satisfied that the non complaint standard was not directly relevant to the screening programme.

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. The DHSSPS issued clarification guidance to Trusts on the 27th November 2015 in respect of this issue. The NHSCT continues to work through the implications of this guidance within supported living schemes.

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 DHSS has set a Prompt Payment target of 95%. The achievement of this is dependent both on procedures within BSO Accounts Payable Shared Services and

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appropriate action by the Trust's nominated purchasers and approvers. Although the Trust did not meet this target in 2015/16, the performance improved significantly from 84.3% in 2014/15 to 92.0% in 2015/16. The Trust will continue to liaise with BSO Payments Shared Service Centre and Trust managers to endeavour to meet this duty.

New Control Issues

Paediatric Autism Service

The Trust's Paediatric Autism Service has experienced a sustained growth in waiting times for new referrals starting the diagnostic process. The number of new referrals continues to increase and the service has also experienced significant reduction in staff levels. The Trust is working with HSCB regarding its position and has escalated recruitment to vacant posts.

BSO Recruitment Shared Services Centre (RSSC)

Deployment of the E-recruitment solution of HRPTS was undertaken during the year 2015/16 and is now live. The subsequent handover of recruitment activity and files to RSSC (not including medical and executive recruitment) has taken place. This has presented a number of challenges both internally in terms of using e-recruitment within HRPTS and service delivery from RSSC. In an effort to address these challenges, the Trust has identified HRPTS champions in each directorate who provide user support to managers and we are running HRPTS 'clinics' for managers. We also continue to work with our RSSC colleagues to address identified service delivery issues and embed the KPI's originally agreed between both parties. BSO RSSC have initiated a recovery plan to address the issues.

Psychological Therapies

There continues to be challenges in achievement of the Psychological Therapies 13 week access target. This has been impacted by three separate services.

The Psychology Therapy Service for people with mental health difficulties (PTS) has breached throughout the year due to a shortfall in capacity to meet the level of demand. The service is demonstrating an improvement following work with referral sources (community mental health teams) and investment from HSCB, which has enabled locum staff to deliver a waiting list initiative. Performance in this area has therefore improved toward year end as a result of this temporary additional capacity. However, demand continues to outstrip capacity and without additional investment in this area, it will not be possible to deliver against NICE Guidance in a timely way in keeping with the PfA target.

Clinical health psychology and psychology services for people with a learning disability are also in breach. However, this is due to temporary loss of capacity (associated with delays in recruitment, sick leave and maternity leave). It is likely the position will

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continue to deteriorate somewhat until all capacity is back in place. Breaches of the 13 week waiting list target will reduce when all vacant posts are filled; as typically the capacity within these two services has been sufficient to meet the demand.

Diagnostic Waits

Diagnostic demand continues to exceed capacity despite on-going delivery of SBA volumes across all modalities. Responding to demand in unscheduled care has taken precedence over routine elective care and as a result, waiting times for some diagnostic imaging have lengthened considerably. Non-recurrent elective access funding has been made available to in year to help address the capacity gap in MRI, CT, USS and echocardiography and further investment is anticipated in 2016/17. Recurrent funding has also been provided from Q4 2015/16 for unscheduled access / 7 day working. Efforts to date to recruit three consultant radiologists, including a European wide trawl, to support this have however been unsuccessful to date. Future performance will be dependent on whether demand continues to rise and the ability to recruit appropriately qualified staff on a timely basis.

Information Governance Incidents Reported to the Information Commissioner

Since April 2015, four new data security breaches have been reported by the Trust to the Information Commissioner's Office (ICO). Of the four incidents reported to the ICO in the previous year (2014/15), three received a 'no further action' decision with the fourth incident resulting in an Undertaking from the ICO. The Undertaking is focused on the uptake of general Information Governance training with reference to the lack of awareness of policies and procedures relating to the reporting of Information Governance incidents.

Nurse Recruitment and Retention

Increasingly the availability of registered nurses seeking employment has reduced resulting in challenges recruiting to fill permanent and temporary vacancies, particularly in core acute services. Controls are in place to optimise co-ordination of the available nursing resource and a risk assessed approach is used during periods of surge in activity or during periods of duty when staffing levels fall outside of normative staffing. In addition there is a rolling advertisement and recruitment panels scheduled weekly to prevent delays and promote recruitment in the context of a regional shortage of registered nurses. The Trust has increased secondments to the Open University nursing programme and worked in partnership with colleagues regionally in an international recruitment programme.

Serious Adverse Incident – Choking

A Serious Adverse incident was reported to HSCB in early 2015 involving a patient, who died following an episode of choking. Following an initial investigation, a further Level 2 SAI investigation was completed and shared with HSCB and Health and Safety Executive Northern Ireland (HSENI). The HSENI are in the process of undertaking an investigation. NHSCT staff involved in feeding patients have received written and

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verbal information regarding dysphagia and use of texture modified diets. Leaflets are also available on the Trust Intranet. This guidance is supplemented with the on-going roll out of targeted awareness training.

Serious Adverse Incident – Paediatric

Following the unexpected death of a child, a Level 3 Serious Adverse Incident Investigation was commissioned and is now complete. The Level 3 Investigation Report has been shared with the family and an action plan developed. Following an initial significant event audit, a gap in control was identified and the introduction of the Paediatric Regional Early Warning System was expedited. This is now in place, with the necessary supporting training.

Serious Adverse Incidents

The Trust is carrying out 2 further Serious Adverse Incident Investigations where external expertise has been acquired to progress.

One of these related to a patient who died following arrival at the Emergency Department by ambulance. It was found that there were no clinical notes, hospital labels or observations recorded as a formal triage had not been completed. The patient deteriorated and died later. A number of recommendations have subsequently been developed and agreed. These include a formal process for the handover of patients arriving by ambulance, a review of the tasks and roles of the Triage Nurses and improved processes for the flow of patients through the ambulance triage area to the clinical area.

The second incident relates to a neo-natal death. This incident has been referred to another Trust and a Senior Midwife and Consultant Obstetrician have been identified who will complete an independent level 2 SAI.

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 2015/16.

Signature of Accounting Officer and date of signature



**Dr Anthony Stevens
Accounting Officer**

9/6/16

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Remuneration and Staff Report

Remuneration Report

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 Billy Graham
Dr Carol Ackah

The Remuneration Committee met three times during the financial year 2015/16 to consider the performance assessment of all Trust Senior Executives, to approve the work objectives of the Chief Executive and Executive Directors of the Trust for the 2016/17 year and to approve the salaries of new Executive 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 2015/16 were employed on the DHSSPS Senior Executive Contract. The contractual provisions applied are those detailed and

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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 certified in February 2015 and is used in the 2015/16 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.

The Trust has implemented a Voluntary Exit Scheme for 2015/16 which allows for payment of up to 21 months' pay depending on service.

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Senior Employees' 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	2015-16				2014-15				2015-16						
	Salary £000s	Bonus/ Performance Pay £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000)	Total £000s	Salary £000s	Bonus/ Performance Pay £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000)	Total £000s	Real Increase in pension and related lump sum at age 60 £000s	Total accrued pension at age 60 and related lump sum £000s	CETV at 31/3/15 £000s	CETV at 31/3/16 £000s	Real increase in CETV in £000s
Non Executive Members															
R McCann	25-30	0	0	0	25-30	25-30	0	0	0	25-30	0	0	0	0	0
C Ackah	5-10	0	0	0	5-10	5-10	0	0	0	5-10	0	0	0	0	0
J Moore	5-10	0	0	0	5-10	5-10	0	0	0	5-10	0	0	0	0	0
W Graham (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10	0	0	0	0	0
L Ensor (2)	5-10	0	0	0	5-10	5-10	0	0	0	5-10	0	0	0	0	0
S Forsythe (3)	0-5	0	0	0	0-5	5-10	0	0	0	5-10	0	0	0	0	0
P Montgomery (4)	0-5	0	0	0	0-5	5-10	0	0	0	5-10	0	0	0	0	0
D Whittington (5)	0-5	0	0	0	0-5	5-10	0	0	0	5-10	0	0	0	0	0
P Corrigan (6)	0-5	0	0	0	0-5	0	0	0	0	0	0	0	0	0	0
J McCall (7)	0-5	0	0	0	0-5	0	0	0	0	0	0	0	0	0	0
G McGahey (8)	0-5	0	0	0	0-5	0	0	0	0	0	0	0	0	0	0

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Name	2015-16				2014-15				2015-16						
	Salary £000s	Bonus/ Performance Pay £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000)	Total £000s	Salary £000s	Bonus/ Performance Pay £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000)	Total £000s	Real increase in pension and related lump sum at age 60 £000s	Total accrued pension at age 60 and related lump sum £000s	CETV at 31/3/15 £000s	CETV at 31/3/16 £000s	Real increase in CETV in £000s
Executive Members															
K Lowry (9)	185-200	0	0	0	195-200	40-45	0	0	250	290-295	N/A	N/A	N/A	N/A	N/A
T Stevens (10)	180-185	0	0	56	240 - 245	120-125	0	0	188	310 - 315	2.5 to 5 + lump sum 10 to 15	75 to 80 + lump sum 230 to 235	1634	1775	83
M O'Hagan	80 - 85	0	0	17	95 - 100	85 - 90	0	0	47	135 - 140	0 to 2.5 + lump sum 0 to -2.5	30 to 35 + lump sum 90 to 95	530	564	14
O Donnelly	80 - 85	0	0	40	120 - 125	75 - 80	0	0	30	105 - 110	0 to 2.5 + lump sum 5 to 10	35 to 40 + lump sum 110 to 115	738	812	49
C Duffield (11)	80 - 85	0	0	20	100 - 105	45 - 50	0	0	16	50 - 55	0 to 2.5 + lump sum 0	2.5 to 5 + lump sum 0	17	31	13
U Cunningham	75 - 80	0	0	28	105 - 110	75 - 80	0	0	15	90 - 95	0 to 2.5 + lump sum 2.5 to 5	30 to 35 + lump sum 95 to 100	631	689	36
O Macleod	70 - 75	0	0	9	80 - 85	70 - 75	0	0	13	85 - 90	0 to 2.5 + lump sum 2.5 to 5	15 to 20 + lump sum 50 to 55	330	359	18
M Roulston	70 - 75	0	0	8	80 - 85	75 - 80	0	0	14	85 - 90	0 to 2.5 + lump sum 0 to 2.5	25 to 30 + lump sum 85 to 90	594	633	17
B Donaghy (12)	70 - 75	0	0	24	95 - 100	55 - 60	0	0	0	55 - 60	0 to 2.5 + lump sum 2.5 to 5	30 to 35 + lump sum 90 to 95	532	578	28
P McCreedy (13)	65 - 70	0	0	17	85 - 90	0	0	0	0	0	0 to 2.5 + lump sum 0	5 to 10 + lump sum 0	73	88	13
O Harkin (14)	50 - 55	0	0	44	95 - 100	0	0	0	0	0	2.5 to 5 + lump sum 0	45 to 50 + lump sum 0	484	531	31
L O'Neill (15)	35 - 40	0	0	0	35 - 40	90 - 95	0	0	39	130 - 135	N/A	N/A	N/A	N/A	N/A
H Magowan (16)	25 - 30	0	0	39	65 - 70	0	0	0	0	0	2.5 to 5 + lump sum 5 to 10	20 to 25 + lump sum 30 to 35	320	369	38
J Hunter (17)	25 - 30	0	0	-10	15 - 20	40 - 45	0	0	0	40 - 45	0 to -2.5 + lump sum 0 to -2.5	40 to 45 + lump sum 130 to 135	917	943	-6
G Furness (18)	0	0	0	0	0	80 - 85	0	0	0	80 - 85	N/A	N/A	N/A	N/A	N/A
M Sloan (19)	0	0	0	0	0	90 - 95	0	0	33	125 - 130	N/A	N/A	N/A	N/A	N/A
D McAlister (20)	0	0	0	0	0	25 - 30	0	0	0	25 - 30	N/A	N/A	N/A	N/A	N/A
P Cummings (21)	0	0	0	0	0	20 - 25	0	0	0	20 - 25	N/A	N/A	N/A	N/A	N/A
M Crilly (22)	0	0	0	0	0	10 - 15	0	0	0	10 - 15	N/A	N/A	N/A	N/A	N/A
E Brownfees (23)	0	0	0	0	0	5 - 10	0	0	0	5 - 10	N/A	N/A	N/A	N/A	N/A

ACCOUNTABILITY REPORT

Senior Employees' Remuneration - Notes

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 21/07/2014. Estimated full year salary £5 - £10K.
- (2) Commenced 21/07/2014. Estimated full year salary £5 - £10K.
- (3) Left 30/09/2015. Estimated full year salary £5 - £10K.
- (4) Left 30/09/2015. Estimated full year salary £5 - £10K.
- (5) Left 30/09/2015. Estimated full year salary £5 - £10K.
- (6) Commenced 01/03/2016. Estimated full year salary £5 - £10K.
- (7) Commenced 01/03/2016. Estimated full year salary £5 - £10K.
- (8) Commenced 01/03/2016. Estimated full year salary £5 - £10K.
- (9) Commenced 05/01/2015. Estimated full year salary £195 - £200K. No CETV shown as Normal Retirement Age attained.
- (10) Commenced 01/08/2014. Estimated full year salary £180 - £185K.
- (11) Commenced 01/09/2014, estimated full year salary £80 - £85K.
- (12) Acting up to Director post from 03/7/14. Estimated full year equivalent salary £70-£75k.
- (13) Seconded from SEHSCT from 01/05/2015 until date of commencement with Trust 01/10/2015. Estimated full year salary £80 - £85K.
- (14) Commenced 01/09/2015. Estimated full year salary £85 - £90K.
- (15) Left 31/08/2015. Estimated full year salary £90 -£95K.
- (16) Commenced Directorship 01/11/2015. Estimated full year salary £65 - £70K.

ACCOUNTABILITY REPORT

(17) Ceased GP Medical Directorship 01/12/2015. Estimated full year salary £40 - £45K. Pension information relates to full year.

(18) Directorship ceased 04/01/2015. Estimated full year salary £150 - £155K.

(19) Directorship ceased 09/03/2015. Estimated full year salary £95 - £100K.

(20) Left 31/07/2014. Estimated full year salary £80 - £85K.

(21) Left 31/05/14. Pension details reported by HSCB. Estimated full year equivalent salary £135-£140k.

(22) Acting up to Director post from 24/05/2014 to 31/07/2014. Estimated full year salary £70 - £75K.

(23) Acting up to Director post from 1/8/14 until 31/8/14. Estimated full year equivalent salary £70-£75K.

ACCOUNTABILITY REPORT

People

Our community of staff continue to give of their best to deliver services to our patients and clients in pursuit of our vision and living our values. Importantly our people, as our greatest asset are a key strand for our reform and modernisation programme. Our RAMP People strand has the following work streams:

- Developing and delivering a strategy for communication and engagement with our partner organisations and our community;
- Cultural change through employee engagement and great leadership;
- Skills, learning and development requirements;
- Workforce governance and planning; and
- Embedding HR Business Partners to support and ensure a more structured approach to the Trust's change processes impacting on people

RAMP recognises the need for a systematic approach that creates a culture of support, development, empowerment and high performance which focuses on the needs of patients and service users. However, we will only deliver on our vision through great leadership and effective employee engagement. Achieving the necessary cultural change to enable us to flourish as an organisation means putting the emphasis on teams and individuals and how they perform.

We are determined that the Trust will be seen as a great place to work and we have now developed an employee engagement model. It recognises the fundamental importance of the employee-manager relationship in the modern workplace environment. Today's managers must be excellent coaches and motivators. Not only must they be able to identify the unique talents of every individual within their teams, they must also ensure that those talents are best utilised in line with organisational values. That will result in employees doing what they do best, to assist the Trust in achieving its strategic objectives. It means creating the right conditions for people to perform to the best of their ability, to feel that they have a voice and that their opinions count and importantly, providing the required encouragement.

How we as an organisation provide the conditions for our people to grow and develop will be the subject of a review that we intend to carry out in the forthcoming year. We currently have an established suite of programmes ranging from induction for new employees to top leader development. However we have a duty to ensure that all of our provision remains fit for purpose and in each case, provides the appropriate emphasis. The need for a blended approach to learning and development which takes account of the needs of individuals and the demands of a busy operating environment means ensuring that our content and our means of delivery and interaction are cutting edge.

We will continue to embed our Vision and Values over the coming months and years. We have introduced a programme of 'Value Based' recruitment based on a framework of associated value based core behaviours to help ensure the Trust has the right workforce, with the right skills, and values, to support effective team working and deliver excellent patient and client care and experience.

ACCOUNTABILITY REPORT

Leadership Conference and Chairman's Awards Ceremony

The Trust held its annual Leadership Conference and Chairman's Awards Ceremony on 4 November 2015. This was a highly successful event, attended by approximately 150 leaders at all levels. It provided an opportunity for reflection prompted by thought provoking guest speakers, showcasing and sharing best practice in many services throughout the Trust and recognising outstanding staff and team contributions. Most importantly we were privileged to have two of our clients, who have been receiving services, address our leadership community and this was one of the highlights of the conference.

Our awards were aimed at recognising and rewarding our staff who work tirelessly to deliver high quality, effective and innovative services for the benefit of our service users. These are part of our developing Recognition approach for our staff. The reward categories were based on our Vision and Values, continuing the theme that everything we do is about delivering excellent integrated services in partnership with our community and how we do it is about our values of compassion, openness, respect and excellence. The categories were; best Partnership working, best example of Integrated Services, best Quality Improvement Initiative and most Effective Team Awards together with a Special Recognition Award for an employee who clearly demonstrates and 'lives' our values. We received 96 entries in total from our directorates.

The 2015 HSC Staff Survey was launched on 19 October 2015 and was open to all staff to complete either on-line or by post. Almost 4,000 of our staff responded to the survey. NHST was ranked 2nd amongst the five service delivery Trusts in this respect. The Trust is committed to implementing action plans based on feedback from the survey and this will provide a key baseline for action planning and benchmark for us as we move forward with the people stream of RAMP. We would wish to thank our Trade Union/Professional Association colleagues both locally and regionally for supporting and encouraging staff to respond to the survey.

We have developed a new Health and Wellbeing strategy with a focus on four key areas – Psychological Services, Musculoskeletal conditions, Smoking Cessation and Obesity. The two main reasons for sickness absence within the Trust continue to be in respect of psychosocial and musculoskeletal conditions. A new Smoke Free policy became operational with effect from 9 March 2016. A Health & Wellbeing / Attendance Management Action Plan for 2015/16 was agreed by Executive Team to support a reduction in absence and associated direct sickness absence costs.

As a significant employer in our local communities and across the region the Trust has had 1,903 vacancies in 2015/16 across a variety of positions. Due to regional and national shortages and pressures to recruit both medical and nursing staff we are exploring more creative solutions, for example, a rolling recruitment campaign for nurses, international recruitment and delivery of services in partnership with neighbouring Trusts to more effectively use resources.

ACCOUNTABILITY REPORT

Having deployed the Human Resources, Payroll and Travel System (HRPTS) to all of those staff within scope (approximately 7,100 staff), during the year, we implemented the new recruitment module of the system closely followed by the transition of recruitment services to a Shared Services Centre. This has been a very challenging year for our managers and staff as they have adapted to the new technology and new service providers both for payroll and recruitment and we have worked hard to stabilise and support our managers in the difficult transition. Colleagues in the Business Services Organisation are working to improve service standards to meet specification.

We are now focused on releasing efficiencies and benefits from the Business Services Transformation Project (BSTP) – an example of this in the past year has been the cessation of the printing and posting of paper payslips resulting in significant savings.

We would wish to recognise the dedication and commitment of those staff impacted by the move to shared services both in our Recruitment and Finance teams. In addition we would wish to acknowledge the support and patience of our managers and staff as the new systems and services bed down.

We value the importance of and are pleased to have an on-going productive and positive working relationship with Trade Union / Professional Association partners. We have implemented a HR business partner model to work closely with operational colleagues to lead and promote workforce development, support employee engagement and to ensure that HR strategy and interventions align and support the delivery of RAMP.

Investment in 'our People' continues with a large portfolio of skills development, workshops, master classes and leadership and development programmes being offered to all levels.

Performance against Key Targets 2015/16

Indicator	DHSPPS Target for year ending March 2016	Performance in Year Ending 31 st March 2016
Sickness Absence	7.35%	7.35%
Appraisal	80%	77%
Flu Vaccination	30%	33%

ACCOUNTABILITY REPORT

Equality and Diversity

The Trust is committed to equality and diversity in the workplace and has in place a number of policies to support this position:

Equality of Opportunity in the Workplace – this policy sets out the Trust's position as above and outlines the requirement for all employees to abide by the policy.

Joint Declaration of Protection – a joint management and union agreement which recognises the moral and statutory responsibilities placed on the Trust and trade unions under the relevant legislation and declares that the Trust and the trade unions fully accept that discrimination or victimisation in employment is unacceptable behaviour and is unlawful under the equality legislation.

Working Well Together Policy – promotes positive interpersonal behaviour and a harmonious working environment.

Policy on the Management of Harassment – aims to prevent harassment in the workplace on any of the equality grounds, provides guidance to resolve any problems should they occur and prevent recurrence.

Staff Policies applied to disabled persons include:

Employment of People with Disabilities which gives full and fair consideration to applications for employment by the Trust made by disabled persons having regard to their particular aptitudes and abilities.

Reasonable Adjustment - Guidelines for Managers – provides and gives guidance in relation to continuing the employment of, and for arranging appropriate training for, employees of the Trust who have become disabled persons during the period when they were employed by the Trust.

Flexible Working / Work- life balance

The Trust recognises that many employees strive to balance work responsibilities with other home responsibilities and provides a number of vehicles which aim to support employees to achieve this balance. These include:

Flexible Working – A guide for managers – collates these mechanisms into one guide and includes career breaks, job sharing, part-time working compresses working time etc. The guide also sets out a number of special leave options to assist employees in their work-life balance such as, emergency leave for carers, time off for dependents and parental leave etc.

Flexi- time scheme – designed to allow employees, subject to eligibility and the needs of the service, greater freedom to organise their working hours. It allows employees to build up and 'bank' extra time to be taken at a mutually convenient time later.

ACCOUNTABILITY REPORT

Staff Benefits

The Trust endeavours to ensure that staff are effectively deployed to improve the safety and responsiveness of our services. In addition to a number of Human Resource employee related schemes, the Trust provides taxable benefits to staff through a number of salary sacrifice schemes, as follows:

- Childcare vouchers
- Cycle to work scheme
- Private car lease scheme.

In addition to providing direct financial benefits for staff through reduced taxation, these schemes aim to promote general overarching benefits in terms of enhancing the general health and wellbeing of staff.

Staff Costs

Staff costs comprise:	2016 Permanently employed staff £000s	2016 Others £000s	2015 Total £000s	2015 Total £000s
Wages and salaries	324,539	16,602	341,141	337,157
Social Security costs	21,627	0	21,627	22,221
Other pension costs	41,238	0	41,238	33,443
Sub-total	378,404	16,602	404,006	392,821
Capitalised staff costs	552	47	599	730
Total staff costs reported in Statement of Comprehensive Expenditure	386,852	16,555	403,407	392,091
Less recoveries in respect of outward secondments	2,831	0	2,831	2,950
Total net costs			400,576	389,141
Total net costs of which:			£000s	£000s
Northern HSC Trust			400,109	389,107
Charitable Trust Fund			39	34
Consolidation Adjustments			0	0
			400,148	389,141

Staff Costs exclude £599K charged to capital projects during the year (2015 £730K)

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 is used in the 2015-16 accounts.

ACCOUNTABILITY REPORT

HSC Pension arrangements

Pension benefits are administered by BSO HSC Pension Service. Two schemes are in operation, HSC Pension Scheme and the HSC Pension Scheme 2015. There are two sections to the HSC Pension Scheme (1995 and 2008) which was closed with effect from 1 April 2015 except for some members entitled to continue in this Scheme through 'Protection' arrangements. On 1 April 2015 a new HSC Pension Scheme was introduced. This new scheme covers all former members of the 1995/2008 Scheme not eligible to continue in that Scheme as well as new HSC employees on or after 1 April 2015. The 2015 Scheme is a Career Average Revalued Earnings (CARE) scheme.

The table below sets out the member contribution rates that apply in both the HSC Pension Scheme and the HSC Pension Scheme 2015.

Tier	Full-Time Pensionable Pay used to determine contribution rate	Contribution rate (before tax relief) 2015/16
1	Up to £15,431.99	5.0%
2	£15,432.00 to £21,477.99	5.6%
3	£21,478.00 to £26,823.99	7.1%
4	£26,824.00 to £47,845.99	9.3%
5	£47,846.00 to £70,630.99	12.5%
6	£70,631.00 to £111,376.99	13.5%
7	£111,377.00 and over	14.5%

A NEST (National Employment Saving Trust) Scheme will be brought into operation for eligible employees in 2016/17.

Further details about the HSC pension arrangements can be found at the website <http://www.hscpensions.hscni.net>

Average number of persons employed

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

	2016			2015
	Permanently employed staff No	Other No.	Total No.	Total No.
Medical and dental	551	59	610	652
Nursing and midwifery	3,111	73	3,184	3,182
Professions allied to medicine	655	11	666	743
Ancillaries	808	61	869	847
Administrative & clerical	1,547	50	1,597	1,626
Ambulance staff	0	0	0	0
Works	131	0	131	126
Other professional and technical	639	4	643	568
Social Services	2,213	34	2,247	2,211
Other	0	0	0	0
Total average number of person employed	9,655	292	9,947	9,955
Less average staff number relating to capitalised staff costs	17	1	18	21
Less average staff number in respect of outward secondments	18	0	18	16
Total net average number of person employed	9,620	291	9,911	9,918

ACCOUNTABILITY REPORT

Of which:

Northern HSC Trust	9,910
Charitable Trust Fund	1
Consolidation adjustments	0
	<hr/>
	9,911
	<hr/>

Staff Benefits	2016	2015
	£000s	£000s
Staff Benefits	0	0
	<hr/>	<hr/>
Trust Management Costs		
	2016	2015
	£000s	£000s
Trust Management Costs	24,318	24,423
Income:		
RRL	634,994	639,572
Income per Note 5	51,166	51,830
Non cash RRL for movement in clinical negligence provision	(6,490)	(162)
Less interest receivable	0	0
	<hr/>	<hr/>
Total Income	679,670	691,240
	<hr/>	<hr/>
% of total income	3.58%	3.53%
	<hr/>	<hr/>

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

Retirements due to ill-health

During 2015-16 there were 34 early retirements from the Trust, agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £110K (£99K in 2014/15). These costs are borne by the HSC Pension Scheme.

ACCOUNTABILITY REPORT

Staff Report

Reporting of early retirement and other compensation scheme – exit package

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	
	2016	2015	2016	2015	2016	2015
<£10,000	0	0	3	0	3	0
£10,001 - £25,000	0	0	8	0	8	0
£25,001 - £50,000	0	0	7	0	7	0
£50,001 - £100,000	0	0	11	0	11	0
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	1	0	1	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	30	0	30	0
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	0	0	1,254	0	1,254	0

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 3. 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.

Compensation packages payable to a former senior manager - nil

Amounts payable to third parties for the service of a senior manager – nil

ACCOUNTABILITY REPORT

Median salary ratio

The Trust is required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the workforce. The table below outlines this relationship.

	2015/16	2014/15
Band of Highest Paid Director' Remuneration	£180 – 185K	£180 – 185K
Median Total Remuneration	£22,236	£22,862
Ratio	8.21	7.98

The midpoint of the remuneration of the highest paid director in Northern Health and Social Care Trust was £182,500 (2014/15 £182,500). This was 8.21 times (7.98 2014/15) the median remuneration of the workforce, which was £22,236. The ratio calculation for 2015/16 has indicated minimal movement from 2014/15.

Staff Composition by Gender

The following table provides an analysis of the number of employed staff as at 31 March 2016 by gender:

	Directors		Non Executive Directors		Senior Staff**		Other Staff		Trust Total	
	No	As%	No	As %	No	As %	No	As %	No	As %
Female	9	69%	3	38%	18	72%	10,176	86%	10,206	86%
Male	4	31%	5	62%	7	28%	1,616	14%	1,632	14%
Total	13		8		25		11,792		11,838	

*Divisional and Executive Directors

**Senior staff are considered to be those operating at Assistant Director level

Off Payroll Engagements

The Trust did not have any 'off-payroll' engagements in 2015/16 that were in excess of £58,200 per annum.

ACCOUNTABILITY REPORT

Accountability and Audit Report

Financial Resources

The Northern Health and Social Care Trust manages an operating expenditure budget of £687 million in 2015/16. The Trust employs in the region of 11,800 staff and manages a wide and geographically dispersed estate valued in excess of £400m.

In 2015/16 the Trust implemented a savings plan of £17.5million which was equivalent to around 3% of its total 2015/16 budget. The implementation of the savings plan was a major achievement for the Trust.

This plan was approved by HSCB and DHSSPS at the beginning of the year. It is widely acknowledged that efficiency savings are becoming more difficult to achieve year on year without adversely impacting patients and clients. The Trust also experienced a number of cost increases during 2015/16 including, for example, a growth in emergency department activity and unscheduled care demand, increased use of advanced clinical technologies, private fostering placements and physical disability care packages. Demography funding is also a particular issue for the Trust.

During the year, the Trust implemented a number of service developments and improvements, including the establishment of a new Health and Care Centre in Ballymena.

The Trust faces enormous challenges and increased demand for services, and while the Trust achieved financial balance in 2015/16 it continued to drive forward the quality and safety agenda. It should be noted, however, that this outcome was attributable in part to a significant level of one-off funding from the commissioners and non-recurrent slippage on new investments

Financial Targets

The Trust has continued to improve the safety and responsiveness of services for its patients and clients and was still able to achieve its statutory financial targets which are outlined below:

- Breakeven on income and expenditure
- Maintain capital expenditure within the agreed Capital Resource Limit.

The above achievements have been delivered through a combination of sound financial governance, control and management, the efforts of staff and the continued implementation of the Trust's RAMP programme.

Financial Governance

The Trust has continued to maintain sound systems of internal control which are designed to safeguard public funds and assets. The same high degree of security is maintained over patients' and residents' monies and charitable trust funds administered by the Trust.

The internal control framework relies on a combination of robust internal governance structures, policies and procedures, control checks and balances, self-assessments and independent reviews. The Chief Executive's assurances in respect of this area are set

ACCOUNTABILITY REPORT

out in the Statement on Internal Control of the annual accounts for 2015/16.

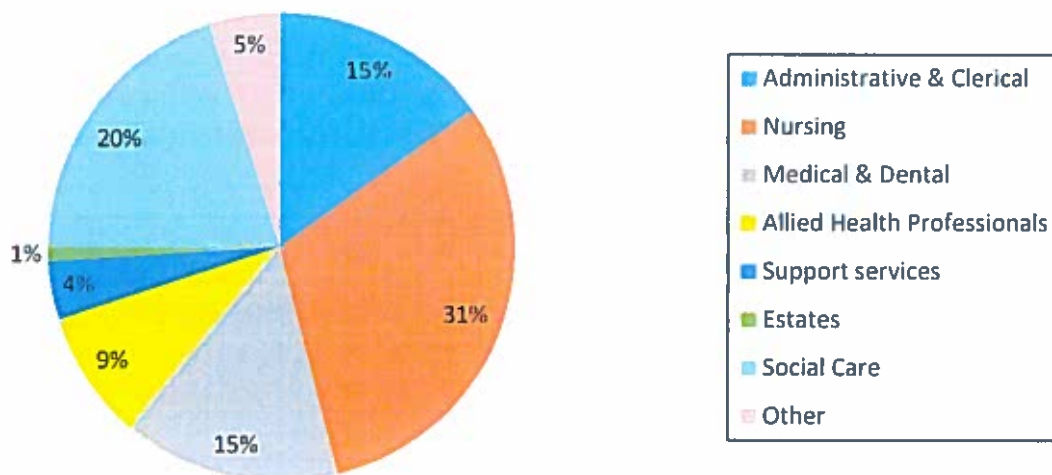
In terms of financial management and control across the Trust, a detailed financial plan is prepared and approved by the Trust Board at the beginning of each financial year and budgets are allocated to directorates. Financial performance is monitored and reviewed through detailed financial reporting to directors and budget managers on a monthly basis. An aggregate summary of the financial position to date and forecast yearend position is presented by the Director of Finance to Trust Board each month with supporting narrative to ensure a clear understanding of underlying issues and trends.

Analysis of Expenditure

The largest cost incurred by the Trust is staff salaries, representing just over 66% of total expenditure covering a range of staff groups such as nursing, medical, diagnostic, social services and allied health professionals. In 2015/16 the Trust spent over £403 million on staff related costs.

The chart below shows the percentage of spend for the professional staff groups with the largest spend residing in the nursing category

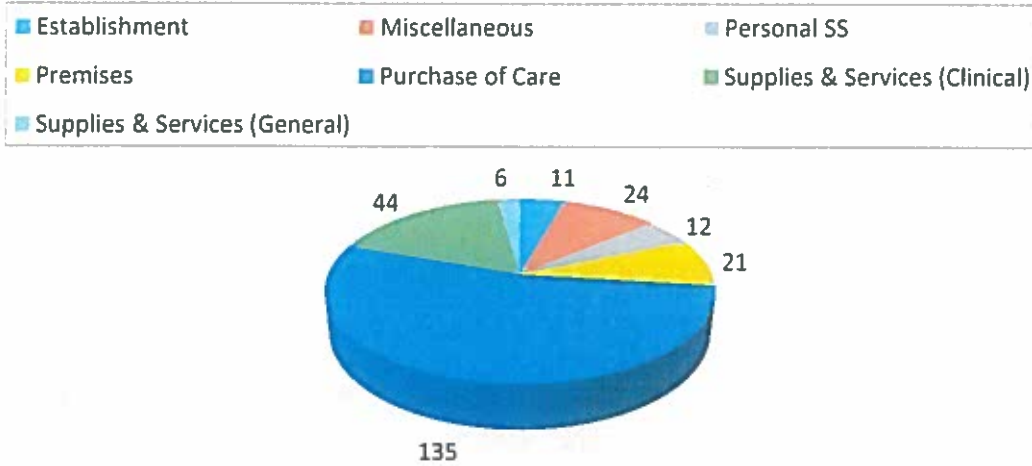
Analysis of Staff By Function



ACCOUNTABILITY REPORT

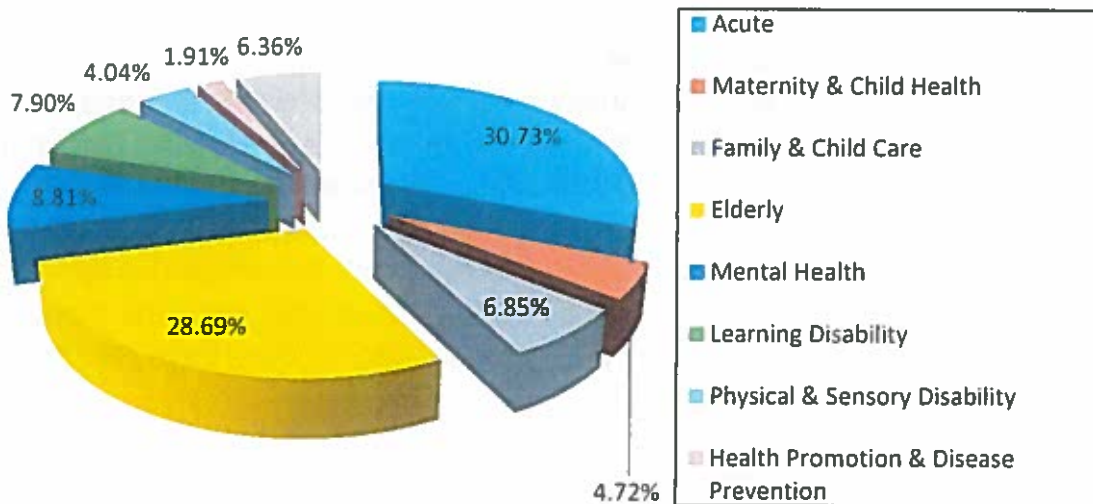
The Trust spent £252 million on non-pay expenditure and the chart below provides an analysis of this as follows:

Analysis of Non-Pay Expenditure (£m)



In 2015/16 the Trust provided services for a range of programmes of care as detailed in the graph below:

Expenditure by Programme of Care



Funding

The majority of funding, almost 99%, comes from the Department of Health, Social Services and Public Safety, through the Health and Social Care Board and the Public Health Authority. The Trust also receives funding for medical education from Northern Ireland Medical and Dental Training Agency [NIMDTA]

The funding received by the Trust receives is used to deliver health and social care

ACCOUNTABILITY REPORT

services for the population of the Northern Trust which covers 1,733 square miles spanning four new council areas (Antrim and Newtownabbey District, Causeway Coast and Glens District, Mid and East Antrim District and Mid Ulster District) making it the largest geographical Trust in Northern Ireland. In addition the Trust has a population of approximately 469,000 residents.

Consultancy

Expenditure on Consultancy in 2015/16 was £8,730 (2014/15 £5,328). This was in respect of an approved business case for consultancy in relation to Estates Response Maintenance.

Contingent Liabilities

The Trust has no remote contingent liabilities that I am aware of.

Going Concern

Whilst 2016/17 will be continue to be financially challenging for the Trust, it is expected that the Trust will continue to operate on a "going concern" basis.

Capital Development Programme

During the last financial year the Trust managed gross capital expenditure to the value of £17.503m on capital schemes. This included £3.303m spent on general capital covering minor capital estates schemes, medical devices, vehicles and ICT. We are delighted to say that the following schemes progressed or completed during 2015/16:

Ballymena Health and Care Centre £24.5m

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. A separate Children's Department has been built 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 built for the community mental health services.

Neo Natal Unit (NNU) at Antrim Area Hospital £2m

The unit provides a fit for purpose NNU that meets current space standards for 16 cots and provides a safe environment for neonates and modern facilities for families.

Hospital Dentistry at Antrim Area Hospital £1.9m

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

ACCOUNTABILITY REPORT

Mid Ulster Hospital Pharmacy Department £500k

This financial investment has been used to upgrade and refurbish 2 wards on MUH site for a new Pharmacy Department which will provide centralised dispensing and distribution of drugs, dressings and medical and surgical consumables for all community services across the Trust.

Charitable Trust Funds

Charitable Trust Fund management and activity including expenditure and income is an integral part of the successful operation of the Trust. The Trustees (The Trust Board) work diligently to ensure that these funds are put to the most appropriate and effective use as intended by the donors and to the benefit of the patients, visitors, clients and staff of the Trust, as appropriate.

Funds attributed to Charitable Trust Funds are managed under the same exacting governance arrangements and controls as public funds.

In 2015/16 Charitable Trust Fund income amounted to £721K and expenditure was £725K. Total fund balances as at 31/3/16 amounted to £5.607m.

The annual accounts are prepared on a consolidated basis including both public and charitable trust fund transactions.

There is also a separate Charitable Trust Fund Annual Trustees Report and Annual Accounts available for 2015/16. This is subject to audit.

ACCOUNTABILITY REPORT

Losses and Special Payments (Audited)

Type of loss and special payment	2015 – 16		2014 - 15
	Number of	£	£
Cash losses			
Cash Losses – theft fraud etc	3	50	1,495
Cash losses – overpayments of salaries, wages and allowances	5	578	8,449
Cash Losses – Other causes	24	14,368	903
	32	14,996	10,847
Claims abandoned			
Waived or abandoned claims	0	0	0
Administrative write-offs			
Bad debts	44	29,876	4,457
Other			0
	44	29,876	4,457
Fruitless payments			
Late payment of Commercial Debt	3	6,215	259
Other fruitless payments and constructive losses	0	0	0
	3	6,215	259
Stores losses			
Losses of accountable stores through any deliberate act	11	5,707	9,252
Other stores losses	48	68,535	114,564
	59	74,242	123,816
Special Payments			
Compensation payments			
- Clinical Negligence	83	2,538,140	3,961,161
- Public Liability	18	477,325	103,830
- Employers Liability	56	426,587	322,207
- Other	4	123,780	55,375
	161	3,565,832	4,442,573
Ex-gratia payments	34	15,249	8,453
Extra contractual	0	0	0
Special severance payments	0	0	0
TOTAL	333	3,706,410	4,590,405

Special Payments

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

Other Payments

There were no other payments made during the year

Losses and Special Payments over £250,000

Losses and Special Payments over £250,000	Number of Cases	2015-16 £	2014-15 £
Cash losses	0	0	0
Claims abandoned	0	0	0
Administrative write-offs	0	0	0
Fruitless payments	0	0	0
Stores losses	0	0	0
Special payments	0	0	2,138,240
TOTAL	0	0	2,138,240

ACCOUNTABILITY REPORT

Regularity Statement

The Trust has processes, procedures and controls in place to endeavour to ensure that the expenditure and income, reported for the year ended 31st March 2016, has been applied to the purposes intended by the NI Assembly and that transactions conform to the authorities which govern them. The auditors will give an opinion on the regularity of transactions

The Trust maintains a Gifts and Hospitality Register

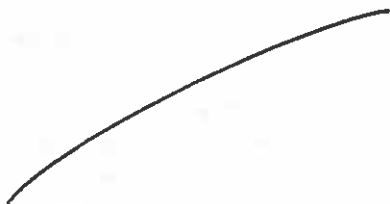
Please note: elements of the Accountability Report will be subject to audit opinion

Signature of Accounting Officer and date of signature

A handwritten signature in black ink that reads "Anthony Stevens". The signature is written in a cursive style with a large, sweeping "S" at the end.

Dr Anthony Stevens
Accounting Officer

9/6/16

A long, curved horizontal line drawn in black ink, positioned below the 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 financial statements of the Northern Health and Social Care Trust and its group for the year ended 31 March 2016 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, Changes in Taxpayers' Equity, Cash Flows, 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 and Staff Report and Accountability and Audit Report within the Accountability 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 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 Northern Health and Social Care Trust's affairs as at 31 March 2016 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 (formerly Department of Health, Social Services and Public Safety) directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Accountability and Audit Report to be audited have been properly prepared in accordance with Department of Health directions made under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended; and
- the information given in the Performance 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 parts of the Remuneration and Staff Report and Accountability and Audit 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's (formerly Department of Finance and Personnel) guidance.

Report

I have no observations to make on these financial statements.

K J Donnelly
KJ Donnelly

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

15th June 2016

FINANCIAL STATEMENTS

Annual Accounts 2015/16 – Financial Statements and Notes to the Accounts

Introduction

The financial statements and notes to the accounts of the Trust for 2015/16 are included on pages 88 to 136.

The Patients and Residents Monies Accounts for 2015/16 are included on pages 137 to 138.

Charitable Trust Fund Accounts for 2015/16 are issued separately however a summary disclosure is made within the public fund accounts to meet the requirements of the relevant consolidation accounting policy.

FINANCIAL STATEMENTS

NORTHERN HSC TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

FOREWORD

These accounts for the year ended 31 March 2016 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.

FINANCIAL STATEMENTS

NORTHERN HSC TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

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 88 to 138) 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.

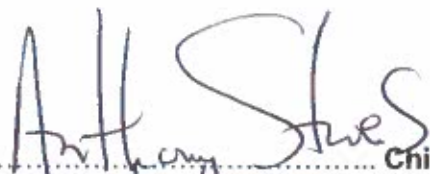

..... **Director of Finance**

9/6/2016.....**Date**

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 88 to 138) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.


..... **Chairman**

9/6/2016.....**Date**


..... **Chief Executive**

9/6/16.....**Date**

FINANCIAL STATEMENTS

Members HSC Trust

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2016

This account summarises the expenditure and income generated and committed on an accruals basis. It also includes other comprehensive income and expenditure, which includes changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

NOTE	2016 £000s			2015 £000s		
	Trust	CTF	Consolidation adjustments	Trust	CTF	Consolidation adjustments
Income						
Income from activities	40,567	0	0	39,732	0	0
Other operating income*	10,599	634	0	12,098	699	0
Deferred income	0	0	0	0	0	0
Total operating income	51,166	634	0	51,830	699	0
Expenditure						
Staff costs	(403,407)	(39)	0	(392,091)	(14)	0
Purchase of goods and services	(194,620)	0	0	(187,345)	0	0
Depreciation, amortisation and impairment charges	(21,968)	0	0	(48,239)	0	0
Provision expense	(9,411)	0	0	(1,178)	0	0
Other expenditures	(57,724)	(681)	0	(61,652)	(729)	0
Total operating expenditure	(657,130)	(720)	0	(687,500)	(763)	0
Net operating expenditure	(635,964)	(86)	0	(635,670)	(64)	0
Finance income	0	87	0	87	0	84
Finance expense	(81)	0	0	(81)	(1,316)	0
Net expenditure for the year	(636,045)	1	0	(636,044)	20	0
Revenue Resource Limit (RRL)	636,144		636,144	639,572		639,572
Add back charitable trust fund net expenditure*	0	(1)	(1)		(20)	(20)
Surplus / (Deficit) against RRL	99	0	0	99	71	0

OTHER COMPREHENSIVE EXPENDITURE

Items that will not be reclassified to net operating costs:

NOTE	2016 £000s			2015 £000s		
	Trust	CTF	Consolidation adjustments	Trust	CTF	Consolidation adjustments
Net gain/(loss) on revaluation of property, plant and equipment	24,605	0	0	24,605	21,712	0
Net gain/(loss) on revaluation of intangibles	0	0	0	0	0	0
Net gain/(loss) on revaluation of charitable assets	0	(102)	0	(102)	0	98
Items that may be reclassified to net operating costs:						
Net gain/(loss) on revaluation of investments	0	0	0	0	0	0
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2016	(611,440)	(101)	0	(611,541)	118	0

The notes on pages 94 to 139 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 the 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.

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position as at 31 March 2016

This statement presents the financial position of Northern Health and Social Care Trust. It comprises three main components: assets owned or controlled, liabilities owed to other bodies, and equity, the remaining value of the entity.

	NOTE	2016		2015	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
Non Current Assets					
Property, plant and equipment	5, 1, 5, 2	405,297	405,297	384,544	384,544
Intangible assets	6, 1, 6, 2	4,474	4,474	5,109	5,109
Financial assets	7	0	1,662	0	1,774
Trade and other receivables	12	0	0	0	0
Other current assets	12	0	0	0	0
Total Non Current Assets		409,771	411,433	389,653	391,427
Current Assets					
Assets classified as held for sale	9	80	80	235	235
Inventories	10	2,933	2,933	2,854	2,854
Trade and other receivables	12	12,410	12,417	14,246	14,259
Other current assets	12	1,428	1,428	790	790
Intangible current assets	12	0	0	0	0
Financial assets	7	0	3,700	0	3,600
Cash and cash equivalents	11	2,833	3,110	6,558	6,913
Total Current Assets		19,684	23,668	24,683	28,651
Total Assets		429,455	435,101	414,336	420,078
Current Liabilities					
Trade and other payables	13	(72,660)	(72,699)	(73,394)	(73,428)
Other liabilities	13	0	0	0	0
Intangible current liabilities	13	(395)	(395)	(409)	(409)
Provisions	15	(9,026)	(9,026)	(13,353)	(13,353)
Total Current Liabilities		(82,081)	(82,120)	(87,156)	(87,190)
Total assets less current liabilities		347,374	352,981	327,180	332,888
Non Current Liabilities					
Provisions	15	(22,688)	(22,688)	(13,303)	(13,303)
Other payables > 1 yr	13	0	0	0	0
Financial liabilities	7	0	0	0	0
Total Non Current Liabilities		(22,688)	(22,688)	(13,303)	(13,303)
Total assets less total liabilities		324,686	330,293	313,877	319,585
Taxpayers' Equity and other Reserves					
Revaluation Reserve		101,963	101,963	77,614	77,614
SoCNE Reserve		222,723	222,723	236,263	236,263
Other Reserves - charitable fund		0	5,607	0	5,708
Total equity		324,686	330,293	313,877	319,585

The financial statements on pages 10 to 139 were approved by the Board on (date) and were signed on its behalf by:

The notes on pages 94 to 139 form part of these accounts

Signed  (Chairman)

Date  9/6/2016

Signed  (Chief Executive)

Date  9/6/16

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows for the year ended 31 March 2016

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Northern HSC Trust during the reporting period. The statement shows how the Northern HSC Trust generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Northern HSC Trust. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to future public service delivery.

	NOTE	2016 £000s	2015 £000s
Cash flows from operating activities			
Net surplus after interest/Net operating cost		(636,044)	(639,480)
Adjustments for non cash costs		31,243	49,601
(Increase)/decrease in trade and other receivables		1,204	(2,968)
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant and equipment		0	0
Movements in receivables relating to the sale of intangibles		0	0
Movements in receivables relating to finance leases		0	0
Movements in receivables relating to PFI and other service concession arrangement contracts		0	0
(Increase)/decrease in inventories		(79)	38
Increase/(decrease) in trade payables		(743)	8
<i>Less movements in payables relating to items not passing through NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment		3,427	3,084
Movements in payables relating to the purchase of intangibles		48	261
Movements in payables relating to finance leases		0	82
Movements in payables relating to PFI and other service concession arrangement contracts		0	0
Use of provisions	15	<u>(4,353)</u>	<u>(4,579)</u>
Net cash outflow from operating activities		(605,297)	(593,953)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	(19,878)	(25,162)
(Purchase of intangible assets)	6	(1,100)	(3,484)
Proceeds of disposal of property, plant & equipment		87	69
Proceeds on disposal of intangibles			0
Proceeds on disposal of assets held for resale		275	546
Drawdown from investment fund		10	0
Share of income reinvested		<u>(100)</u>	<u>0</u>
Net cash outflow from investing activities		(20,706)	(28,031)
Cash flows from financing activities			
Grant in aid		622,200	623,500
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		<u>0</u>	<u>(82)</u>
Net financing		622,200	623,418
Net increase (decrease) in cash & cash equivalents in the period		(3,803)	1,434
Cash & cash equivalents at the beginning of the period	11	6,913	5,479
Cash & cash equivalents at the end of the period	11	3,110	6,913
The notes on pages 94 to 139 form part of these accounts.		3,110	6,913

FINANCIAL STATEMENTS

Consolidated Statement of Changes in Taxpayers' Equity

This statement shows the movement in the year on the different reserves held by Northern HSC Trust, analysed into 'General Fund Reserves' (i.e. those reserves that reflect a contribution from the Department of Health Social Services and Public Safety). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of the Northern HSC Trust, to the extent that the total is not represented by other reserves and financing items.

for the year ended 31 March 2016

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
Balance at 31 March 2014		251,818	56,029	5,590	313,437
Changes in accounting policy		0	0	0	0
Restated balance at 1 April 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	118	(617,671)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	3.2	57	0	0	57
Movement - other		262	0	0	262
Balance at 31 March 2015		236,263	77,614	5,708	319,585
Changes in Taxpayers Equity 2015-16					
Grant from DHSSPS		622,200	0	0	622,200
Transfers between reserves		256	(256)	0	0
(Comprehensive expenditure for the year)		(636,045)	24,605	(101)	(611,541)
Transfer of asset ownership		(10)	0	0	(10)
Non cash charges - auditors remuneration	3.2	59	0	0	59
Balance at 31 March 2016		222,723	101,963	5,607	330,293

FINANCIAL STATEMENTS

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;

FINANCIAL STATEMENTS

- 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.

FINANCIAL STATEMENTS

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. 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:

FINANCIAL STATEMENTS

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.

FINANCIAL STATEMENTS

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.

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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 hold any investments.

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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

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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.

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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

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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.

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- 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 -1.55% (negative real rate) for 0 up to and including 5 years, -1.00% (negative real rate) after year 6 up to 10 years and -0.8% (negative real value) in real terms for 10 years or more (+1.37% 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.

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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.

1.20 Employee benefits

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 2016. It is not anticipated that the level of untaken leave will vary significantly from year to year.

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.

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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. A full valuation for Resource Accounts purposes as at 31 March 2012 was certified in February 2015 and used for the 2015/16 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 23 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.

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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

Charitable Trust Funds Accounts have been consolidated in accordance with the FReM consolidation accounting policy. The Trust has accounted for these transfers using merger accounting as required by the FReM.

It is important to note however that 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.

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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 similar review in NI, which will bring NI departments under the same adaptation, has been carried out but a decision has yet to be made by the Executive. 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.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

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 Executive 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. The information disclosed reflects the realignment of directorates that took place in 2015/16 and prior year figures have been updated to reflect this.

Directorate	Staff Costs £000s	2016 Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	2015 Other Expenditure £000s	Total Expenditure £000s
Community Care	68,907	71,782	140,689	67,889	71,624	139,513
Surgical & Clinical Services	151,360	44,115	195,475	146,201	47,476	193,677
Women, Children and Families	59,806	23,353	83,159	57,032	23,506	80,538
Mental Health, Learning Disability & Community Wellbeing	61,270	82,892	144,162	59,792	76,901	136,693
Strategic Development & Business Services	12,120	15,652	27,772	11,738	12,649	24,387
Research and Development	31	958	989	36	590	626
Nursing User Experience	24,026	4,711	28,737	23,485	4,688	28,173
Other Trust Directorates	25,459	9,396	34,855	25,917	12,206	38,123
Expenditure for Reportable Segments net of Non Cash Expenditure	402,979	252,859	655,838	392,090	249,640	641,730
Non Cash Expenditure as per Net Expenditure Account			31,378			49,601
Total Expenditure per Net Expenditure Account			687,211			691,331
Income Note 4			51,166			51,830
Net Expenditure			636,045			639,501
Revenue Resource Limit			636,144			639,572
Surplus / (Deficit) against RRL			99			71

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

Staff Costs	2016			2015
Note 3.1				
	Permanently employed		Total	Total
Staff costs comprise:	staff	Others	£000s	£000s
	£000s	£000s		
Wages and salaries	324,539	16,602	341,141	337,157
Social security costs	21,627	0	21,627	22,221
Other pension costs	41,238	0	41,238	33,443
Sub-Total	387,404	16,602	404,006	392,821
Capitalised staff costs	552	47	599	730
Total staff costs reported in Statement of Comprehensive Net Expenditure	386,852	16,555	403,407	392,091
Less recoveries in respect of outward secondments	2,831	0	2,831	2,950
Total net costs			400,576	389,141
Total Net costs of which:			£000s	£000s
Northern HSC Trust			400,109	389,107
Charitable Trust Fund			39	34
Consolidation Adjustments			0	0
Total			400,148	389,141

A breakdown of the above costs can be found in the Staff Report within the Accountability Report.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 3 OPERATING EXPENSES

Operating Expenses are as follows:-	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Purchase of care from non-HPSS bodies	134,628	0	0	134,628	128,596	0	0	128,596
Revenue grants to voluntary organisations	3,220	0	0	3,220	3,825	0	0	3,825
Capital grants to voluntary organisations	0	0	0	0	0	0	0	0
Personal social services	11,684	0	0	11,684	11,602	0	0	11,602
Recharges from other HSC organisations	1,675	0	0	1,675	1,692	0	0	1,692
Supplies and services - Clinical	43,838	0	0	43,838	43,193	0	0	43,193
Supplies and services - General	6,049	0	0	6,049	5,953	0	0	5,953
Establishment	11,369	0	0	11,369	12,585	0	0	12,585
Transport	2,438	0	0	2,438	2,187	0	0	2,187
Premises	21,072	0	0	21,072	21,190	0	0	21,190
Bad debts	(108)	0	0	(108)	223	0	0	223
Rentals under operating leases	399	0	0	399	1,863	0	0	1,863
Rentals under finance leases	0	0	0	0	(93)	0	0	(93)
Finance cost of finance leases	0	0	0	0	11	0	0	11
Interest charges	6	0	0	6	0	0	0	0
PFI and other service concession arrangements service charges	75	0	0	75	1,305	0	0	1,305
Research & development expenditure	953	0	0	953	590	0	0	590
Clinical negligence - other expenditure	0	0	0	0	0	0	0	0
BISQ services	4,435	0	0	4,435	3,598	0	0	3,598
Training	1,329	0	0	1,329	1,324	0	0	1,324
Professional fees	986	0	0	986	1,214	0	0	1,214
Patients travelling expenses	199	0	0	199	169	0	0	169
Costs of exit packages not provided for	1,254	0	0	1,254	0	0	0	0
Elective care	3,009	0	0	3,009	3,099	0	0	3,099
Other charitable expenditure	0	681	0	681	0	729	0	729
Miscellaneous expenditure	3,916	0	0	3,916	5,513	0	0	5,513
Non Cash Items								
Depreciation	22,173	0	0	22,173	18,222	0	0	18,222
Amortisation	1,687	0	0	1,687	1,298	0	0	1,298
Impairments	(1,892)	0	0	(1,892)	28,719	0	0	28,719
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(85)	0	0	(85)	0	0	0	0
(Profit) on disposal of intangibles	0	0	0	0	(55)	0	0	(55)
Loss on disposal of property, plant & equipment (including land)	25	0	0	25	0	0	0	0
Loss on disposal of intangibles	0	0	0	0	182	0	0	182
Provisions provided for in year	9,563	0	0	9,563	1,332	0	0	1,332
Cost of borrowing of provisions (unwinding of discount on provisions)	(152)	0	0	(152)	(154)	0	0	(154)
Auditors remuneration	59	5	0	64	57	6	0	63
Add back of notional charitable expenditure	0	(5)	0	(5)	0	(6)	0	(6)
Total	283,804	681	0	284,485	299,240	729	0	299,969

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

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 4 INCOME

4.1 Income from Activities

	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
GB-Republic of Ireland Health Authorities	187	0	0	187	123	0	0	123
HSC Trusts	0	0	0	0	0	0	0	0
Non-HSC:- Private patients	214	0	0	214	188	0	0	188
Non-HSC:- Other	801	0	0	801	1,145	0	0	1,145
Clients contributions	39,365	0	0	39,365	38,276	0	0	38,276
Total	40,567	0	0	40,567	39,732	0	0	39,732

4.2 Other Operating Income

	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Other income from non-patient services	7,225	0	0	7,225	8,832	0	0	8,832
Seconded staff	2,831	0	0	2,831	2,950	0	0	2,950
Charitable and other contributions to expenditure by core trust	328	0	0	328	203	0	0	203
Donations / Government grant / Lottery funding for non current assets	80	0	0	80	113	0	0	113
Charitable income received by charitable trust fund	0	634	0	634	0	699	0	699
Investment income	0	87	0	87	0	84	0	84
Profit on disposal of land	135	0	0	135	0	0	0	0
Interest receivable	0	0	0	0	0	0	0	0
Total	10,599	721	0	11,320	12,098	783	0	12,881

4.3 Deferred income

	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Income released from conditional grants	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
TOTAL INCOME	51,166	721	0	51,887	51,830	783	0	52,613

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 5.1 Consolidated Property, plant & equipment - year ended 31 March 2016

	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 2015	48,055	269,814	21,362	15,813	53,437	8,435	12,542	2,179	431,637
Indexation	51	21,929	1,637	0	299	31	0	8	23,955
Additions	0	3,660	127	7,376	2,524	360	1,802	522	16,381
Donations / Government grant / Lottery funding	0	18	0	0	22	30	0	0	70
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	20,553	0	(20,553)	(73)	0	0	0	(73)
Revaluation	0	393	0	25	418	0	0	0	818
Impairment charged to the SoCNE	0	(72)	0	(2,661)	0	0	0	0	(2,733)
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	2,344	2,092	249	0	0	0	0	0	4,685
Disposals	0	0	0	0	(2,900)	(735)	(1,206)	0	(4,841)
At 31 March 2016	50,450	318,387	23,375	0	53,319	8,121	13,138	2,709	469,499

Depreciation									
At 1 April 2015	0	1,734	133	0	32,087	5,399	6,821	1,019	47,093
Indexation	0	797	57	0	126	15	0	4	999
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	(1,231)	0	0	(63)	0	0	0	(65)
Revaluation	0	0	0	0	0	0	0	0	(1,231)
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 (indexn)	0	52	8	0	(2,892)	(733)	(1,204)	0	60
Disposals	0	11,225	828	0	6,651	850	2,351	298	21,173
Provided during the year	0	12,577	1,026	0	35,879	5,431	7,968	1,321	64,202
At 31 March 2016	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297
Carrying Amount									
At 31 March 2016	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544

Asset financing									
Owned	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297
Finance leased	0	0	0	0	0	0	0	0	0
On D/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2016	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297

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 (2015 £0)

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

	2016 £000s	2015 £000s
Donations	40	113
Government grant	0	0
Lottery funding	0	0

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 5.2 Consolidated Property, plant & equipment - year ended 31 March 2015

	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 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 (index)	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	5,337	5,251	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	(32,877)	(2,627)	0	0	0	0	0	(35,504)
Reversal of impairments (index)	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 1 April 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 arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2015	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
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 arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 1 April 2014	72,622	236,014	19,738	27,356	21,051	3,179	6,929	1,094	387,983
Carrying amount comprises:									
Northern HSC Trust at 31 March 2016	50,450	305,810	22,349	0	17,441	2,690	5,169	1,388	405,297
Northern HSC Trust Charitable TrustFund at 31 March 2016	0	0	0	0	0	0	0	0	0
	50,450	305,810	22,349	0	17,441	2,690	5,169	1,388	405,297
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 TrustFund 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
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 TrustFund at 31 March 2014	184	841	0	1,533	772	0	16	144	3,490
	72,622	236,014	19,738	27,356	21,050	3,179	6,930	1,094	387,983

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 6.1 Consolidated Intangible assets - year ended 31 March 2016

	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 2015	9,491	0	0	0	0	0	0	0	9,491
Indexation	0	0	0	0	0	0	0	0	0
Additions	1,042	0	0	0	0	0	0	0	1,042
Donations / Government grant / Lottery funding	10	0	0	0	0	0	0	0	10
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	0	0	0	0	0	0	0	0	0
At 31 March 2016	10,543	0	0	0	0	0	0	0	10,543

Amortisation									
At 1 April 2015	4,382	0	0	0	0	0	0	0	4,382
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	0	0	0	0	0	0	0	0	0
Provided during the year	1,687	0	0	0	0	0	0	0	1,687
At 31 March 2016	6,069	0	0	0	0	0	0	0	6,069
Carrying Amount									
At 31 March 2016	4,474	0	0	0	0	0	0	0	4,474
At 31 March 2015	5,109	0	0	0	0	0	0	0	5,109

Asset financing									
Owned	4,474	0	0	0	0	0	0	0	4,474
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2016	4,474	0	0	0	0	0	0	0	4,474

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:

	2016 £000s	2015 £000s
Donations	10	0
Government grant	0	0
Lottery funding	0	0

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 6.2 Consolidated Intangible assets - year ended 31 March 2015

	Software Licences £000s	Information Technology £000s	Web Sites £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
Acquisitions	0	0	0	0	0	0	0	0	0
Abolitions	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)
Provided during the year	1,298	0	0	0	0	0	0	0	1,298
At 31 March 2015	4,387	0	0	0	0	0	0	0	4,387

Amortisation									
At 1 April 2014	3,251	0	0	0	0	0	0	0	3,251
Indication	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	4,387	0	0	0	0	0	0	0	4,387
Carrying Amount									
At 31 March 2015	5,109	0	0	0	0	0	0	0	5,109
At 1 April 2014	3,184	0	0	0	0	0	0	0	3,184

Asset financing									
Owed	5,109	0	0	0	0	0	0	0	5,109
Finance leased	0	0	0	0	0	0	0	0	0
On BS (SoFP) IFT and other service concession arrangements 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

Asset financing									
Owed	3,184	0	0	0	0	0	0	0	3,184
Finance leased	0	0	0	0	0	0	0	0	0
On BS (SoFP) IFT and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 1 April 2014	3,184	0	0	0	0	0	0	0	3,184

Carrying amount copyright:

Northern HSC Trust at 31 March 2016	4,474	0	0	0	0	0	0	0	4,474
Northern HSC trust Charitable Trust Fund at 31 March 2016	0	0	0	0	0	0	0	0	0
	4,474	0	0	0	0	0	0	0	4,474
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

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 7 FINANCIAL INSTRUMENTS

The financial instruments held by the Trust as at 31 March 2016 are trade receivables, cash and trade payables. Details of these can be seen in Notes 11,12 and 13 respectively. This situation also applied in 2015/16

	Investments £000s	2016 Assets £000s	Liabilities £000s	Investments £000s	2015 Assets £000s	Liabilities £000s
Balance at 1 April	5,374	0	0	5,276	0	0
Additions	100	0	0	0	0	0
Disposals	(10)	0	0	0	0	0
Revaluations	(102)	0	0	98	0	0
Balance at 31 March	<u>5,362</u>	<u>0</u>	<u>0</u>	<u>5,374</u>	<u>0</u>	<u>0</u>
Trust	0	0	0	0	0	0
Charitable Trust Fund	5,362	0	0	5,374	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

NOTE 7.1 Market value of investments as at 31 March 2015

	Held in UK £000s	Held outside UK £000s	2016 Total £000s	2015 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	1,562	0	1,562	1,674
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	3,700	0	3,700	3,600
Other investments	100	0	100	100
Total market value of fixed asset investments	<u>5,362</u>	<u>0</u>	<u>5,362</u>	<u>5,374</u>

Please note that these investments relate to Charitable Trust Funds.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 8 IMPAIRMENTS

	2016		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	(1,892)	0	(1,892)
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	0	0	0
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	<u><u>(1,892)</u></u>	<u><u>0</u></u>	<u><u>(1,892)</u></u>

	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	<u><u>28,719</u></u>	<u><u>0</u></u>	<u><u>28,719</u></u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2016 £000s	2015 £000s	2016 £000s	2015 £000s	2016 £000s	2015 £000s
Cost						
At 1 April	145	324	90	104	235	428
Transfers in	0	380	0	0	0	380
Transfers out	0	0	0	0	0	0
(Disposals)	(65)	(546)	(90)	0	(155)	(546)
Impairment	0	(13)	0	(14)	0	(27)
At 31 March	<u>80</u>	<u>145</u>	<u>0</u>	<u>90</u>	<u>80</u>	<u>235</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>80</u>	<u>145</u>	<u>0</u>	<u>90</u>	<u>80</u>	<u>235</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 2015/16 refers to land and building assets at the following sites : Lynwood, Princess Gardens and Carnview.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 10 INVENTORIES

Classification	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Pharmacy Supplies	2,301	0	0	2,301	2,187	0	0	2,187
Theatre Equipment	0	0	0	0	0	0	0	0
Building & Engineering Supplies	83	0	0	83	91	0	0	91
Fuel	0	0	0	0	0	0	0	0
Community Care Appliances	0	0	0	0	0	0	0	0
Laboratory Materials	179	0	0	179	170	0	0	170
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	179	0	0	179	206	0	0	206
Other	191	0	0	191	200	0	0	200
Total	2,933	0	0	2,933	2,854	0	0	2,854

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 11 CASH AND CASH EQUIVALENTS

	2016 £000s			2015 £000s		
	Core Trust	CTF	Consolidated	Core Trust	CTF	Consolidated
Balance at 1st April	6,558	355	6,913	5,009	470	5,479
Net change in cash and cash equivalents	(3,725)	(78)	(3,803)	1,549	(115)	1,434
Balance at 31st March	2,833	277	3,110	6,558	355	6,913

The following balances at 31 March were held at	2016 £000s			2015 £000s		
	Core Trust	CTF	Consolidated	Core Trust	CTF	Consolidated
Commercial banks and cash in hand	2,833	277	3,110	6,558	355	6,913
Balance at 31st March	2,833	277	3,110	6,558	355	6,913

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 12 TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Amounts falling due within one year								
Trade receivables	6,238	0	0	6,238	6,711	0	0	6,711
Deposits and advances	0	0	0	0	0	0	0	0
VAT receivable	4,562	0	0	4,562	5,145	0	0	5,145
Other receivables - not relating to fixed assets	1,610	7	0	1,617	2,390	13	0	2,403
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	12,410	7	0	12,417	14,246	13	0	14,259
Prepayments and accrued income	1,428	0	0	1,428	790	0	0	790
Current part of PFI and other service concession arrangements prepayment	0	0	0	0	0	0	0	0
Other current assets	1,428	0	0	1,428	790	0	0	790
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	12,410	7	0	12,417	14,246	13	0	14,259
TOTAL OTHER CURRENT ASSETS	1,428	0	0	1,428	790	0	0	790
TOTAL INTANGIBLE CURRENT ASSETS	0	0	0	0	0	0	0	0
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	13,838	7	0	13,845	15,036	13	0	15,049

The balances are net of a provision for bad debts of £897k (2015 £1088k)

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

13.1 Trade payables and other current liabilities

	2016 £000s				2015 £000s			
	Trust	CTF	Consolidation adjustments	Consolidated	Trust	CTF	Consolidation adjustments	Consolidated
Amounts falling due within one year								
Other taxation and social security	13,198	0	0	13,198	12,249	0	0	12,249
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	5,640	0	0	5,640	9,067	0	0	9,067
Trade capital payables - intangibles	0	0	0	0	48	0	0	48
Trade revenue payables	24,809	0	0	24,809	27,156	0	0	27,156
Payroll payables	26,653	0	0	26,653	23,223	0	0	23,223
Clinical negligence payables	20	0	0	20	0	0	0	0
VR/VER payables	888	0	0	888	328	0	0	328
BSO payables	961	0	0	961	1,295	0	0	1,295
Other payables	491	39	0	530	28	34	0	62
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	72,660	39	0	72,699	73,394	34	0	73,428
Current part of finance leases	0	0	0	0	0	0	0	0
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	0	0	0	0
Carbon reduction commitment	395			395	409	0	0	409
Intangible current liabilities	395	0	0	395	409	0	0	409
Total payables falling due within one year	73,055	39	0	73,094	73,803	34	0	73,837
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	73,055	39	0	73,094	73,803	34	0	73,837

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

13.2 Loans

The Trust did not have any loans payable at either 31 March 2016 or 31 March 2015.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 14 PROMPT PAYMENT POLICY

14.1 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:

	2016 Number	2016 Value £000s	2015 Number	2015 Value £000s
Total bills paid	200,012	277,980	154,693	144,201
Total bills paid within 30 day target or under agreed payment terms	<u>184,091</u>	<u>260,372</u>	<u>130,464</u>	<u>117,011</u>
% of bills paid within 30 day target or under agreed payment terms	<u>92.0%</u>	<u>93.7%</u>	<u>84.3%</u>	<u>81.1%</u>
Total bills paid within 30 days of receipt of an undisputed invoice*	<u>184,091</u>	<u>260,372</u>		
% of bills paid within 30 days of receipt of an undisputed invoice	<u>92.0%</u>	<u>93.7%</u>		
Total bills paid within 10 day target	<u>149,875</u>	<u>221,417</u>	<u>93,744</u>	<u>76,700</u>
% of bills paid within 10 day target	<u>74.9%</u>	<u>79.7%</u>	<u>60.6%</u>	<u>53.2%</u>

14.2 The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	4,960
Amount of interest paid for payment(s) being late	<u>1,255</u>
Total	<u><u>6,215</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.

From 1 April 2015 the scope of the prompt payment compliance measurement increased to take account of all categories of supplier payments made by the Trust, with the only exception being payments made to other organisations within the broader HSC.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2016

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical Negligence £000s	CSR restructuring £000s	Other £000s	2016 £000s
Balance at 1 April 2015	0	486	21,475	0	4,695	26,656
Provided in year	0	0	11,670	0	2,307	13,977
(Provisions not required written back)	0	(127)	(3,879)	0	(408)	(4,414)
(Provisions utilised in the year)	0	(359)	(2,538)	0	(1,456)	(4,353)
Cost of borrowing (unwinding of discount)	0	0	(151)	0	(1)	(152)
At 31 March 2016	0	0	26,577	0	5,137	31,714

Provisions have been made for 4 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Injury Benefit and Employment Law. The provision for 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

	2016 £000s	2015 £'000
Arising during the year	13,977	6,509
Reversed unused	(4,414)	(5,177)
Cost of borrowing (unwinding of discount)	(152)	(154)
Total charge within Operating expenses	9,411	1,178

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	2016 £000s
Not later than one year	0	0	7,677	0	1,349	9,026
Later than one year and not later than five years	0	0	11,182	0	1,240	12,422
Later than five years	0	0	7,718	0	2,548	10,266
At 31 March 2016	0	0	26,577	0	5,137	31,714

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 15 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 4 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Injury Benefit and Employment Law. The provision for 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	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

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 16 CAPITAL COMMITMENTS

	2016 £000s	2015 £000s
Contracted capital commitments at 31 March not otherwise included in these financial statements		
Property, plant & equipment	7,538	6,735
Intangible assets	<u>0</u>	<u>0</u>
	<u><u>7,538</u></u>	<u><u>6,735</u></u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 17 COMMITMENTS UNDER LEASES

17.1 Operating Leases

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

	2016	2015
	£000s	£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	230	468
Later than 1 year and not later than 5 years	259	417
Later than 5 years	140	178
	<u>629</u>	<u>1,063</u>
Other		
Not later than 1 year	56	194
Later than 1 year and not later than 5 years	60	254
Later than 5 years	0	0
	<u>116</u>	<u>448</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.

17.2 Finance Leases

The Trust does not have any finance leases as at 31 March 2016 or 31 March 2015

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 17 COMMITMENTS UNDER LESSOR AGREEMENTS

17.3 Operating Leases

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

Obligations under operating leases issued by the Trust comprise	2016 £000s	2015 £000s
Land & Buildings		
Not later than 1 year	61	82
Later than 1 year and not later than 5 years	148	22
Later than 5 years	<u>1,243</u>	<u> </u>
	<u>1,452</u>	<u>104</u>
Other		
Not later than 1 year	0	178
Later than 1 year and not later than 5 years	0	249
Later than 5 years	<u>0</u>	<u>0</u>
	<u>0</u>	<u>427</u>

The Trust acts as a lessor in the following arrangements: 1) **SRCL Ltd.** - whereby the Trust has a leasing arrangement 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. The Trust recovers the costs of utilities in respect of this facility. In 2015/16 this benefit was estimated to be valued at £161K. 2) **Grazing Land** - a small amount of land is leased to private individuals. 3) Joymount Carpark is leased to a local council. 4) Two wards on Whiteabbey Hospital site are leased to an organisation. 5) The reservoir at Holywell Hospital is leased to an angling association.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 18 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

18.1 Off balance sheet PFI and other service concession arrangements schemes

	2016 £000s	2015 £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 had a PFI arrangement for the provision of a renal dialysis service at Antrim Hospital. Under the agreement the Trust made a single payment for each dialysis session commenced with the private sector partner providing the building, equipment and certain services. This arrangement ceased on 15 April 2015.

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:

	2016 £000s	2015 £000s
Not later than one year	0	53
Later than one year and not later than five years	0	0
Later than five years	0	0
	<u>0</u>	<u>53</u>

18.2 On balance sheet (SoFP) PFI Schemes

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

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

	2016 £000s	2015 £000s
Amounts included within operating expenses in respect of off balance sheet (SoFP) PFI and other service concession arrangement transactions	75	1,305
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>75</u>	<u>1,305</u>

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

	2016 £000s	2015 £000s
Not later than one year	0	53
Later than one year and not later than five years	0	0
Later than five years	0	0
	<u>0</u>	<u>53</u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 19 OTHER FINANCIAL COMMITMENTS

The Trust did not have any other financial commitments at either 31 March 2016 or 31 March 2015.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 20 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 any letters of comfort.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 21 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.

	2016 £000s	2015 £000s
Clinical Negligence	2,044	2,163
Public Liability	0	0
Employers' Liability	21	0
Accrued Leave	0	0
Injury Benefit	0	0
Other	0	0
Total	<u>2,065</u>	<u>2,163</u>

The Trust did not have any unquantifiable contingent liabilities as at 31 March 2016 or 31 March 2015

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 22 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 HSC body 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 transaction were as follows:-

Mr Bob McCann, Non Executive Director, also held a position as a Non Executive Director of Agri Food and Bio Science Institute. The value of transactions between related parties was less than 1K, being payments made by the Trust for Bio Science services.

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 £85K, 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 £72K, being payments made by the Trust in relation to travel warrants for clients.

Mr William Graham, Non Executive Director, also held a position of member of the Direct Labour Organisation Performance and Development Committee of the Board of the Northern Ireland Housing Executive. The value of transactions between related parties being £40K being payments made by the Trust and £249K being payments made to the Trust

Mrs Elizabeth Ensor, Non Executive Director, also held a position of Executive Director of 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 £259K being payments to Domestic Care Ltd and £3,104K being payments to Optimum Care with £16K being payments made to the Trust. The value of transactions in respect of N.I. Community Addiction Service was £117 K being payments made by the Trust

Mr Jim McCall, Non Executive Director, is the Managing Director of Care Circle Group, (Nursing Homes with 12 sites in N.I.) and is a Non Executive Director with both N.I. Water and Northern Ireland Housing Executive. The value of transactions between related parties being £40K being payments made by the Trust to N.I.H.E and £249K being payments made to the Trust by N.I.H.E. Also £695K being payments made by the Trust to N.I. Water and £1,097K being payments made by the Trust to Care Circle Group.

NOTE 23 THIRD PARTY ASSETS

The Trust held £4,308K cash at bank and in hand at 31/3/16 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.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 24 Financial Performance Targets

24.1 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:

	2016 Total £000s	2015 Total £000s
HSCB	591,649	577,546
PHA	7,906	7,302
SUMDE & NIMDTA	5,426	5,236
DHSSPS (excludes Non Cash)	0	0
Other Government Departments	0	0
Non Cash RRL (from DHSSPS)	<u>31,243</u>	<u>49,601</u>
Total agreed RRL	<u>636,224</u>	<u>639,685</u>
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	<u>(80)</u>	<u>(113)</u>
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	<u><u>636,144</u></u>	<u><u>639,572</u></u>

24.2 Capital Resource Limit

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

	2016 Total £000s	2015 Total £000s
Gross capital expenditure	17,503	25,649
Less charitable trust fund capital expenditure	(80)	(113)
(Receipts from sales of fixed assets)	<u>(168)</u>	<u>(573)</u>
Net capital expenditure	17,255	24,963
 Capital Resource Limit	 <u>17,393</u>	 <u>25,144</u>
 Overspend/(Underspend) against CRL	 <u><u>(138)</u></u>	 <u><u>(181)</u></u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

24.3 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

	2015/16	2014/15
	£000s	£000s
Net Expenditure	(636,045)	(639,501)
RRL	636,144	639,572
Surplus / (Deficit) against RRL	99	71
Break Even cumulative position(opening)	(5,013)	(5,084)
Break Even cumulative position (closing)	<u>(4,914)</u>	<u>(5,013)</u>
Materiality Test:		
	2015/16	2014/15
	%	%
Break Even in year position as % of RRL	<u>0.02%</u>	<u>0.01%</u>
Break Even cumulative position as % of RRL	<u>-0.77%</u>	<u>-0.78%</u>

The Trust has achieved a small surplus in 2015/16 and is working with HSCB and other commissioners to achieve a balanced cumulative position

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 25 POST BALANCE SHEET EVENTS

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

NOTE 26 DATE AUTHORISED FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 15th June 2016

FINANCIAL STATEMENTS

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.

FINANCIAL STATEMENTS

Northern HSC Trust

Year Ended 31 March, 2016


ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS / RESIDENTS

Previous Year	RECEIPTS		
£		£	£
2,400,000	Balance at 1 April, 2015	3,100,000	
258,071	1. Investments (at cost)	395,380	
6,620	2. Cash at Bank	6,980	3,502,360
	3. Cash in Hand		
2,314,295	Amounts Received in the Year		2,854,217
18,250	Interest Received		20,991
4,997,236	TOTAL		6,377,568
PAYMENTS			
£1,494,876	Amounts Paid to or on behalf of Patients/Residents		2,069,522
	Balance at 31 March, 2016		
£3,100,000	1. Investments (at cost)	4,000,000	
£395,380	2. Cash at Bank	300,716	
£6,980	3. Cash in Hand	7,330	4,308,046
£4,997,236	TOTAL		6,377,568

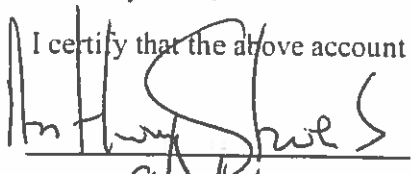
Schedule of Investments held at 31 March, 2015

		Nominal Value	Cost Price
£	Investment	£	£
£3,100,000		4,000,000	4,000,000

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


 Director of Finance
 9/6/2016 Date

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


 Chief Executive
 9/6/16 Date

NORTHERN HEALTH AND SOCIAL CARE TRUST – PATIENTS’ AND RESIDENTS’ MONIES

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

I certify that I have audited Northern Health and Social Care Trust’s account of Patients’ and Residents’ Monies for the year ended 31 March 2016 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 (formerly Department of Health, Social Services and Public Safety) 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 Patients’ and Residents’ 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 Northern Health and Social Care Trust for the year ended 31 March 2016 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 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's (Department of Finance and Personnel) guidance.

Report

I have no observations to make on this account.

K J Donnelly 15th June 2016
KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

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