

Northern Health and Social Care Trust
Annual Report
2016-17

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Contents

Chairman's Report	1
Performance Report	
Performance Overview	3
Performance Analysis	21
Accountability Report	
Corporate Governance Report	
Overview	33
Directors' Report	34
Statement of Accounting Officer Responsibilities	36
Governance Statement	38
Remuneration and Staff Report	72
Accountability and Audit Report	85
Financial Statements	
Consolidated Accounts	94
Notes to the Accounts	102
Accounts of monies held on behalf of patients and residents	142

Chairman's report

The Northern Trust was established on 1 April 2007 and as we celebrate its tenth anniversary it is appropriate that we should reflect on how well we have served our patients and clients over those years and the extent to which we have developed as an organisation. There certainly have been many difficult and challenging issues, and occasions when we wished that we had performed better but overall our staff have risen to the challenges with dedication and professionalism. They have coped with increasing demands, embraced new ways of working, maintained and improved quality and safety, and sought to deliver our services in ways that better fit with our patients and clients own preferences.

This is exemplified by our response to the increasing number of more elderly patients, often presenting with more complex problems. To address this we have refocused our services thereby enabling us to get people home sooner and then support them to remain in their local community and maintain more active lifestyles. This is a real tribute to staff who have worked to deliver more integrated care across our acute and community services.

Mental health services have similarly been innovative in transforming the way we work with people with dementia and their families, by developing the CLEAR (Cognition, Life story, Emotions, Activity, Relationships) Dementia Care model which uses simple tools to assess, record and understand these behaviours in order to identify and respond more effectively to any unmet needs. The value of CLEAR has been recognised widely and is being adopted in practice in other Trusts throughout the UK.

These are just a few of the numerous examples of how our services have been transformed. None of these changes would have been possible though without the true dedication and innovative approach of our staff. It is pleasing therefore to see that dedication and commitment regularly and widely recognised at local, regional and national level. Once again this year the awards that our staff have won cover all the various disciplines, professions and specialisms. They are too numerous to mention them all but I would like to acknowledge how proud the Trust is of every one of them. If I could refer to just one such event though, I would pick as an example the Annual Regional Social Work awards, where our social workers were widely recognised for performing so well across a broad spectrum of service areas.

Again this year there has been a number of changes at Board level through promotion and retirements and we will certainly miss our former colleagues extensive experience, professionalism and wise counsel. However we have had the good fortune to recruit very talented and committed replacements who bring a collective and diverse wealth of experience with them and I look forward very much to working with them.

Finally, as well as reflecting on the Trust's achievements over the last 10 years, this is also an occasion for considering the future and how the Trust and the Health Service in general will need to evolve over the next 10 years to be able to provide for the changing needs of those we serve. While there are no easy answers as to how the services we provide should change, if we are to ensure that we have a "fit for purpose" and sustainable Health Service for the next decade and beyond, it is clear that the services we provide and the way we provide them will need to change. The Northern Trust has always played its part in meeting such challenges in the past, and we will continue to do in the future.



Bob McCann
Chairman
Date

15/6/2017.

PERFORMANCE REPORT

PERFORMANCE OVERVIEW

The performance overview provides a brief summary of the Trust, its aims and the key risks to the achievement of its objectives. It also provides an overview on performance for the past year.

Chief Executive's Report

This has been a significant year for the Northern Trust. We have remained focused on implementation of our five year Reform and Modernisation Programme (RAMP), delivering real service improvements, while dealing with increased demand.

Critically we have reshaped our community services, establishing more integrated teams at a locality level. The new model promotes a greater co-operation between primary care, acute and community teams to deliver more personalised services closer to peoples' homes. This is illustrated by the views of the Commissioner for Older People who visited the Trust in January to talk to people who had used our ground breaking dementia services. He was complimentary about the breadth of services and our joined up approach to delivering care to people with dementia, both in hospital and in the community.

Our hospital services have also driven significant change, in a challenging environment. During the winter we saw a significant increase in urgent or unplanned attendances at our hospitals. I am proud of how our staff managed during this period, and delivered a good quality of care.

In response to the increasing demand we had a sustained focus on the "four hour" access target for patients in our Emergency Departments. The '100% challenge' was a three-day event in Antrim Area Hospital in mid-January aimed at refocusing the system on getting good flow through the hospital and eliminating unnecessary delays in patient care. From mid-January we delivered a marked improvement in waiting times, despite the increased numbers attending Antrim Area Hospital.

We also have a focus on delivering improved performance Causeway Hospital.

Recruitment of medical and nursing staff remains a challenge and we have invested in international recruitment which is now beginning to pay off with both nurses and doctors joining us from overseas. I would like to welcome them to the Northern Trust.

Innovation and quality improvement have been top of our agenda this year. The Trust Innovation and Quality Improvement (IQI) Strategy was launched in March. We recognise that continuous improvement in the way we do things and meaningful partnership between the communities we serve and all our staff, are essential if we are to meet the challenges health and social care faces. IQI provides a vehicle for

PERFORMANCE REPORT

pulling together the best ideas and initiatives and driving meaningful change.

Three new directors were appointed this year. Elizabeth Brownlees took up post as Director of Human Resources, Organisational Development and Corporate Communication, Seamus O'Reilly was appointed as Medical Director and Eileen McEneaney, joined as Director of Nursing. They complement an already strong Executive team.

I would like to take this opportunity to thank all our staff for their hard work and continued dedication to providing the highest quality of care. I would also wish to acknowledge the centrality of our patients and clients in everything we do.

ABOUT THE TRUST

The Northern Health and Social Care Trust became operational on 1 April 2007. The Trust has annual income of around £743m and employs around 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 making it the largest geographical Trust in Northern Ireland.

The Trust provides services to a population of approximately 470,000 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. The population we serve is predicted to increase by 3.6% over the next ten years, with significant increases in the older population over age 85, and a drop in the number of children and working age adults. This growth is evidenced at the moment in the increase in frail older people presenting to our Emergency Department and in increase demands for community services.

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 Northern Health and Social Care Trust is responsible for the delivery of safe and effective health and social care services to the population of the Northern Trust area in Northern Ireland. This requires the commitment of a highly skilled and professional workforce, a safe and sustainable service model, with sufficient and effective use of resources.

PERFORMANCE REPORT

The Trust, in common with the health and social care system in general, is facing tremendous challenges. These challenges are caused by a number of factors, including:

- A Growing Older Population - Advances in screening, medicines and treatments as well as lifestyle and an improved economic environment, mean that people are living longer.
- Quality and Standards - Advances in our understanding of diseases, in medicine and technology mean minimum acceptable standards evolve. This requires service models to adapt and change to ensure consistently achieved quality outcomes.
- Demand - The demand for services continually exceeds the growth in population increases due to the increased focus on screening, early diagnosis and intervention and the potential to successfully treat more conditions.
- Workforce - We also face challenges, particularly in fulfilling our recruitment needs for key roles due to supply shortages in some professions; particularly in certain medical specialities, nursing and home care workers.

In addition the governance statements within this report sets out more detail on control issues facing the Trust.

We provide community based health and social care services from four localities which includes approximately 330 facilities including day centres, health centres and residential homes.

Acute services are provided from Antrim Area and Causeway 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 115 bed psychiatric hospital in Antrim providing a range of inpatient mental health and addiction services. The Trust also provides 20 acute mental health inpatient beds in the Ross Thompson Unit in Causeway Hospital.

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

PERFORMANCE REPORT

Reform and Modernisation

RAMP – the Reform and Modernisation Programme – is our five year framework for taking forward sustainable transformation and improvement. It takes account of key regional strategies. In RAMP we map out a challenging reform agenda across nine Service Transformation Workstreams; People RAMP is our organisational development strategy; and the Resources workstream looks at financial, capital and ICT. There has been significant progress towards the five year vision of RAMP, but there is still much to do.

Innovation and Quality Improvement

The Trust has been developing its approach to Innovation and Quality Improvement (IQI) to develop a formal strategy which at its heart has patient safety, supported by service improvement, and in March 2017 formally launched the IQI Strategy and its accompanying Capability Model.

Our goal is to deliver innovation and quality improvement in partnership with our patients/clients and staff. With this in mind the Trust's approach puts the service user at the centre, adopting a proactive, co-production/design approach.

IQI is a direct enabler to the Trust's Reform and Modernisation Programme (RAMP), and its three strategic benefits associated with Triple Aim - Patient Experience, Health and Social Care Outcomes and Efficiency.

Community Care

2016/17 has been a pivotal year in the Community Care Division. Phase one of a significant restructure commenced in October 2016 to further integrate services, simplify access and improve team-working throughout Community Care Services.

Locality Teams

The restructure supports ownership of referrals within teams and prevents the need for unnecessary referrals across services. The 14 Community Teams for adults cover local populations of around 33,000 and have a management structure with more accountability closer to the staff who are delivering the service in a local area. The new model promotes a greater co-operation between primary care, acute and community health and social care teams.

Recovery Service

The Recovery Service was launched in October 2016, to provide reablement services tailored to individual service user needs and support service users to reach their optimum level of independence.

PERFORMANCE REPORT

Nursing Home In-Reach Initiatives

The award-winning Nursing Homes In-Reach initiative aims to build skills and knowledge of nursing home registrant staff to maintain residents in their care home safely for as long as possible and improve the resident experience.

Community Beds

Two additional Community Bed Units, totalling 25 beds, have been put in place in the Antrim area. One example is the Bed-Based Delirium Support Service, which has been developed in partnership with an independent sector nursing home. Outcomes have been very positive, with the great majority of people being able to return to their own homes after a four – six week period.

Dalriada Pathfinder Project

The Dalriada Pathfinder Project has established the 'Living Well' model which promotes the integration of statutory, community and voluntary services to support people to remain at home in their local community in the Moyle area; links have been strengthened between statutory agencies including GPs, council, pharmacists, local schools, and Trust community teams as well as the Arts Care NI and the community and voluntary sector. A similar initiative is being piloted across three urban and three rural practices in the Mid and East Antrim locality.

Domiciliary Care Services

In response to increasing demand we have developed a modernisation and reform programme for domiciliary care services. The aim is to help ensure that we provide a responsive and sustainable model for domiciliary care service provision in the Northern Trust area that ensures the delivery of safe and effective domiciliary care to meet the changing needs of the population.

Surgical and Clinical Services

Out Patients/Day Procedures

The Division provided over 100,000 outpatient appointments in 2016/17, along with over 10,000 elective inpatient or day case procedures across four hospital sites, more than 12,000 endoscopies and approximately 34,000 diagnostic scans. The division has received recurrent investment to address some elements of its capacity gap. The gastroenterology service bid successfully for funding for additional medical, nursing and support staff to increase outpatient and endoscopy capacity, and has been able to implement the majority of this investment in-year. The diagnostics service received investment to move towards a seven-day service for unscheduled care, and is anticipating further investment in elective services early in 2017/18.

PERFORMANCE REPORT

Productive Operating Theatre Model

Alongside seeking investment to increase capacity, the division is working to increase efficiency and productivity by pursuing its Reform and Modernisation Plan. This includes the implementation of The Productive Operating Theatre programme; extending theatre schedules to increase capacity and a wide-ranging outpatient reform programme aimed at ensuring patients receive the most appropriate care with the minimum of delay.

Successes

The Trust Laboratories Service undertook Clinical Pathology Accreditation CPA (UK) inspection which was successfully completed and accreditation maintained. The Endoscopy Service undertook a Joint Advisory Group on Gastrointestinal Endoscopy (JAG) inspection and accreditation has been successfully renewed.

The Trust won the Caspe Healthcare Knowledge Systems (CHKS) Patient Safety Award for the second consecutive year in 2016 – this is a national award for outstanding performance in providing a safe hospital environment for patients – and was also named one of the CHKS Top Hospitals for the fourth year in a row.

Medicine and Emergency Medicine

Over 125,000 people used Antrim Area and Causeway hospitals' Emergency Departments in 2016/17, a 2.5% increase on the year before. The number of over-75 year olds attending Emergency Department increased by 5%, reflecting a population with a growing proportion of older people. Despite this increasing demand, it has been possible to make some significant changes to the way our hospitals work, resulting in better outcomes for patients. For example, the division's Reform and Modernisation Plan has seen further development of front door assessment services in Antrim Area Hospital such as the Direct Assessment Unit and Early Intervention Team. This has resulted in hospital admissions being reduced by 4% compared to last year despite increased ED attendances. Work is ongoing in Causeway Hospital to develop similar models of care.

Long-term Conditions

With the support of our local Integrated Care Partnership, the division has continued to deliver improved services in respiratory, stroke and diabetes care. Over 900 patients with Type 2 diabetes have now completed a structured education programme and 75% of patients admitted with COPD are treated with an evidence-based 'care bundle'.

Four Hour Target

The '100% challenge' took place in Antrim Area Hospital over a three day period, focusing intently on a 24 hour period and aiming to maximise the flow of patients throughout the hospital. Following on from this event the division has begun

PERFORMANCE REPORT

implementing a new model of site management for Antrim Area Hospital which has had a significant impact on performance against the four-hour target, from 63% in December to 79% in February 2017. This has resulted in a less crowded Emergency Department, with patients being seen in a more timely way. The division will now be working to secure the resource required to embed and sustain this model.

Women, Children and Families

The Women, Children and Families Division delivers services from within a range of settings - families own homes, in community facilities, within hospital settings and in Children's Homes and foster carers homes. Services are managed within four broad areas:

- Women and Child Health;
- Emotional Health and Wellbeing;
- Safeguarding and Family Support; and
- Looked After Children.

Maternity Services

The Midwifery and Obstetric Team provides services to women, which resulted in 4022 live babies being delivered this year. During 2016 we launched the first midwifery led "Tongue Tie" clinic in Northern Ireland. This clinic provides support to mothers when breastfeeding difficulties arise as a result of Ankyloglossia, also known as tongue-tie.

Contraception and Sexual Health Services

2016-17 was a busy year in terms of reform and modernisation for Contraceptive and Sexual Health Services (CASH) which continued to develop in line with RQIA recommendations and have commenced the first nurse-led integrated clinics within the province. This effectively provides patients with a single appointment for both their contraceptive and sexual health needs. Our vision is for four Sexual Health hubs, the first has been established in the former Braid Valley Hospital closely followed by one in Mid-Ulster Hospital. Further accommodation is being sought both in the Newtownabbey and Coleraine areas. This year also saw a rollout of University based sexual health services, based on the established model within the Northern Regional Colleges.

Family Nurse Partnership

The Family Nurse Partnership Programme is a voluntary, intensive support programme offered to young mums from early pregnancy until their child reaches two years of age. A specially trained family nurse visits the family weekly or fortnightly for the duration of the programme

PERFORMANCE REPORT

Paediatric Autistic Spectrum Disorder Service (ASD Service)

The Paediatric ASD Service aims to provide and deliver a high quality assessment and diagnostic service for children and young people where concerns regarding ASD have been identified. The service also aims to provide support and intervention to children and young people with a diagnosis of ASD and their families. The Trust's ASD Service has experienced extreme pressures with growing waiting lists, including waiting times. This year, the Trust received recurring investment in recognition of the demand for the service and the incoming year will be focused on a sustained reform plan.

Family Group Conference Service

The Family Group Conference model promotes the strategic shift towards earlier intervention to improve outcomes for children. It is a challenging model to deliver as it involves and engages all relevant parties from the outset. We have developed a core team of staff supported by sessional co-ordinators to deliver an enhanced Family Group Conference service within the Trust in support of the statutory social work role.

Child and Adolescent Mental Health Service (CAMHS)

CAMHS work with the most vulnerable children in our society up to the age of 18 years. The service supports children and young people with mild/moderate mental health concerns to the most severe and complex mental health disorders. The service successfully delivered its change plan, resulting in a sustained reduction in the waiting list and waiting times, with enhanced services.

During the past year, the service introduced a Crisis Response Team offering dedicated support to children and young people, leading to an overall reduction in the number of admissions to inpatient settings. This has been developed through partnership with colleagues in the adult Rapid Assessment Interface Discharge Team (RAID) so that all children and young people presenting within the Emergency Department setting have access to mental health screening within two hours of presentation.

Safeguarding and Family Support

Protecting children from harm is everyone's business; no one organisation has all the answers. Conscious of the need for robust, accountable partnerships, we launched our "NHSCT Strategy for Safeguarding Children from Abuse and Neglect" earlier this year. The strategy brings together several strands of work and outlines how we will work with other agencies.

PERFORMANCE REPORT

Looked After Children

The Trust is Corporate Parent for 656 children. We provide accommodation for children and young people in the homes of foster carers, in the Trust's Children's Homes and in independent living arrangements.

During 2016-17 the Trust opened Tafelta Rise, in partnership with Supporting People. It is a new 13 bed facility in the Mid Ulster area for young people aged 16+ as part of transition to adulthood. The Trust also re-opened one of its Children's Homes after a period of refurbishment.

Mental Health, Learning Disability and Community Wellbeing Division

The Mental Health Learning Disability and Community Wellbeing Division continues to drive forward a range of services whilst at the same time being challenged with a growing and aging population with an increased number of people presenting to services particularly dementia and disability services, and higher levels of complexity and co-morbidity e.g. people presenting with a learning disability and dementia and complex needs cases transitioning to adulthood.

Mental Health Services

This year saw the embedding of RAID (Rapid Assessment, Interface and Discharge) service which recognises and provides an effective response to the high levels of mental and physical health co-morbidities presenting in patients across acute care settings. This year a focus has been on reducing the numbers of people with a Mental Health diagnosis re-presenting within 30 days to the Emergency Departments and embedding the RAID influence in Wards and Teams.

The Dementia Home Support Team continued to provide CLEAR Dementia Care behavioural assessments in people's place of residence thus reducing demand for admissions to hospital. The impact has avoided a significant number of potential admissions to hospital. The Memory Service pathway is now implemented across the Trust and all referrals for assessment of dementia are sent to the Memory Service via Mental Health Services for Older People. This single point of entry to the service ensures that all service users access the same high quality service. An improved assessment, treatment and discharge pathway was introduced within the Dementia Intensive Care Unit, Holywell Hospital and the community to support transition from hospital to home. Furthermore, six beds were developed this year in the independent sector dedicated to improve the management of delirium and timely discharge from hospital.

Building on mental health recovery orientated practice the Trust remains committed to providing early intervention for people suffering from common mental health conditions such as anxiety and mild depression. Emotional Wellbeing Hubs are now established throughout the Trust. The hubs provide a range of community options

PERFORMANCE REPORT

to support individuals including self-help resources and talking therapies provided by local voluntary and community sector agencies.

Learning Disability Services

During 2016 the Trust continued its expansion of community-based day opportunities for adults with a learning disability. The Day Opportunities Programme provides a range of opportunities for over 500 individuals who once traditionally attended Trust Adult Centres. The service connects and coordinates individualised packages of community-based day opportunities which include vocational and social enterprise activities; volunteering and further education.

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 and there has been extremely positive feedback from both service users and their families.

During the year consultation finished on 'Take a Break', the strategy for the delivery of short breaks for service users with a learning disability. The strategy is focused on the provision of flexible and person centred short breaks. Consultation has been extensive and feedback has been positive.

Psychological Services

During previous years we have developed processes to ensure the quality of service delivered by Psychological Services – receiving accreditation for the PTS from British Psychological Society and the Royal College of Psychiatrists; as well as ensuring all services are routinely monitoring service user outcomes. During 2016/17, Psychological Services have worked hard to improve the speed of access to our services. We have reduced waiting time for people first being seen by a psychologist or psychological therapist. For some people there are still some delays in being seen for their ongoing intervention and treatment and we are keen throughout 2017/18 to consolidate this year's work by ensuring that people do not have to wait at other stages in their journey of care. We are increasingly offering a greater range of choice to people who use our services with regard to the range of therapies offered and also in the format – with both group and individual approaches available.

During this year 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. Throughout this year we have worked in partnership with groups in Portglenone and Ballymena in particular, addressing psychological approaches to early intervention and prevention in locally

PERFORMANCE REPORT

formed groups. Psychological Services continue to work in partnership with local organisations to provide Stress Control classes in the community - to date in excess of 600 people have attended these classes. We look forward to delivering these classes through more areas of the Trust in partnership with Mid and East Antrim Council supported by PEACE IV funding.

Community Planning

The Trust has worked alongside each local council and other statutory partners to help develop Community Plans for Mid Ulster, Mid and East Antrim, Causeway Coast and Glens and Antrim and Newtownabbey districts. Each Community Plan reflects the local needs and issues and has been developed with widespread public engagement and consultation.

The Community Plans have recognised the importance of good health and wellbeing for their communities and have placed emphasis on preventative and early intervention approaches which involve communities and which address the underlying causes of poor health. Each Plan recognises the significant impact that issues such as housing, employment, safety and education have on health and wellbeing. The Plans provide for collaborative actions to address these issues in order to achieve positive and measurable outcomes for the population of each Council area. Going forward, the Trust continues to work in partnership to provide delivery on the commitments of the Community Plans.

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

In 2016/17 the Trust, with financial support from the Regional e-Health Programme, has continued to develop the ICT Infrastructure, the portfolio of information systems and analytics. Our ultimate goal is to support the delivery of health and care services to our patients and clients.

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. Developments in this area include the implementation of an Electronic Health and Care Record for Northern Ireland.

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 diagnostic tests (such as x-rays), managing bed availability and brokering domiciliary care. We now accept electronic referrals from General Practice to

PERFORMANCE REPORT

consultant-led outpatient clinics, community nursing and a range of minor services. This means 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 manage all referrals. Technology that will enable the electronic transfer of clinical correspondence to General Practice is also being implemented.

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 see the continuing development of analytics as vital to the effective utilisation of services and are working with partners on predictive modelling. We are making information on average waiting times in Emergency Departments available to our service users via the NI Direct website; this information is updated hourly. We welcome this development as the first step towards sharing a range of live information.

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. Regional investment has been allocated in the 17/18 budget to accelerate the mobilisation of our ICT access for these staff. We are also adopting desktop virtualisation to support our staff who are 'mobile' within busy clinical areas such as Emergency Departments.

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 resources 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. Our ICT Department has maintained its ISO 27001 (Information Security Management) accreditation and also achieved ISO 20000 (ICT Service Management) accreditation in April 2016.

PERFORMANCE REPORT

Corporate Support Services

Almost 1000 staff are employed by the Corporate Support Services Department providing a range of essential services including cleaning, catering, portering, laundry and transport services, which support clinical care and forms an integral part of the overall patient/client experience.

Catering Services

Nutrition and hydration are vital to the recovery and wellbeing of patients and clients; we have a protected meal time policy, to support this. Supporting patient recovery underpins the work of catering services who retained the Customer Services Excellence Award for the sixth year running with the additional success of the 24 Adult and Day Centres throughout the Community. The award is a driver for continuous improvement, focusing on a skills development programme for the Catering Teams.

The Catering Management Information System modules continue to be implemented. Standardised menus, food wastage records and stock analysis have been introduced into all hospitals/ facilities including residential and children's homes.

Training in the Chartered Institute of Environmental Health, Level 2 Award in Food Safety continued to be rolled out across Catering, Domestic Services, Health Care Assistants, Transport and Occupational Therapy. Catering and Domestic Services staff also joined with Portering staff to undertake the World Host customer care training and are now recognised as customer care ambassadors for the Trust.

Domestic Services

Environmental cleanliness is vitally important to a service user's experience. The Acute and Community Domestic Services teams provide a high quality cleaning service to hospitals/facilities throughout the Trust. Monthly Environmental Cleanliness audits coupled with leadership walkarounds, ensure the expected patient/client environment standards continued to be met.

During the year RQIA completed Unannounced Hygiene Inspections of the Causeway, Antrim, Mid Ulster, Whiteabbey, Dalriada and Robinson Memorial Hospitals and the inspection results reflected the good work undertaken by the multi-disciplinary team involved in infection control measures, including the Domestic Services staff.

The Intensive Clean Procedure has been revised and re-launched to Nursing, Estates and Domestic Services staff, providing greater accountability and assurance for the provision of high quality environmental cleanliness standards. Throughout the

PERFORMANCE REPORT

community, intensive clean schedules have now been drawn up for clinical / treatment rooms.

In 2016 the Customer Services Excellence Award for Domestic Services was achieved for all 24 Adult & Day Centres as well as retaining the award in all the Acute Hospitals and the three community hospitals. The award tests in great depth those areas that research has indicated are a priority for customers, with particular focus on delivery, timeliness, information, professionalism and staff attitude.

Following the 2 ½ day assessment feedback was very positive, with the assessor particularly recognising the importance of the 10,000 Voices feedback project which identified a number of service improvements which have now been taken forward.

Site Support Services

Portering services are provided in all Acute and sub-Acute Hospitals, the Braid Valley site and other community facilities. 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.

Security/Car Parking

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 the 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, Causeway Laboratory and Emergency Department and Causeway House in Ballymoney.

Staff identity cards are used to access the areas where SALTO is. 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.

Transport Department

During 2016 the Transport Department bought 18 new vehicles and 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 discharge of patients from Antrim Area Hospital.

PERFORMANCE REPORT

Equality Matters

The Trust recognises that different people bring different perspectives, ideas, knowledge and culture, and that this difference brings great strength both to our workforce and to the communities we serve. Trust staff continue to make sure that equality and human rights are at the heart of everything we do.

We worked in partnership with disabled people and older people to make sure that our new Ballymena Health and Care Centre is accessible to everyone. This partnership approach has resulted in real changes including accessible signage, a colour scheme that contributes positively to way finding and the co-delivery of disability equality training for all health and care centre staff. This partnership approach, which has been commended regionally, provides a model of good practice for all future builds.

The Trust is actively involved in promoting 'Carers Week'. This year saw the launch of two regional DVDs. "Hidden Humans" created by Carers NI and the Human Rights Commission and a DVD promoting carers assessments.

This year the Trust, in partnership with Carers NI, arranged a number of events to support carers including 'mindfulness', 'relax and refresh days' and 'first aid training'.

One in five people will experience communication difficulties at some point in their lives. The 'Making Communication Accessible Guide for Health and Social Care Staff' provides practical tips, advice and guidelines for health and social care staff to enable them to be more inclusive and accessible in their communication with service users. This resource will help staff create communication friendly environments that will improve access to health and social care services.

A calendar of events was delivered to raise visibility and celebrate the LGBT community. A LGBT e-learning programme has been developed for health and social care staff to develop their understanding of issues for lesbian, gay, bisexual and transgender work colleagues and service users.

The Trust has a number of user groups, established so that individuals and representative organisations work in partnership with Trust staff to make sure their views are part of the planning, delivery and monitoring of services.

In October 2016, the Health Minister launched her 10-year vision to transform the current health and social care system. Her report sets out the need for change and makes a commitment to work in partnership with service users and carers to realise that change. Building on the good practice that already exists across the organisation we will adopt creative and innovative ways to maximise involvement in the challenging times ahead.

PERFORMANCE REPORT

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.

In striving to be prepared to respond to an incident the Trust has developed the following plans:

- Corporate Major Incident Plan;
- Antrim Area Hospital Site Specific Major Incident Plan;
- Causeway Hospital Site Specific Major Incident Plan;
- Pandemic Influenza Response Plan;
- Chemical, Biological, Radiological, Nuclear (CBRN) Response Plan; and
- Mass Prophylaxis Centre Plan.

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. Training has been wide-ranging and the Trust Emergency Planning and Business Continuity Manager has facilitated Major Incident response training to Trust staff including the Executive Team, Emergency Departments, and Switchboard Operators.

The Trust Emergency Response Team is a highly regarded and valuable Trust asset during a major incident response. The team which is co-ordinated by the Emergency Planning & Business Continuity Manager has received training incorporated into their monthly team meetings which has included Belfast International Airport major incident response familiarisation sessions. The Team also attends an annual training day to provide assurances of their capability to respond to a Trust major incident or a civil emergency.

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 hosted a live major incident exercise in June 2016 on Antrim Hospital Site to test the Incident Command and Control Team and the Emergency Department response to a large transport incident scenario. The exercise was very successful and an action plan developed to further enhance the Trusts major incident response.

PERFORMANCE REPORT

Trust involvement and contribution to multi-agency preparation, planning and co-ordination with partner agencies continues for high profile events including the Northwest 200, the International Air Show and other road racing events.

Work has now been complete to expand the Control and Information Team Room in Antrim Area Hospital Site allowing for a facility to appropriately accommodate the major incident control team.

The incoming year will include planning to host a live major incident exercise to test the Causeway Hospital response to a major incident in June 2017, and participation in a live multi-agency exercise in Belfast International Airport in November 2017.

Complaints and User Experience

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

The total number of formal complaints received for the period 1 April 2016 – 31 March 2017 was 803 and are set out in the table below by Division.

Complaints by Division :

Medicine & Emergency Medicine	211
Surgery& Clinical Services	139
Children's Service	170
Nursing and User Experience	25
Finance	24
Medical and Governance	0
Mental Health and Disability Services	112
Primary Care Older People's Services	112
Planning and Performance Management	10
Total	803

We aim to respond to complaints within 20 working days, where possible, and strive to ensure that there is a full, fair and objective investigation of the issues and concerns raised, and that an effective response and outcome is provided. The Trust responded to 74% of complaints within 20 working days.

PERFORMANCE REPORT

Compliments

Services across the Trust received many compliments on a frequent basis; these can range from written letters and thank you cards to verbal feedback. In addition, a number of compliments are received directly by the Chief Executive, and for the year ended 31 March 2017, the Chief Executive received a total of 1,061 compliments.

Ombudsman

Sometimes people are not always happy with the outcome of the investigation into their complaint. For those who remain dissatisfied, they may approach the Ombudsman's Office directly. In 2016/17 there were four requests for information from the Ombudsman's Office. One case was not upheld and three are still ongoing. In addition, a further three Ombudsman cases from previous years were closed during 2016/17.

PERFORMANCE REPORT

PERFORMANCE – ANALYSIS

Our Performance

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

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; and
- Mental Health and Learning Disability.

Over the course of 2016/17 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.

Performance: Emergency Department

The safety and quality of care provided in the Trust's Emergency Departments continued to be a key focus throughout 2016/17. We have seen an increase in demand across both of the Emergency Departments. This increase in patient numbers and activity has placed increased pressure on the service. The Trust has implemented a wide range of actions aimed at improving and sustaining performance. The 12 hour target, to ensure all patients are seen treated and leave within this period, has remained really challenging. Both Emergency Departments have seen an increase in the numbers exceeding this target over the winter and early spring.

PERFORMANCE REPORT

Performance: Inpatient and day cases waiting lists

The regional performance standard is that 55% of inpatients and day cases should wait no longer than 13 weeks for treatment and that no patient should wait longer than 52 weeks. However it is regionally recognised that these targets are not being met due to the lack of hospital capacity to meet the increasing demand. Urgent and red flag cases are given priority but some non-urgent cases have been waiting over 52 weeks (107 such cases at end March 2017). During 2016/17, the Trust consistently achieved or exceeded the 55% target for referrals waiting less than 13 weeks, with the exception of February 2017 when the Trust achieved 53%.

Performance: Hospital Outpatients

There are challenges too in providing for non-urgent out-patient referrals. At the end of March 2017, 66% of patients were waiting more than 9 weeks since referral and 3316 patients were waiting over 52 weeks, due to demand being significantly higher than capacity.

Performance: Cancer Services

All urgent breast cancer referrals should be seen within 14 days from referral. From April 2016 to March 2017, 97% of patients were seen within 14 days. During 2016/17 the Trust accepted referrals from the Southern Trust to help relieve pressures there and this has resulted in a small impact in performance against the 14 day timeframe. During the year the Trust also aimed to ensure that 95% of patients urgently referred with a suspected cancer in all specialties began their first definitive treatment within 62 days. The Trust achieved 75% against the 62 day target in March 2017 and continues to take a range of actions to help with improving performance against this target.

Performance: Children in Care

There are a range of targets and indicators regarding children's services that the Trust aims to achieve throughout the year. Of the children, aged 16 to 18, leaving the Trust's residential care from April 2016 to March 2017, 97% were in education, training or employment.

Performance: Mental Health Services

The objective is to have no patients waiting longer than 9 weeks to access child and adolescent, adult mental health and dementia services and no longer than 13 weeks to access psychological therapies.

PERFORMANCE REPORT

At the end of March 2017 no patients were waiting longer than 9 weeks for child and adolescent, adult mental health and dementia services. In relation to psychological therapies there were 57 people waiting outside of the 13 week target at the end of March 2017 with 52 of these waiting for adult learning disability services.

The following table is a summary of the key performance areas monitored. The Trust Board review performance against all the targets each month and detailed monthly reports are available on the Trust's website. www.northerntrust.hscni.net. The table below shows the latest information for the month of March 2017.

Summary of Trust Performance against 2016-17 Commissioning Plan Targets Rating based on March's performance

By March 17, secure a reduction of 10 to 20% in the total number of MRSA , Trust target 10 annually.	
By March 17, secure a reduction of 10 to 20% in the total number of CDiff , Trust target 57 annually.	
From April 2016, ensure that at least 15% of patients with confirmed Ischaemic stroke receive thrombolysis.	
By March 2017, at least 50% of patients wait no longer than 9 weeks for 1 st outpatient appointment.	
By March 2017, no patient to wait > 52 weeks for 1 st outpatient appointment.	
By March 2017, 75% of patients should wait no longer than 9 weeks for a diagnostic test	
By March 2017, 75% of patients should wait no longer than 26 weeks for a diagnostic test	
By March 2017, 75% of patients should wait no longer than 9 weeks for an Endoscopy diagnostic test.	
By March 2017, no patient waits longer than 26 weeks for an Endoscopy diagnostic test.	
By March 2017, 55% of patients should wait no longer than 13 weeks for inpatient/ daycase treatment.	
By March 2017, no patient waits longer than 52 weeks for inpatient/ daycase treatment	
From April 2016, all Urgent diagnostic tests are reported on within 2 days of the test being undertaken.	
By March 2017, reduce by 20% the number of hospital cancelled consultant-led outpatient appointments in the acute programme of care	
By March 2017, no patient to wait longer than 13 weeks from referral to commencement of AHP treatment.	
From April 2016, all urgent suspected breast cancer referrals should be seen within 14 days	
From April 2016 at least 98% of patients diagnosed with cancer should receive their first definitive treatment within 31 days of a decision to treat.	

PERFORMANCE REPORT

From April 2016, at least 95% of patients urgently referred with a suspected cancer should begin their first definitive treatment within 62 days	
From April 2016, 95% of patients attending any type 1, 2 or 3 emergency department are either treated and discharged home, or admitted, within four hours of their arrival in the department	
From April 2016 no patient attending any emergency department should wait longer than 12 hours	
By March 2017, at least 80% of patients to have commenced treatment, following triage, within 2 hours	
By March 2017, reduce the number of unplanned admissions to hospital by 5% for adults with specified long-term conditions	
From April 2016, ensure that 90% of complex discharges from an acute hospital take place within 48 hours	
From April 2016, no complex discharge takes more than seven days	
From April 2016 all non-complex discharges from an acute hospital take place within six hours.	
From April 2016, no patient waits longer than nine weeks to access adult mental health services	
From April 2016, no patient waits longer than 9 weeks to Access dementia services.	
From April 2016, no patient waits longer than 13 weeks for psychological therapies (any age)	
From April 2016, ensure that 99% of all Learning Disability discharges take place within 7 days of the patient being assessed as medically fit for discharge	
From April 2016, ensure all Learning Disability discharges take place within 28 days of the patient being assessed as medically fit for discharge	
From April 2016, ensure that 99% of all mental health discharges take place within seven days of the patient being assessed as medically fit for discharge	
From April 2016, ensure that all mental health discharges take place within 28 days of the patient being assessed as medically fit for discharge.	
For 2016/17, ensure a three year time frame (from date of last admission) for 90% of children who are adopted from care.	
From April 2016 no patient waits longer than 9 weeks to Access child and adolescent mental health services.	
By March 2017, secure a 10% increase in the number of direct payments to all service users.	
By March 2017, secure a 10% increase in the number of carers' assessments offered to carers for all service users.	
By March 2017, secure a 5% increase in the number of community based short break hours (i.e. non-residential respite) received by adults across all programmes of care.	

PERFORMANCE REPORT

Environment and Sustainability Report

The Trust Waste Policy includes a commitment to safeguard the environment from adverse effects from the waste produced throughout the Trust.

The domestic waste is managed by recycling of the co-mingled recyclable waste, recovery (into fuel) for the general waste and landfill for that fraction which cannot be reused, recycled or recovered.

For items that are no longer required by a department but can still be used there is the option of a swap-shop. During 2016/17 furniture and electrical items were either re-distributed across the Trust or donated to charity resulting in diverting items from landfill and unnecessary cost for both disposal and replacement items.

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

Throughout the year recycling has steadily increased. This has helped to further divert waste from landfill and with some hospitals and community facilities resulting in 80+% recycling. Throughout 2016/17 the Trust average annual recycling rate was 70.5%, 18.7% was recovered and 10.8% sent to landfill.

By April 2017 all food waste audits will be completed to identify those facilities that require either separate collections or equipment. Waste Management along with the facility will decide the best methodology for food waste disposal on a site per site basis.

Waste Electrical and Electronic Equipment (WEEE) is a complex mixture of materials and components that because of their hazardous content, if not properly managed, can cause major environmental and health problems.

Healthcare Waste (clinical, pharmaceutical and anatomical) is hazardous in nature and therefore cannot be recycled or reused without first being treated. The management option for clinical waste is to render it safe via steam treatment which forms a 'flock' which can then be recovered and sent to a waste energy plant as sustainable fuel.

During 2016/17 1,029 tonnes of healthcare waste was produced across the Trust; of this 78% of the flock was recovered and sent as fuel; the waste production was a slight increase from the previous year.

PERFORMANCE REPORT

To help reduce the amount of **confidential waste**, 120 shredders were placed both in the acute and community departments in addition to the 211 already in use.

Energy Report

Following the completion of the Regional Buying Framework the Trust has saved approximately £400k in energy costs. The contract was awarded to SSE Airtricity and received the “Highly Commended Award” in the GO Procurement Innovation / Initiative of the Year awards.

Renewable technology, such as Solar PV panels, has been installed at both Antrim Area Hospital and Finance Building in, Ballymena. Antrim Area Hospital has an ever increasing electricity demand and an array of solar PV panels producing 50kW has been installed which have a lifespan of 25 years. The installation will save the Northern Trust £12,000 and decrease the carbon demand by 20 tonnes annually. The energy produced goes straight into the hospital supply and is classed as green energy.

Smart heating controls have continued to be deployed so as to provide remote access to premises where previously standard domestic time clocks were used. This provides the ability to turn on and off equipment at the weekend or holidays when offices are not used.

Telecoms Report

2016/17 has witnessed a continued deployment of VoIP phones and the associated benefits of access to all centralised applications such as hot desking, voicemail, contact centre etc. The Trust now has increased resiliency and reduced costs with the latest line technology, SIP, and removed a significant amount of historic analogue exchange lines.

There has been a significant increase, of approximately 60%, in smart phone deployment which facilitates staff productivity in many ways. This year both Domiciliary Care and Health Visitors have seen large deployments of 550 and 120 standard mobile phones respectively.

Telecoms introduced a new Video conferencing platform to work in tandem with the historic platform and have the capability of bringing service users into direct access with staff without the need for specialist video conferencing equipment. By introducing a trial managed service there has been a 400% increase in video usage and this is expected to increase and thus improve productivity and cost savings. In

PERFORMANCE REPORT

addition the Trust's audio conferencing system has seen an increase in usage of approximately 330% compared to 2015/16.

Our people

Through the 'People' element of RAMP our aim is to ensure that the Trust is a truly great place to work. We want all our staff to feel proud to work for the Trust and to have no hesitation in recommending it to others as a caring and supportive environment – a great place to work. Our ideal is a culture of innovation, great leadership, team working and high performance, which focuses on the needs of our patients and clients and enriches the working lives of our staff.

Key workforce challenges throughout this year continue to be the availability of nurses and doctors and staff in the organisation have worked hard to maintain services in spite of these challenges. International recruitment for nurses regionally did not deliver the numbers of nurses we needed; however we were delighted to welcome our first set of Italian nurses and we look forward to welcoming further cohorts of nurses during the 2017/18 year. Our excellent nursing workforce has worked tirelessly to care for our patients and clients focusing on providing them with the best experience possible in their care. The dedication and commitment of our nursing staff is much appreciated, as with all our staff, both professional, managerial and support across both hospital and community services.

Recruiting both senior, middle grade and junior doctors in training continues to be a challenge for us and we continue to be grateful to all our medical staff and locums for maintaining services in the face of severe staffing shortages and their tenacity in keeping our patients safe through their hospital journey.

We recognise that all staff must be supported to optimise their potential in a workplace that facilitates engagement and empowerment. Research and our own experience confirm that the most significant relationship in an employee's working life is the one they have with their line manager. Therefore we have looked at how we can best support and develop managers and have subsequently created a modularised leadership and management development pathway. This pathway seeks to connect learning with the real-life challenges faced by managers in trying to achieve their objectives. It will offer learning in a self-paced, technology enabled and collaborative environment through a blended approach which combines experiential on-the-job learning, coaching, feedback and training – both formal and virtual. In addition, we have also adopted an organisational approach to coaching and are improving our induction and appraisal programmes.

It is essential that staff can work effectively within and across multi-disciplinary, integrated teams. Accordingly, we have commenced a team effectiveness programme. An initial diagnostic assessment allows us to tailor the programme and

PERFORMANCE REPORT

to place the development emphasis on those areas which are of particular importance for individual teams.

The Trust's CORE values of Compassion, Openness, Respect and Excellence were derived following consultation with a wide range of staff. Following this theme, over the course of the year, 32 workshops delivered across the Trust have allowed staff to clarify the behaviours associated with the values, for both service users and within their own teams. These have been well received and in many cases have led to further development work with teams.

Our annual Leadership Conference in November 2016, with its theme 'Compassionate Leadership for Truly Compassionate Care,' emphasised our direction of travel in relation to both the values and the development of staff, both as effective managers and as the leaders of the future. The conference was addressed by the Minister of Health, Michelle O'Neill MLA and featured keynote speakers from the UK and Ireland.

Reward and recognition plays an important role in encouraging employee engagement. The Chairman's Awards recognise teams and staff who go the extra mile to deliver high quality, effective and innovative services for the benefit of our patients and clients. This year we received 96 entries and a poster exhibition at the Leadership Conference showcased all the finalists. All the entries were of a high standard and we much appreciate the time our staff took in applying for the awards.

The five award categories and the winners were as follows:

The Partnership Award

An award open to any partnership initiatives involving collaboration between Trust teams and stakeholders external to the Trust.

Winner: 'Protecting and supporting the neurodevelopment of the high risk infant: Neonatal care and beyond.'

The Integrated Services Award

An award open to teams who have collaborated with other teams within the Trust to break down internal barriers to deliver seamless services for our service users/carers and have delivered an improved service or experience as a result.

Winner: 'RAID - the 'Mental Health Integrated Liaison Service within Antrim Area Hospital & Causeway.'

The Innovation and Quality Improvement Award

This category was open to any individual or team that could demonstrate that they have improved services through the introduction of innovative approaches or a quality improvement initiative or activity.

PERFORMANCE REPORT

Winner: *Community nurses Marysia Graffin and Sarah Arthur for the 'Development of a bespoke sterile dressing pack for the care of HICC and PICC lines within the community setting'.*

The Effective Team Award

This category was open to outstanding teams in the Trust, from any service or discipline who could demonstrate that they are excelling and are making a difference.

Winner: *The Infection Prevention Control Team*

Special Recognition Award

This Award goes to a person who is a role model for the Trust's CORE values of compassion, openness, respect and excellence. They make a positive contribution to the lives of services users and colleagues. They are extremely highly regarded by their colleagues and have gone the extra mile as an individual.

Winner: *Audrey Wallace who is a Staff Nurse in the Hospital Diversion Nursing Team at the Robinson Hospital.*

The 2015 HSCNI Regional Staff Survey provided staff with an opportunity to reflect on their jobs and on working in the Northern Trust. A total of 3,624 Northern Trust staff completed the questionnaire which covered areas such as personal development, flexible working/work-life balance, communication and engagement and health, safety and wellbeing at work. The aim was to gather information that will help to improve the working lives of staff and to continuously improve the services that we provide for our patients and service users.

Overall there are a number of positives that can be taken from our results, including improvements since the last survey in 2012, particularly regarding health and wellbeing, staff appraisals and personal development plans. An overwhelming majority of Northern Trust staff feel positive about their jobs and are pleased with the standards they are able to achieve in their roles and overall staff motivation is rated quite highly.

However, there are some areas of concern and where improvement is required, if we are all to ensure that the Northern Trust becomes a great place to work. We need to make improvements in internal communication and listening, increase leadership visibility, address some challenges around equality and bullying and harassment and implement further work to recognise and appreciate our staff as well as ensuring we share learning from incidents and accidents. Working in partnership with professional leads and Trade Union colleagues, the Trust has developed a Corporate Action plan in response to the staff survey. Directorates and Divisions have also developed their own action plans and progress updates will be published on the Trust's intranet on a quarterly basis.

PERFORMANCE REPORT

During 2016, a review of the Trust's Occupational Health Service was undertaken to identify elements of the service model which worked well and to highlight areas for improvement. As such it aimed to develop the model of service delivery to ensure fitness for purpose in supporting a staff health and wellbeing agenda and helping to address staff absenteeism. We continued to work together to address high levels of sickness absence with challenges both in terms of late recording of sickness and system reliability. The results of the Occupational Health Service Review highlighted opportunities to enhance both the organisation and function of the Occupational Health Service. Action points have been incorporated into service planning and delivery alongside the other Trust services. The team has expanded to include a Clinical Specialist Physiotherapist and a Consultant Clinical Psychologist; both are contributing towards the design and implementation of health and well-being initiatives. The psychologist postholder spends half of their time with Occupational Health and the other half with Organisation Development where they are providing a psychology input to the development of the leadership and management development pathway and overseeing the health and wellbeing agenda within the Trust.

Continuing our priority of focusing on our staff's well-being, on the 31st March 2017 the Trust was delighted to launch a new online health and wellbeing hub called 'i-matter'. Staff can access the hub on Trust PCs or personal computers as well as devices that operate web based technology. The hub, www.imatter.site, has been designed to provide a wide range of relevant, supportive and up-to-date information and advice on latest health news, lifestyle topics, interactive health checks and wellbeing tools, all of which are vital in achieving a healthy lifestyle.

Policies

Equality and Diversity

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

Equality of Opportunity in the Workplace Policy

- This policy is concerned with the promotion of equality of opportunity in the workplace and with the prevention of unlawful discrimination.

Working Well Together Policy

- This policy promotes positive interpersonal behaviour and a harmonious working environment.

Management of Harassment Policy

- This policy aims to prevent harassment in the workplace on any of the equality grounds. The policy provides guidance to resolve any problems should they occur.

PERFORMANCE REPORT

Joint Declaration of Protection

- A joint management and union agreement is in place which recognises the moral and statutory responsibilities placed on the Trust and trade unions under the relevant legislation. The agreement declares that the Trust and the trade unions fully accept that discrimination or victimisation in employment is both unacceptable and unlawful under the equality legislation.

Disabled Persons

The Trust is committed to promoting equality of opportunity between both employees with and without disabilities in all aspects of employment.

Employment of People with Disabilities Policy

- This policy applies to people with disabilities applying to the Trust, to staff with disabilities already employed by the Trust, staff who develop a disability during their employment, and former employees with disabilities when providing references.

Reasonable Adjustment – Guidelines for Managers

- These guidelines provide assistance to managers 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.

Flexi-time Scheme Policy

- This policy is 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.

Flexible Working - A guide for Managers and Staff

- This guide collates the Trust's flexible working mechanisms into a single accessible document. The document provides guidance on career breaks, job sharing, part-time working compresses working time and 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.

PERFORMANCE REPORT

Staff Benefits

In addition to a number of Human Resource related schemes that support the work life balance of staff, the Trust provides a confidential occupational health service and staff counselling service.

The Trust also provides staff with a number of taxable benefits availed of via salary sacrifice schemes such as:

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

Further Disclosure

Pension liabilities for the Trust are detailed within the Remuneration Staff Report section within the Accountability Report. Sickness absence data (7.35% in 2016/17) can be found within the staff report. Supplier payment Management is disclosed within Note 14 within the Accounts section (93.1% in 2016/17).


Dr Anthony Stevens
Accounting Officer
Date 15/6/17

ACCOUNTABILITY REPORT

Accountability Report

Overview

The purpose of the Accountability Report is to meet key accountability requirements to the Northern Ireland Assembly. The report contains three sections being, the Corporate Governance Report, the Remuneration and Staff Report and the Accountability and Audit Report.

The purpose of the Corporate Governance Report is to explain the composition and organisation of the Northern Trust's governance structures and how these support the achievement of the Trust's objectives.

The Remuneration and Staff Report sets out the Northern Trust's remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors. In addition the report provides details on overall staff numbers and composition and associated costs.

The Accountability and Audit Reports brings together the key financial accountability documents within the annual accounts. This report includes an overview of the financial resources and performance of the Northern Trust and the External Auditor's certificate and opinion on the financial statements.

ACCOUNTABILITY REPORT

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 (Chairman)
 - Mrs Geraldine McGahey
 - Mr Paul Corrigan
 - Mr Jim McCall
 - Mr Billy Graham
 - Mr Stewart Cuddy – appointed January 2017
 - Mr Gerard McGivern – appointed January 2017
 - Mr Glenn Houston – appointed January 2017
 - Dr Carol Ackah – completed term December 2016
 - Mr Jim Moore – completed term December 2016
 - Mrs Liz Ensor – resigned November 2016

- ii. Executive Directors
 - Dr Anthony Stevens, Chief Executive
 - Mr Owen Harkin, Executive Director of Finance
 - Mrs Marie Roulston, Executive Director of Social Work
 - Mrs Olive MacLeod, Executive Director of Nursing (on secondment from July 2016)
 - Mrs Eileen McEaney, Executive Director of Nursing (took up post in October 2016)
 - Dr Kenneth Lowry, Executive Director of Medicine (retired November 2016)
 - Mr Seamus O'Reilly, Executive Director of Medicine (took up post December 2016)

- iii. Directors
 - Mrs Pamela McCreedy, Deputy Chief Executive & Director of Operations
 - Mrs Elizabeth Brownlees, Director of Human Resources

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.

ACCOUNTABILITY REPORT

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 Northern Ireland Audit Office (NIAO) is 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.

ACCOUNTABILITY REPORT

Statement of Accounting Officer Responsibilities

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health 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 Health and Social Care Trust of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

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

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

The auditor for the Trust is the Northern Ireland Audit Office. The notional cost of the audit for the year ending 31 March 2017 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.

ACCOUNTABILITY REPORT

An additional amount of £2,762 was paid to the Northern Ireland Audit office in respect of work carried out on the national Fraud Initiative. This is reflected within miscellaneous expenditure within Note 3 'Other Administration Costs' to the accounts.'

ACCOUNTABILITY REPORT

Governance Statement 2016/17

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.

In addition to the Department of Health, 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 DOH and is informed by the Commissioning Plan. The Trust prepares a Trust Delivery Plan (TDP) 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 Board of the Northern Health and Social Care Trust applied the principles of good practice in Corporate Governance and continued to further strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance Best Practice. In 2015/16 BSO Internal Audit carried out an audit of Integrated Governance and concluded that overall there was an adequate and effective system of governance risk management and control. The audit will be repeated in 2017/18. A reassessment of the independent governance review, in March 2017, by the Leadership Centre advised that of the 31 previous recommendations, 22 were rated Green, four Green/Amber, three Amber and two Amber/Red. The review concluded that there was clear evidence that actions were being taken to address these recommendations, which would provide assurance to the Trust Board. Areas of good practice were highlighted along with areas for further development. An action plan will be developed.

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 DOH Sponsored Arm's Length Bodies. This involved assessing

ACCOUNTABILITY REPORT

Board Performance across a total of 17 criteria of which 14 were rated as Green and three as Amber/Green. The Amber Green ratings related to the number of new board members recently appointed, the induction requirements of the new members and the development needs of the whole board as a support to new members. This assessment was formally approved by the Trust Board at its meeting on 23rd March 2017 and action plans are being developed to the areas identified.

Governance Framework

The Trust Board is the primary Governing Body of the Trust. It is constituted by the DOH 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. Non Executive Directors, Executive Directors, Directors and Divisional Directors attend Trust Board.

During 2016/17, 9 Trust Board meetings were held in public.

Name of Director	No of Meetings attended	No of Possible Meetings	Comments
Mr B McCann Chairman	9	9	
Dr C Ackah Non Ex Director	4	7	Term expired 31/12/16
Mr J Moore Non Ex Director	4	7	Term expired 31/12/16
Mrs L Ensor Non Ex Director	4	7	Resigned 30/11/16
Mr B Graham Non Ex Director	9	9	
Mrs G McGahey Non Ex Director	9	9	
Mr P Corrigan Non Ex Director	8	9	
Mr J McCall Non Ex Director	6	9	
Mr G McGivern Non Ex Director	2	2	Term commenced 1/1/17
Mr G Houston Non Ex Director	2	2	Term commenced 1/1/17
Mr S Cuddy Non Ex Director	2	2	Term commenced 16/1/17
Dr A Stevens Chief Executive	9	9	

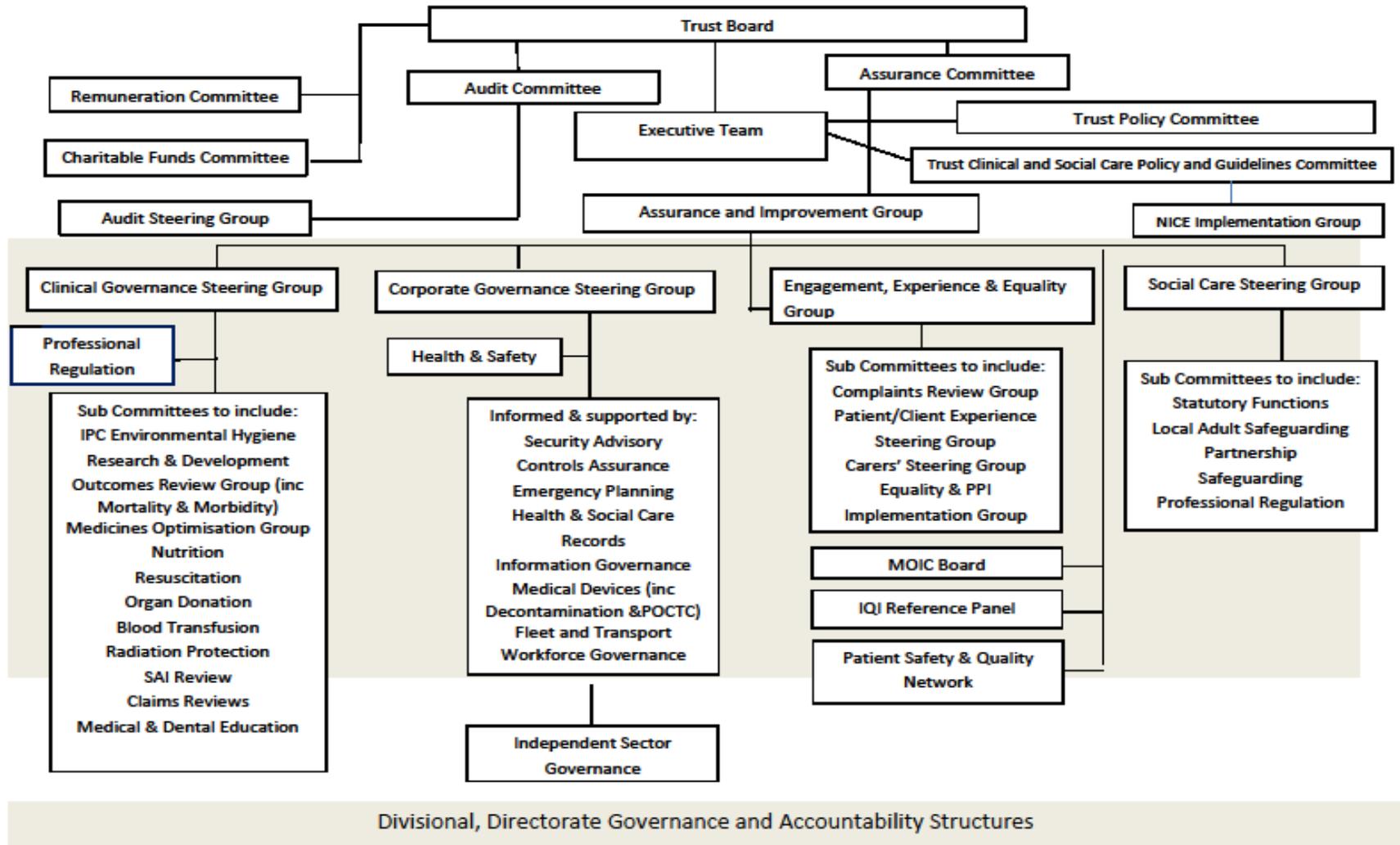
ACCOUNTABILITY REPORT

Mr O Harkin Director of Finance	9	9	
Mrs M Roulston Director Children Services/Ex Director Social Work	7	9	
Mrs O MacLeod Director Nursing and User Experience	2	2	On secondment from 30/6/16
Dr K Lowry Medical Director	4	7	Retired 30/11/16
Dr S O'Reilly Medical Director	3	3	Interim from 1/11/16. Permanent appointment 12/12/16
Mrs S Pullins Interim Director Nursing and User Experience	2	3	In post 1/7/16 – 30/9/16
Mrs E McEaney Interim Director of Nursing and User Experience	4	4	Commenced 1/10/16
Mrs P McCreedy Director of Operations/Deputy Chief Executive	9	9	
Mrs E Brownlees Director of Human Resources	9	9	Interim from 1/4/16. Permanent appointment 9/11/16
Mrs U Cunning Divisional Director Community Care	4	5	Retired 30/9/16
Mrs P Hughes Interim Divisional Director Community Care	4	4	Commenced 9/9/16
Mr O Donnelly Divisional Director Mental Health, Learning Disability and Community Wellbeing	8	9	
Ms B Donaghy Divisional Director Strategic Development and Business Services	9	9	
Mrs W Magowan Divisional Director Medicine and Emergency Medicine	7	9	
Mrs M O'Hagan Divisional Director Acute Services	7	9	

The governance arrangements for the Northern Health and Social Care Trust is based on an integrated governance model that links financial governance, risk management and clinical and social care governance into a single framework (see overleaf)

ACCOUNTABILITY REPORT

Assurance Framework Committee Structure



ACCOUNTABILITY REPORT

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
- Engagement Experience and Equality Group.

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 DOH Counter Fraud Policy Unit. This includes oversight of progress on all suspected or actual fraud cases identified and regularly reported to the DOH;
- 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 is chaired by a Non-Executive Director. The Committee met five times during 2016/17. 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 National Audit Office Committee Self Assessment Checklist and an action plan was implemented to address the issues identified. The Audit Committee has produced an annual Audit Report for 2016/17.

The Remuneration Committee is a Committee of the Trust Board tasked with the responsibility for approving the remuneration of Executives. The Committee is

ACCOUNTABILITY REPORT

chaired by a Non-Executive and is comprised of three Non-Executive Directors in total. It met four times during 2016/17.

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 DOH 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; and
- 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 2016/17. The Committee has oversight of Integrated Governance and the effectiveness of the Assurance Framework of the Trust. It will evaluate all available evidence to provide an assurance to the Board that the systems of control are operating effectively and that structures support good governance. The Committee is chaired by the Trust Chairman.

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, relevant experts and staff input are incorporated into the development of services; and

ACCOUNTABILITY REPORT

- 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 work of the Assurance Committee is supported by the **Assurance & Improvement Group**, composed of Executive and Operational Directors, which provides an operational focus to risk management and integrated governance. The Assurance & Improvement Group is chaired by the Chief Executive.

The Engagement, Experience and Equality Group is chaired by the Deputy Chief Executive and has met on three occasions in 2016/17. The group includes representation from Trust Board, the Patient and Client Council and Senior Management Team. The group assures the Trust is compliant with the following legislation:

- HSC Complaints Standards and Guidelines;
- DOH Standards for Improving Patient Experience/10,000 voices;
- Personal and Public Involvement;
 - Engagement and Consultation;
- Equality:
 - Section 75 of the Northern Ireland Act 1998;
 - Human Rights Act 1998;
 - Section 49a of the Disability Discrimination; and
- Carers' Strategy.

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 2016/17 the Committee met on three occasions. The role of the Committee is to oversee the administration, including banking arrangements, of Charitable Trust Funds, its investment and disbursement. It also ensures that a strategic approach is adopted with regard to charitable expenditure and that Directorates produce and implement annual expenditure plans relating to all funds at their disposal.

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.

ACCOUNTABILITY REPORT

Business Planning Processes

The Trust's vision, values and corporate priorities are set out in the 4 year Corporate Plan, which is subject to Departmental approval. The Ministerial targets and Health and Social Care Board (HSCB) Commissioning Plan priorities are responded to in the annual Trust Delivery Plan, which must be approved by HSCB, 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 corporate support and operational divisional 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 are developed aiming to ensure corporate goals and actions are translated into operational objectives. The achievement of plans and performance are actively progressed through internal Accountability Meetings, across the course of the year. The Trust Board receives a monthly Performance Report setting out performance against each of the Ministerial targets and HSCB Commissioning objectives and this is reviewed as part of the Trust Board meeting held in public. It is also published on the Trust web site.

The Trust has developed a comprehensive Reform and Modernisation Plan (RAMP) and is continuing to work with the HSCB and the Local Commissioning Group (LCG) to take forward service reform in keeping with the Ministerial Vision. The objectives of RAMP are to enable the delivery of our vision of excellent integrated services delivered in partnership with our community.

To do so our focus is on developing local, integrated care services and a sustainable acute hospital services model delivered across two sites, to meet the need of the local population. Strong relationships with the broader acute service networks are essential as are effective partnerships with primary care and effective, meaningful engagement with all stakeholders.

Risk Management

The Assurance Framework including the Principal Risk Document describe the organisational objectives, identify potential risks to their achievement, the key controls through which these risks will be managed and the sources of assurance about the effectiveness of these controls. The Assurance Framework was revised in March 2017.

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

ACCOUNTABILITY REPORT

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 2017.

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 2016, two new data security breaches have been reported by the Trust to the Information Commissioner's Office (ICO). Of the 1 incident reported to the ICO in the previous year (2015/16), the outcome was that the Trust was served with an ICO Undertaking (June 2016). This Undertaking focused on the uptake of Information Governance training and staff awareness of policies and procedures for reporting incidents. Substantial progress has been made on training staff; however significant work still remains to be done in the areas of Information Risk Management and Physical Security. An internal audit conducted on staff attitudes to Information Governance during 2016/17 re-confirmed this position.

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. 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

ACCOUNTABILITY REPORT

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. A work programme is in place 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 83% of Trust staff have completed the mandatory Information Governance training, compared to 61% in the previous year. Additionally, 79% of managers have 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. A workshop for senior leaders has been organised for early June 2017, at which clearly identified actions will be developed in order to maintain focus on increasing training compliance.

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 Department of Health 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 2017, 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

ACCOUNTABILITY REPORT

undertook verification on the Trust's self-assessment of the IM Controls Assurance Standard. The Trust ICT Service continues to hold ISO 270001 and ISO 20000 Accreditations.

Public 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 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 shapes our business. The membership includes a representative from the Patient and Client Council (PCC).

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

The Trust's PPI Strategy will be updated and refreshed on receipt of the Regional updated PPI Strategy, which will no doubt give tangible effect to the Ministers commitment to take forward the reform of the service through co-production methods. The Trust have well established arrangements for the involvement of representatives of service users, carers and the public in decision making processes in health and social care. The Trust worked with its user and carer groups to develop our PPI Strategy and associated action plan, which includes key indicators to demonstrate progress and measurable improvement.

The PPI Annual Report was presented to the Trust Board on 23rd March 2017. This provides a corporate overview of a wide range of engagement activities taking place across the Trust. It is encouraging to note from this report that PPI activity continued to increase and there was evidence that engagement activity does impact on plans for developing services. At each Trust Board, a personal testament is provided by a service user or member of staff. These accounts recount positive experiences as well as stories where a poor experience affected the individual and their families.

Our five year Reform and Modernisation Programme (RAMP) has demonstrating improved patient experience at a key measure of its impact. We continue to use a range of methods to monitor compliance with the DOH 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

ACCOUNTABILITY REPORT

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. Each of the RAMP service transformation work streams is embedding patient experience measures as a critical part of their outcome measures.

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; and
- Carers Steering Group

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

The Trust is committed to meaningful public and stakeholder involvement and is developing our approach to co-design and co-production. A master class was held in March 2017 which has highlight examples of good practice, both in the Trust and beyond, and we are aiming to embed co-production in all aspects of our planning and service improvement processes.

The launch of our Innovation and Quality Improvement initiative (IQI) in March 2017 has patient safety at its core. Through developing our capability for taking forward improvement methodology, we plan to ensure that all staff have the knowledge, ability and are enabled to make small scale improvement in their own service areas and that we as an organization place safety and positive service user experience as a key measure of delivering on our priorities.

ACCOUNTABILITY REPORT

Assurance

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 to the Assembly 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.

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;
- Reports from Directors at Board Meetings.

The Board assures itself on the quality of information which comes to it through the following methods:

- Feedback from Directors on whether the information meets their needs;
- Open debate, via workshops, on issues facing the Trust;
- Use of patient and staff stories to confirm/assure on standard of services.

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.

ACCOUNTABILITY REPORT

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.

Controls Assurance Standards

The Northern Health and Social Care Trust assessed its compliance with the applicable Controls Assurance Standards which were defined by the Department of Health and against which a degree of progress is expected in 2016/17. The Trust achieved the following levels of compliance for 2016/17.

Standard	DoH Expected Level of Compliance	Trust Level of Compliance	Audited by
Buildings, land, plant and non-medical equipment	75% - 99% (Substantive)	86%	Self-Assessment
Decontamination of medical devices	75% - 99% (Substantive)	85%	Self-Assessment
Emergency Planning	75% - 99% (Substantive)	85%	BSO Audit
Environmental Cleanliness	75% - 99% (Substantive)	94%	Self-Assessment
Environment Management	75% - 99% (Substantive)	86%	Self-Assessment
Financial Management (Core Standard)	75% - 99% (Substantive)	89%	BSO Audit
Fire safety	75% - 99% (Substantive)	93%	Self-Assessment
Fleet and Transport Management	75% - 99% (Substantive)	88%	Self-Assessment
Food Hygiene	75% - 99% (Substantive)	95%	Self-Assessment
Governance (Core Standard)	75% - 99% (Substantive)	87.6%	BSO Audit
Health & Safety	75% - 99% (Substantive)	84%	Self-Assessment
Human Resources	75% - 99% (Substantive)	86%	BSO Audit
Infection Control	75% - 99% (Substantive)	97%	Self-Assessment
Information Communication Technology	75% - 99% (Substantive)	89%	Self-Assessment
Information Management	75% - 99% (Substantive)	82%	Self-Assessment
Management of Purchasing	75% - 99% (Substantive)	87%	Self-Assessment
Medical Devices and Equipment Management	75% - 99% (Substantive)	85%	Self-Assessment
Medicines Management and Optimisation	75% - 99% (Substantive)	85%	Self-Assessment
Research Governance	75% - 99% (Substantive)	93%	Self-Assessment
Risk Management (Core Standard)	75% - 99% (Substantive)	87%	BSO Audit
Security Management	75% - 99% (Substantive)	88.5%	Self-Assessment
Waste Management	75% - 99% (Substantive)	91%	Self-Assessment

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

ACCOUNTABILITY REPORT

SOURCES OF INDEPENDENT ASSURANCE

The Northern Health and Social Care Trust obtains Independent Assurance from the following sources:

- Internal Audit;
- Business Services Organisation; and
- Registration and Quality Improvement Authority (RQIA).

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 2016/17 Internal Audit reviewed the following systems:

AUDIT ASSIGNMENT	BRIEF DESCRIPTION OF AUDIT SCOPE	LEVEL OF ASSURANCE
Finance Audits:		
Payments to Staff	Review and testing of the use of and Trust control over the Human Resources, Payroll, Travel & Subsistence (HRPTS) system within the Trust. Testing included Trust controls over including new starts, leavers, additional payments, management of overpayments, system access management, pensions processing, permanent and temporary amendments to the system.	LIMITED
Non Pay Expenditure	Review of Trust payment processes including use of the FPL system. Testing included Trust controls to ensure payments are appropriately approved and accurately and promptly paid to the correct supplier. The audit also considered control around system access and use of Single Tender Actions.	SATISFACTORY
Cash Management in Cash Offices and Management of Petty Cash Floats	Review of cash management processes at cash offices including physical security, segregation of duties, receipting and lodging processes. The audit also tested petty cash controls in the Trust.	SATISFACTORY
Management of On Call Arrangements	Review the robustness of Trust on call arrangements across the Trust; including the validity, oversight and approval of claims.	LIMITED
Asset Management	Review of control over the management, monitoring and recording of Assets including additions, disposals, capital charges and verification checks on assets.	SUBSTANTIAL

ACCOUNTABILITY REPORT

AUDIT ASSIGNMENT	BRIEF DESCRIPTION OF AUDIT SCOPE	LEVEL OF ASSURANCE
Procurement and Contract Management – Fleet and Transport Contracts	Review to ensure that contract spend in respect of vehicle replacement, vehicle repairs, taxis, fuel, and non-emergency patient transport agreed to an appropriate contract and service/ product had actually been delivered/ received.	SATISFACTORY – Procurement & Management of Vehicle Maintenance, Repairs & Fuel LIMITED – Management of Taxis and Non-Emergency Transport
Management of Contracts with Community and Voluntary Sector (including Sure Start Schemes)	Review of procurement and Trust contract management processes in respect to Contracts with the Community and Voluntary sector including Sure Start organisations. The audit also included visits to 3 organisations (2 Sure Starts and 1 Voluntary Organisation) to ensure that performance reported is accurate and that appropriate financial and governance arrangements are in place.	SATISFACTORY – Management of Contracts LIMITED – Procurement of Contracts
Client Monies & Cash and Valuables Handling in Social Services Facilities	To ensure that there were effective cash management arrangements within facilities sampled, including administration of cash floats and custody of client monies and valuables.	SATISFACTORY – Social Services Facilities visited LIMITED – Adult Supported Living Facilities visited
Management of Client Monies in Independent Sector Homes (including Adult Supported Living Facilities) (1 st audit)	To ensure there were effective arrangements in place, at the sample of independent homes visited, for the security of residents' cash / valuables, arrangements for the payment of personal allowances and the management of residents' bank accounts/monies. The audit also tested compliance against HSC (F) 08-2015 Safeguarding of Service Users.	SATISFACTORY - overall LIMITED – 2 out of 10 homes visited
Management of Client Monies in Independent Sector Homes (including Adult Supported Living Facilities) (2 nd audit)		SATISFACTORY - overall LIMITED – 1 out of 8 homes visited
Corporate Risk Audits:		
Women, Children and Family Directorate Risk Audit: Management of Waiting Lists for Autism Spectrum Disorder, Management and Allocation of Childcare cases and completion of General Risk Assessments Northern Trust (GRANT)	Review of controls over management and allocation of childcare cases, management of Autism Spectrum Disorder waiting lists and completion of General Risk Assessments Northern Trust (GRANT).	SATISFACTORY

ACCOUNTABILITY REPORT

AUDIT ASSIGNMENT	BRIEF DESCRIPTION OF AUDIT SCOPE	LEVEL OF ASSURANCE
Management of Patient Flow – Community Beds	Review of management of intermediate care beds, including admission, discharge, escalation of contingency beds, oversight and performance management and reporting.	SATISFACTORY
Asbestos Management	Review of Trust processes for the management of asbestos; including identification, recording and removal. The audit also considered training and that any incidents relating to asbestos are appropriately captured through incident management processes and that learning is appropriately shared.	SATISFACTORY
Governance Audits:		
Risk Management	To ensure appropriate processes are in place to identify, record, manage and monitor risks throughout the Trust.	SATISFACTORY
Management of Medical Staff	To ensure there are appropriate procedures in place for consultant job planning within the Trust; that up to date job plans are in place and the job planning process is operating in line with Trust procedures and relevant guidance. Review of accuracy of payments made to a sample of consultants.	LIMITED
Absence Management	To ensure absence is managed in line with the relevant procedures and processed correctly through HRPTS and that absence figures reported are accurate.	LIMITED
ICT Security: User Behaviour	To ensure that Trust users are practically applying good practice to help maintain robust ICT security and that they have an adequate level of general ICT security awareness; that there are robust processes in place to provide ICT security awareness to Trust users; that the System Manager is applying robust ICT security controls on Trust applications; and that there are robust processes in place to manage ICT security incidents. The audit also gauged the cultural tone set from the top in relation to ICT Security.	SATISFACTORY
Management of Acute Falls	Review to ensure falls are appropriately managed by in the Trust's Acute Hospital settings and that the PHA pilot for moderate to severe harm falls is operating as planned.	SATISFACTORY
Complaints Management	Review robustness of systems for recording, investigating, monitoring, learning from and reporting complaints.	SATISFACTORY

ACCOUNTABILITY REPORT

In their annual report, the Internal Auditor reported that the Northern Health and Social Care Trust's system of internal control was satisfactory overall but noted that limited assurance was provided as noted below:

- Payments to Staff;
- Management of On Call Arrangements;
- Management of Medical Staff; and
- Absence Management.

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

The following reports received overall satisfactory level of assurance, however limited assurance was provided in specific areas as follows:

- Procurement and Contract Management – Fleet and Transport Contracts, limited in relation to Management of Taxis and Non-Emergency Transport;
- Management of Contracts with Community and Voluntary Sector, limited in respect of Procurement of Contracts;
- Client Monies & Cash and Valuables Handling in Social Services Facilities, limited in Adult Supported Living Facilities; and
- Management of Client Monies in Independent Sector Homes (including Adult Supported Living Facilities), the first audit was limited in two of the ten homes visited and the second audit was limited in one¹ of eight homes visited.

A review of the implementation of previous priority one and priority two Internal Audit recommendations was carried out at mid-year and again at year-end. At year-end, 416 (78%) out of the 536 recommendations examined have been fully implemented, 112 (21%) recommendations have been partially implemented and 8 (1%) recommendations have not yet been implemented.

Internal Audit also carried out a review of Trust Waste Management Processes as requested by the Trust. A number of recommendations were made to strengthen controls as there were some weaknesses identified in waste classification.

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;

ACCOUNTABILITY REPORT

- 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; and
- Information Technology Services (ITS) which provides a range of systems support for the HSC.

A number of audits have been conducted in BSO Shared Services, as part of the BSO Internal Audit Plan.

Shared Service Audit	Assurance
Payroll Shared Service (August 2016)	Limited
Payroll Shared Service (March 2017)	Unacceptable -Payroll System & Function stability Limited – Payroll Processing
Recruitment Shared Service (August 2016)	Limited
Recruitment Shared Service (February 2017)	Limited
Business Services Team	Satisfactory
Accounts Payable Shared Services	Satisfactory
Income Shared Services	Satisfactory
FPL Upgrade (Ongoing work)	N/A

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.

Registration and Quality Improvement Authority (RQIA) Report Thematic Reviews

Since April 2016, the Trust has received 8 final reports from RQIA Thematic Reviews, and I can confirm that all accepted recommendations have been, or are being, implemented. The reports received relate to the following:

- Review of HSC Trusts' Readiness to comply with an Allied Health Professions Professional Assurance Framework;
- Review of Quality Improvement Systems and Processes;
- Review of the Operation of Health and Social Care Whistleblowing Arrangements;
- Review of Adult Learning Disability Community Services – Phase II;
- Review of Perinatal Mental Health Services in Northern Ireland;
- Review of Governance Arrangements in HSC Organisations that Support Professional Regulation;
- Review of the Regional Emergency Social Work Service; and
- Review of Maternity Strategy 2012-2018.

ACCOUNTABILITY REPORT

Listed below are those reviews that commenced during the 2016/17 year:

- Review of Perinatal Mental Health Services in Northern Ireland;
- Review of Renal Services;
- Review of the Regional Emergency Social Work Service;
- Review of the Recommendations from the RQIA Child Protection Review 2011;
- Review of General Paediatric Surgery;
- Review of Emergency Mental Health, Learning Disability and Crisis Resolution Home Treatment Services in Northern Ireland; and
- Review of the Use of Restraint and Seclusion.

Inspections

RQIA carried out 2 unannounced hygiene inspections:

- November 2016 – Critical Care Unit, Antrim Area Hospital;
- January 2017 – Rehab Unit, Mid-Ulster Hospital.

Each generated an action plan that is monitored by the appropriate Directorate Governance Team.

RQIA carried out an unannounced inspection of Causeway Hospital in February 2017. There were no serious concerns raised during the visit and all recommendations have been formulated into an action plan.

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.

ACCOUNTABILITY REPORT

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 directors 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.

INTERNAL GOVERNANCE DIVERGENCES

Prior Year Control Issues – closed

Charging and management of a service user

All recommendations from internal audit have now been fully implemented with new procedures in place and implemented with staff training. This issue is now considered to be fully addressed and no longer in divergence

Obstetrics – Coroner’s Case

Coroner’s inquests were completed in respect of two still birth cases. As a result of the learning within these two cases, the Trust developed action plans and fully implemented these to address all recommendations. An independent audit was completed in 2016 to provide assurance that there are systems in place to affect practice and identify any potential gaps. The report made eight recommendations about processes that could be strengthened and these have been implemented. In 2017 subsequent to the independent audit review there has been a perinatal death in Causeway Hospital which has been subject to an SAI investigation that identified new learning. The learning from this case will be integrated into the rolling programme of audits which have commenced to ensure that all actions implemented are sustained within practice. This is no longer considered to be a control issue.

Child Sexual Exploitation (CSE) / Children going missing

The Trust has worked on a regional basis and now has well established structures and processes in place to provide local senior management overview and co-ordination of the inter-agency arrangements to safeguard children in the Trust area from sexual exploitation.

ACCOUNTABILITY REPORT

The NHSCT has established a Champions Model. Each team within the Family and Child Care arena has an identified CSE Champion. This Champion model has been developed to ensure best practice and delivery in respect of the CSE regional agenda and recommendations from relevant CSE enquiries and reports.

Training for frontline is now delivered to staff to increase staff awareness of CSE, and reinforce knowledge of the Regional Interim Guidance for CSE referrals.

The process for Children Going Missing has been developed further to monitor children going missing 3 times or more from either Care or communities. This ensures that children not currently open to social work involvement are appropriately followed up. As part of regional monitoring processes, information is returned to HSCB about numbers of children reported missing, alongside their placement types. Individual cases are reviewed by Practitioners. As a result of the regional work and local implementation, this is no longer considered to be a control issue.

Whistleblowing

The Trust updated its policy and implemented a local action plan in partnership with Trade Union colleagues. The Department of Health intends to undertake targeted consultation on a new regional policy.

Progress on Prior Year Control Issues –on-going

Unscheduled Care

In response to the recognised capacity gap in Antrim Area Hospital, the Trust has submitted an Outline Business Case to the Department of Health for a 72-bedded ward block on the Antrim site and is awaiting a response.

The Trust has successfully implemented a range of reforms in unscheduled care including the development of a site coordination hub and site management model in Antrim Area Hospital and the increased use of ambulatory pathways in ED. 4-hour performance in Antrim Area Hospital improved from 68% in Jan 2016 and 65% in Feb 2016 to 74% and 79% in the same months of 2017 despite an increase in ED attendances.

The unscheduled care RAMP programme has been revised and refreshed for 2017/18 and will focus on the areas of: reduction of attendance and admission; sustainable site management model; discharge processes and planning; Causeway medical model; and Whiteabbey rehabilitation provision.

ACCOUNTABILITY REPORT

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

The Trust and HSCB signed off an elective SBA for 2016/17, with caveats in a number of specialties. Work is ongoing to find agreement on these outstanding areas.

The Trust has broadly delivered on its SBA activity this year. Demand for elective services continues to outstrip capacity and very limited funding has been available to transfer patients to the Independent Sector in 2016/17. As a result waiting lists have increased: at the end of 2015/16 around 900 patients were waiting more than a year for a first outpatient appointment; by the end of 2016/17 this number had increased to over 3,000.

Cancer Services

Red flag (suspect cancer) referrals increased by 9% in 2016/17 compared to the previous year. The Trust continues to divert core capacity towards red flag patients wherever possible to meet this demand although this increases waiting times for other categories of patient. 69% of red flag outpatients were seen within 2 weeks in 2016/17, compared to 67% in 2015/16.

14-day performance for red flag breast surgery referrals has been above 90% for all of 2016/17. Demand was approximately 30% higher than core funded capacity and has been met through significant additional activity. This has in turn increased demand for breast surgery and led to 31-day breaches throughout the year. The Trust has developed a proposal to increase capacity in the breast service on a sustainable basis and discussions are ongoing with the commissioner.

62-day cancer performance has been at an average 71% in 2016/17, against a target of 95%. The highest number of breaches was in lower GI cancer, reflecting a lack of funded capacity in the general surgical service to meet increasing levels of demand

Allied Health Professional (AHP) Services

AHP Services worked with HSCB and PHA regionally during 2014/2015 and agreed the Trust capacity for AHP elective services. At this point it was accepted that demand exceeded capacity in Dietetics and Physiotherapy and it was recognised that additional staffing would be needed to address on-going demand.

During the past year demand has increased in Speech and Language Therapy (SLT) and Occupational Therapy.

At the end of March 2017 Podiatry and Orthoptics are meeting the access target of maximum 13 weeks wait. Physiotherapy, Occupational Therapy, Speech and Language and Dietetic Services are not. Services had used short term funding as in the previous year to improve the waiting list position, however, no additional short

ACCOUNTABILITY REPORT

term funding has been available to address the demand above capacity this year to date, nor to address the backlog. Physiotherapy presents the most significant numbers waiting in excess of 13 weeks (7000 as a total of 12,000) and while demand exceeds capacity there is no immediate expectation that the position can be improved without the investment in additional posts recommended by the HSCB .

Diagnostic Waits

Significant non-recurrent funding received in 2016/17 enabled the Trust to reduce the number of patients waiting over 26 weeks for a diagnostic test from over 1,100 at the start of the year to below 400 by the end of March. The Trust is anticipating recurrent investment into elective diagnostics for the financial year 2017/18.

Efforts to recruit consultant radiologists as part of the investment received for unscheduled / 7-day diagnostics have not been successful to date and external providers are being used to increase reporting capacity.

Staff Appraisal

For the year 2016/17 the Trust was set a Departmental target of 80% in relation to appraisal compliance. The year-end position at 31st March 2017 shows that 67% of staff (not including medical and dental) have had an annual appraisal and agreed Personal Development Plan. During the year the Trust introduced measures to improve the integrity of compliance data and can now produce more accurate and timely information relating to appraisal compliance.

Where progress in compliance has not been consistent, targeted action is being taken to address this with Directorates and Divisions. The Trust has also reviewed the appraisal process in an effort to make it more meaningful for staff.

Staff Absence

At 31st March the Trust cumulative absence figure was 7.35%, which was 0.37% above the 6.98% target that had been set for the Trust by the Department of Health. This figure takes account of late recording which has been exacerbated due to the excessive amount of 'downtime' on the HRPTS system.

Long term absence is a key area for targeted intervention and Directors are focusing on this area with support from HR and Occupational Health teams. A re-focused approach over the winter months shows early indicators of a reduction in long term absence over the last three months of the year which we need to work to sustain. Work continues on an in-depth analysis of why staff are absent from work to address underlying issues such as employee relations issues/conflict in the work place. The Trust in partnership with local Trade Union colleagues is embarking on a project to improve positive working relationships within the Trust aimed at reducing incidences of bullying and harassment at work.

ACCOUNTABILITY REPORT

A holistic approach is taken to improve the level of attendance within the Trust and a range of training and support services are available to employees to help maintain them in the workplace and prevent sickness absence. The Occupational Health (OH) Service has implemented the outcomes of a service review which included recruitment of additional resources for Clinical Psychology and Physiotherapy to assist with the management for stress and musculoskeletal-related sickness absence and some additional resource has been allocated within the core HR team to support directorates in managing attendance. A high profile flu vaccine campaign for staff resulted in 36% of front-line staff being vaccinated. The Organisational Development Team continue to develop and provide training and development programmes that will enhance people management skills.

A renewed Health and Wellbeing Strategy with a focus on four key areas musculoskeletal, psychosocial, healthy lifestyles and the ageing workforce, along with an associated two-year action plan was launched in August 2016. Work has progressed in the succeeding six months with the launch of the Trust i-matter website/hub on 31st March 2017 and this is already showing evidence of significant staff interest.

Detailed analysis of attendance information is provided regularly to directors regarding the corporate position as well as detailed data sets for their own divisions. Staff absence is discussed at Directorate accountability reviews on a bi-monthly basis, at Senior Management and Executive Teams and at Trust Board.

Human Resource, Payroll, Travel and Subsistence (HRPTS)

HRPTS has been deployed to 61% of the Trust staffing headcount with further deployment relying upon the successful progression of the Accelerated Access Regional ICT Project. This impacts on efficiency of process and shared services operations for BSO due to manual systems for those employees not able to have access. If access could be resolved this would realise benefits in respect of communication to and from staff, governance in terms of financial approval frameworks and access to essential training for staff. The Trust is continuing to explore alternative options such as Access Hubs to facilitate further deployment given the delays in the accelerated access programme.

The Trust continues to provide training through monthly clinic sessions and is supporting divisions in the regular and targeted updating of the Organisational Management (OM) structures.

During 2016/17, the Trust has worked with regional colleagues and BSO on the preparation for the roll out of the SAP Fiori App, with User Acceptance Testing commencing in April 2017. Following completion of testing, the Trust will develop its deployment plan to enable staff and managers to have partial access to HRPTS through a compatible mobile device.

ACCOUNTABILITY REPORT

BSO Recruitment Shared Services Centre (RSSC)

The Trust is continuing to work with BSO and regional colleagues to monitor and address recruitment shared service performance issues and establish standardised processes through both local Customer Forums and a regional Task and Finish Group. KPIs are currently being reviewed to provide more realistic and accurate indicators of performance. A regional workshop to improve recruitment has taken place and a Strategic Resourcing Innovation Forum has been established with a number of work streams to enhance current recruitment practice. A programme of work for 17/18 has been agreed with the Forum.

Control of Infection: MRSA/CDIFF

The Trust has met the Ministerial Priority for Action target for MRSA bloodstream infections with 48 confirmed cases of C diff against the PfA target of 57 cases. The Trust would however recognise that transmission of healthcare associated infections is a significant risk both to patient safety and to the business of the organisation. The Infection Prevention and Control Team continue to ensure controls are in place to minimise this risk.

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 DoH has set a Prompt Payment target of 95%. The Trust has demonstrated continuing focus on improving performance in this area and has noted improvement from 92.0% in 2015/16 to 93.1% in 2016/17. Liaison will continue between BSO Payments Shared Service Centre and Trust managers to endeavour to meet this extremely challenging duty.

Psychological Therapies

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

The Psychology Therapy Service (PTS) and Health Psychology Services continued to breach the target in the first half of 2016 - 17. Following a service improvement project PTS and Health Psychology has recently fully implemented a Choice and Partnership Approach (CAPA) which has enabled individuals to be seen for their CHOICE appointment (initial assessment) within 13 weeks. Additional group work capacity has been developed which is reducing demand for individual therapy. Currently there is a delay in accessing intervention following initial assessment as demand continues to outstrip capacity and without additional investment it will not be possible to deliver this with no lag between initial assessment and intervention.

ACCOUNTABILITY REPORT

Psychology services for people with a learning disability are also breaching the 13 week target. This is due to temporary loss of capacity. Delays in improvement have occurred due to staff sickness and delays in recruitment. While the position has improved over recent months it is likely that when all capacity is back in place the service will move out of breach. Typically capacity within this service has been sufficient to meet demand.

Joint Advisory Group (JAG) Accreditation

The Trust was unable to meet a 9-week waiting time for endoscopy at the end of March 2017 due to vacancies and other staffing issues. The Trust is still working towards this objective and hopes to have Tier 2 JAG accreditation awarded during 2017/18.

Medical Workforce

The Trust has challenges in key specialties in respect of all grades of medical staff. The Trust is over-reliant on locums in Emergency Medicine and Paediatrics in Causeway Hospital. In addition the Trust is experiencing increased difficulty in securing Consultant, Middle Grade and Junior Doctor cover to support the Acute Medical take at Causeway Hospital. These issues, therefore, present risks in respect of quality of care and cost pressure. The Trust analysis at this time is that whilst clinical risk exists, they have been sufficiently mitigated and the alternative, a reduction in service, would in itself present significant risk to patient safety. The Trust continues to closely monitor the situation and keep both the Department and the HSCB informed. Cost pressures have been identified and escalated.

The Trust has actively sought to recruit doctors with UK wide advertisement through the British Medical Journal. The Trust has been part of an international recruitment drive and has been successful in recruiting some doctors at specialty doctor level for Emergency Medicine and Paediatrics. This international recruitment is expected to continue in 2017/18.

Nurse Recruitment and Retention

The availability of registered nurses seeking employment has reduced significantly resulting in challenges recruiting to both permanent and temporary vacancies, across all services. Controls are in place to optimise co-ordination of the available nursing resource and a risk assessed approach is used during periods of duty when staffing levels fall outside of normative staffing.

In addition there is a rolling advertisement and recruitment panels scheduled bi-weekly to prevent delays and promote recruitment in the context of a regional and national shortage of registered nurses. The Trust has agreed to continue the increase in secondments to the Open University nursing programme during the academic year 2017/18. The Trust advocated for the continuation of the International

ACCOUNTABILITY REPORT

Recruitment of Nurses based on the interim evaluation from Year 1 and in consultation with Finance colleagues.

The Nursing Workforce Team has commenced exit interviews for all Band 5 nurses who leave the Trust, this will inform the on-going retention strategy for the Nursing workforce.

Agenda for Change (AfC)

The Trust continues to calculate and pay the AfC arrears due to staff. Significant progress has been made in 2016/17 to finalise the process, however some arrears still remain to be calculated and paid. The Trust will continue to reduce the outstanding amount in 2017/18.

Control of Substance Hazardous to Health (COSHH)

Further to the occurrence of two Serious Adverse Incidents, and following an audit in the summer of 2015, Internal Audit confirmed a limited assurance and identified three Priority 1 weaknesses with respect to the management of COSHH. The majority of the issues identified have since been addressed.

Further sample audits were completed in October 2016 and February 2017 and whilst there have been significant improvements in performance, there still needs to be greater compliance in relation to local inventories and COSHH Assessments.

Governance Department staff continue to work with those departments whose performance is lower than required and further sample audits are to be completed in May 2017 and the results reported at the Trust's Health and Safety Committee in June 2017.

Health and Safety Risk Assessment

In 2014 as part of the governance review undertaken by the Leadership Centre a review was carried out of the existing approach to risk assessment. General Risk Assessment Northern Trust (GRANT) was developed and a target has been set whereby at least 97% of all departments are to have completed their GRANT assessments by 31 March 2017. The year-end end report shows that 98% of departments have completed their assessments.

Another recommendation of the 2014 governance review was to introduce a risk management audit and assessment tool to assess compliance at departmental level across a range of clinical and non-clinical risk standards. As at 31 March 2017, all but one department has exceeded the 50% target set.

ACCOUNTABILITY REPORT

Estates Services

The Trust reported during 2014/15 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 the majority of actions from the original audit now complete, including the significant items of tendering for the provision of response maintenance services (new contracts commenced on 1st April 2016) and strengthening the Estates Service leadership (permanent appointment of the Head of Estates post on 20 February 2017). This is now being taken forward through team development work and restructuring of the management arrangements within the department.

Client Charging

A number of independent sector providers of supported living services within Northern Ireland levy a charge on tenants. The DHSSPS (now DOH) issued clarification guidance to Trusts on the 27th November 2015 in respect of this issue. The NHSCT has completed work, in light of this guidance, with two providers of supported living services in the Trust area and is nearing completion of work with a further two and is working through the guidance and its implications with the remaining two providers.

Information Governance Incidents Reported to the Information Commissioner

During 2015/16, the Trust reported four incidents to the Information Commissioner's Office (ICO). Three of these warranted no further action by the ICO, but a fourth incident relating to e-mail messages containing Trust information repeatedly sent to the wrong recipient over a 2 year period resulted in the Trust being served with an Undertaking in June 2016. The Undertaking focused on the uptake of general Information Governance training within the Trust and ensuring there is staff awareness of policies and procedures for reporting IG Incidents. A concerted focus on increasing staff completion of IG awareness training has resulted in improved compliance (83% achieved as at March 2017). The ICO's Follow Up exercise, concluded that the Trust had taken some steps to meet the requirements of the undertaking, however there are still some areas of concern to be addressed, in particular, continued improvement in IG training compliance and the timeliness of training and the Trust's position if staff repeatedly fail to complete the IG training. Of the two incidents that were reported to the ICO during 2016/17, one resulted in no further action and the second incident, which involved service user information being sent to the wrong postal address, is still currently being investigated by the ICO.

ACCOUNTABILITY REPORT

Paediatric Autism Service

The Trust's Paediatric Autism Service continues to experience growth in the number of referrals in breach of the 13 week target time for ASD referral to initial diagnostic appointment. This is primarily due to the rate of referrals being significantly greater than the capacity of the service. The capacity of the service has also been impacted by maternity leaves and vacancies. The Health Minister allocated approximately £487,000 to NHSCT in April 2016 to develop the service in line with the proposed regional model.

The service is implementing plans to reduce the length of wait, including

- Recruitment to vacant and newly funded posts;
- Use of agency staff;
- Overtime clinics provided by Paediatric and adult ASD staff have now grown to include staff from CAMHS and MASTS Service;
- ADOS Training planned for 20 staff in May/June and a further 20 in November to increase diagnostic capacity;
- Increasing hours for existing staff;
- Investing in a number of third sector organisations; and
- Revalidation of waiting list.

In addition, the Trust is working with the HSCB on an ASD Pathway and Model, to improve access and service experience in the medium/long term.

The actions outlined have begun to increase service capacity and have slowed the rate of increase in breaches. Targeted action has reduced the length of longest wait from 16 months in January 2016 to just less than 10 months in December 2016. The service continues to work through a detailed recovery plan that will continue to address the total numbers waiting and the numbers in breach of the 13 week access target.

Paediatric Inpatients

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. Monthly audits of compliance with PEWS are being conducted in all acute sites. The Paediatric Early Warning Score (PEWS) and Paediatric Inpatient Observation Policy have been approved by the Trust Clinical and Social Care Policy and Guidelines Committee, and has been placed on the Trust policy library. The NHSCT Paediatric Sepsis 6 Policy (with accompanying age appropriate treatment pathways) was approved by, following final review by clinicians, at the Clinical and Social Care Policy and Guidelines Committee on 4th May 2017. Ninety per cent of paediatric nursing staff have now received sepsis

ACCOUNTABILITY REPORT

awareness training. The Trust is awaiting confirmation of further training dates from CEC for the remaining 10% (8) staff.

Dysphagia

As previously reported a Serious Adverse incident was reported to HSCB in early 2015 involving a patient, who died following an episode of choking. The HSENI/PSNI investigation continues. The Trust has continued to implement the Action Plan to reduce risks associated with dysphagia for in-patients and community patients. The Trust representatives are participating in the Regional Choking Thematic Review, the final report and recommendations are awaited. The Regional Choking Thematic Review is being led by the Public Health Agency, therefore the timescale for completion of the Thematic Review is outside of the Trust's control.

Delayed Triage in Emergency Department

In relation to a patient who died following arrival at the Emergency Department by ambulance, a Serious Adverse Incident investigation involving external expertise has been completed. The investigation identified individual staff performance issues and system issues with NIAS. All the recommendations from the SAI report have been implemented and continue to be monitored. The Coroner's inquest was held on 26 October 2016, no further actions were highlighted as a result of this inquest.

New Control Issues

Mixed Gender Wards

A Serious Adverse Incident in March 2016 has brought a renewed focus to the important issue of mixed gender wards. Due to the acknowledged pressures within the acute hospital environment which results in periods when bed occupancy rates in excess of 100%, the Trust continues to manage more patients in mixed gender wards than it would wish to. Steps are taken to mitigate this risk; however, this SAI in relation to an alleged sexual assault flags the risk that the Trust continues to carry. The Trust Mixed Gender Accommodation Policy has been redrafted to incorporate the learning from this SAI. The policy is being consulted on with stakeholders at this time. In the interim a Trust Quality and Safety Learning Letter was issued on 20 April 2016. The letter emphasises the steps to be taken when it is not possible to provide single gender accommodation. In addition it confirms that particular consideration should be given to the placement of patients with learning disability especially those with no or limited communication.

A Flowchart to support ward staff in the recognition and responding to safeguarding concerns in respect of vulnerable patients has been developed and following approval this will be tested in a number of clinical areas.

ACCOUNTABILITY REPORT

Monitoring Domiciliary Care Contracts

The Trust is in receipt of an Internal Audit Report in respect of a Domiciliary Care Independent Sector Provider which identified issues over the terms of the contract and contract management. A number of recommendations relating to the internal monitoring, verification and authorisation processes within the Trust were made.

In addition a review of the processes within the particular provider has been carried out. The Trust has developed action plans to address the recommendations contained in the reports.

In addition a regional review has been carried out into payments made to Domiciliary Care Agencies in comparison with the activity commissioned by Trusts over the period from April 2013 to March 2015. This review has identified certain variances. The Trust is taking forward further work to verify these variances and engage in the work of the Oversight Scrutiny Committee (OSC) recently established by the Department of Health. The OSC is being led by senior Departmental officials, has senior representation from HSCB and Trusts and, while currently still exploring the extent of the action required, aims to close off its work by the end of 2017/18 financial year and hand over supervision of any longer term actions to relevant organisations and structure.

Residential Childcare

There have been a number of challenges within residential childcare both on a regional and local level. The temporary closure of a regional facility for younger children (Children House) resulted in the Trust breaching their statement of purpose and function on two occasions. On-going staffing issues within Lakewood regional secure centre also impacted on the Trust in terms of managing highly complex challenging behaviours within our units. The Trust met with RQIA regarding the breaches and the outcome of the meetings is that the Statement of Purpose and Function for one Trust unit has been amended to accommodate younger children. The Trust has in place a centralised panel to co-ordinate all placements requested. There is currently a regional review on-going of residential facilities and the Trust is participating.

BSO Payroll Shared Services Centre (PSSC)

The Shared Services Centre for Payroll received Limited Internal Audit Assurance in 2014/15 and 2015/16. In the current year Limited Assurance was provided in relation to Payroll Processing in the Shared Services Centre and an Unacceptable Assurance was issued in respect of Payroll System and Function Stability. In respect of payroll processing Internal Audit acknowledged that the vast majority of employees were consistently paid on a timely basis. Internal Audit highlighted the need for urgent action to stabilise the HSC Payroll Service and improve the control environment including Employer Superannuation Contribution calculation, which has been identified as a significant error across the HSC, PSSC staffing and the continued lack of consistent management of overpayments.

ACCOUNTABILITY REPORT

BSO have provided the Trust with assurance that they will continue to address identified weaknesses during 2017/18 and will keep the Trust informed on progress via the appropriate regional forums.

Financial Position

While the Trust has achieved a breakeven financial position in the year to 31 March 2017, it must be noted that this was achieved following the receipt of significant non-recurring funding, one off contingency measures, expenditure reductions and planned in year slippage on investments.

The outlook for 2017-18 is increasingly constrained, particularly in respect of resource funding. In a statement to the House of Commons on 24 April 2017 the Secretary of State for Northern Ireland outlined an indicative Budget position for NI departments. This position was based on the advice of the Head of the NI Civil Service (NICS) in conjunction with the NICS Board. The purpose of this statement was to provide clarity to departments as to the basis for departmental allocations in the absence of an Executive, so that Permanent Secretaries can plan and prepare to take more detailed decisions in that light. The departmental allocations set out by the Secretary of State provide the basis on which departments are now planning for 2017-18. However, the Secretary of State was clear that the indicative budget position did not constrain the ability of an incoming Executive to adjust its priorities during the year. He also advised that some £42 million Resource DEL and £7 million Capital DEL was left unallocated in order to maintain flexibility for a new Executive to allocate resources to meet further priorities as they deem appropriate. Therefore, while there is the potential for an incoming Executive to adjust these plans and also to allocate the unallocated resources, individual departments cannot anticipate any additional funding at this stage until such decisions are made.

Across the HSC sector it is therefore expected that that the significant financial challenges faced will intensify and extensive budget planning work to support the 2017-18 financial plan is ongoing between the Trust, HSCB and Department of Health (DOH).

As a result of the Financial pressures the Trust will begin the new financial year with a substantial underlying funding gap and faces significant challenges within what is expected to be an even tighter funding environment, however the Trust remains committed to working with the DOH and HSCB in seeking to find solutions to enable it to live within its budget.

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).

ACCOUNTABILITY REPORT

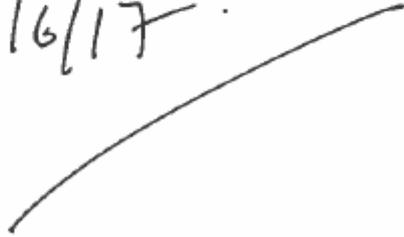
Further to considering the accountability framework within the Trust and in conjunction with assurances given to me by the Head of Internal Audit, I am content that the Northern Health and Social Care Trust has operated a sound system of internal governance during the period 2016/17.



Dr Anthony Stevens
Accounting Officer

Date

15/6/17.



ACCOUNTABILITY REPORT

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 Department of Health (DOH).

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 DOH policy.

The members of the Remuneration Committee are:

- Mr Bob McCann;
- Mr Billy Graham;
- Dr Carol Ackah (to December 2016);
- Mr Paul Corrigan (April 2016 - July 2016);
- Mr Glenn Houston (appointed January 2017); and
- Mr Jim McCall (appointed January 2017).

The Remuneration Committee met four times during the financial year 2016/17 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 2017/18 year and to approve the salaries of new Executive Director appointments made during the financial year.

ACCOUNTABILITY REPORT

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 Department of Health.

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 DOH under the performance management arrangements for senior executives.

Service contracts

All Senior Executives, except the Trust Medical Director, in the year 2016/17 were employed on the DOH Senior Executive Contract. The contractual provisions applied are those detailed and contained within Circulars HSS (SM) 2/2001, for those Senior Executives appointed prior to December 2008, and HSS(SM) 3/2008 for those Senior Executives appointed in the Trust since December 2008.

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

Notice period

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

Retirement benefit costs

The Trust participates in the HSC Pension Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the Department of Health. 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.

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 2016/17 accounts.

ACCOUNTABILITY REPORT

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 2016/17 which allows for payment of up to 21 months' pay depending on service.

ACCOUNTABILITY REPORT

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	2016-17				2015-16				2016-17				
	Salary £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000)	Total £000s	Salary £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 31/3/16 £000s	CETV at 31/3/17 £000s	Real increase in CETV £000s
Non Executive Members													
R McCann	25-30	2	N/A	25-30	25-30	0	N/A	25-30	N/A	N/A	N/A	N/A	N/A
C Ackah (1)	5-10	0	N/A	5-10	5-10	0	N/A	5-10	N/A	N/A	N/A	N/A	N/A
G McGahey (2)	5-10	0	N/A	5-10	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A
J McCall (3)	5-10	0	N/A	5-10	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A
J Moore (4)	5-10	0	N/A	5-10	5-10	0	N/A	5-10	N/A	N/A	N/A	N/A	N/A
L Ensor (5)	5-10	0	N/A	5-10	5-10	0	N/A	5-10	N/A	N/A	N/A	N/A	N/A
P Corrigan (6)	5-10	0	N/A	5-10	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A
W Graham	5-10	0	N/A	5-10	5-10	0	N/A	5-10	N/A	N/A	N/A	N/A	N/A
G Houston (7)	0-5	0	N/A	0-5	0	0	N/A	0	N/A	N/A	N/A	N/A	N/A
G McGivern (8)	0-5	0	N/A	0-5	0	0	N/A	0	N/A	N/A	N/A	N/A	N/A
S Cuddy (9)	0-5	0	N/A	0-5	0	0	N/A	0	N/A	N/A	N/A	N/A	N/A
D Whittington (10)	0	2	N/A	0	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A
P Montgomery(11)	0	0	N/A	0	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A
S Forsythe (12)	0	0	N/A	0	0-5	0	N/A	0-5	N/A	N/A	N/A	N/A	N/A

ACCOUNTABILITY REPORT

Senior Employees' Remuneration (Audited)

Name	2016-17			2015-16				2016-17					
	Salary £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000) £000s	Total £000s	Salary £000s	Benefits In Kind (to nearest £100)	Pensions benefit (to nearest £1,000) £000s	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 31/3/16 £000s	CETV at 31/3/17 £000s	Real increase in CETV £000s
Executive Members													
A Stevens(13)	185-190	0	0	185 - 190	180-185	0	56	240-245	N/A	N/A	1775	N/A	N/A
K Lowry (14)	130-135	4	0	130 - 135	195-200	0	0	195-200	N/A	N/A	N/A	N/A	N/A
S O'Reilly (15)	105-110	0	52	155 - 160	0	0	0	0	2.5 to 5 + lump sum 5 to 10	45 to 50 + lump sum 140 to145	882	975	63
M O'Hagan	85 - 90	2	24	110 - 115	80 - 85	0	17	95 - 100	0 to 2.5 + lump sum 0 to 5	30 to 35 + lump sum 95 to 100	588	628	21
O Harkin (16)	85 - 90	2	52	140 - 145	50 - 55	0	44	95 - 100	2.5 to 5 + lump sum 0	45 to 50 + lump sum 0	553	609	38
O Donnelly	80 - 85	4	21	105 – 110	80 - 85	0	40	120 - 125	0 to 2.5 + lump sum 0 to 5	35 to 40 + lump sum 115 to120	828	888	33
P McCreedy (17)	80 - 85	2	22	105 – 110	65 - 70	0	17	85 - 90	0 to 2.5 + lump sum 0	10 to 15 + lump sum 0	100	120	17
U Cunnina (18)	80 - 85	1	0	80 - 85	75 - 80	0	28	105 - 110	N/A	N/A	689	N/A	N/A
B Donaghy	75 - 80	9	39	115 - 120	70 – 75	0	24	95 - 100	2.5 to 5 + lump sum 5 to 10	30 to 35 + lump sum 95 to 100	595	659	44
W Macgowan (19)	75 - 80	2	44	120 - 125	25 – 30	0	39	65 - 70	0 to 2.5 + lump sum 5 to 10	20 to 25 + lump sum 65 to 70	381	438	45
M Roulston	75 - 80	3	15	90 - 95	70 – 75	0	8	80 - 85	0 to 2.5 + lump sum 0 to 5	30 to 35 + lump sum 90 to 95	645	690	25
F Brownlees(20)	70 - 75	0	75	150 - 155	0	0	0	0	2.5 to 5 + lump sum 10 to 15	30 to 35 + lump sum 95 to 100	601	702	81
P Hughes (21)	40 - 45	0	29	70 - 75	0	0	0	0	0 to 2.5 + lump sum 0 to 5	35 to 40 + lump sum 105 to 110	675	731	35
E McEneaney(22)	35 - 40	9	37	70 - 75	0	0	0	0	0 to 2.5 + lump sum 5 to 10	25 to 30 + lump sum 85 to 90	510	566	40
O Macleod (23)	20 - 25	1	0	20 - 25	70 – 75	0	9	80 - 85	2.5 to 5 + lump sum 5 to 10	20 to 25 + lump sum 60 to 65	367	N/A	N/A
S Pullins (24)	15 - 20	0	32	50 - 55	0	0	0	0	0 to 2.5 + lump sum 0 to 5	25 to 30 + lump sum 70 to 75	446	488	27
C Duffield (25)	0 - 5	0	0	0 - 5	80 - 85	0	20	100 - 105	N/A	N/A	31	N/A	N/A
J Hunter (26)	0	0	0	0	25 - 30	0	-10	15 - 20	N/A	N/A	943	N/A	N/A

ACCOUNTABILITY REPORT

Senior Employees' Remuneration

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

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

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

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It does not include 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. However, the real increase calculation uses common actuarial factors at the start and the end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation and any increase or decrease due to a transfer of pension rights.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Trust and treated by HM Revenue and Customs as a taxable emolument. The benefits in kind listed above relate to leased cars and mileage expenses.

ACCOUNTABILITY REPORT

Notes to tables above:

- (1) Left 31/12/2016. Estimated full year salary £5 - £10K
- (2) Commenced 01/03/2016. Estimated full year salary for 2015/16 £5 - £10K.
- (3) Commenced 01/03/2016. Estimated full year salary for 2015/16 £5 - £10K.
- (4) Left 31/12/2016. Estimated full year salary £5 - £10K
- (5) Left 30/11/2016. Estimated full year salary £5 - £10K
- (6) Commenced 01/03/2016. Estimated full year salary for 2015/16 £5 - £10K.
- (7) Commenced 01/01/2017. Estimated full year salary £5 - £10K.
- (8) Commenced 01/01/2017. Estimated full year salary £5 - £10K.
- (9) Commenced 16/01/2017. Estimated full year salary £5 - £10K.
- (10) Left 30/09/2015. Estimated full year salary for 2015/16 £5 - £10K
- (11) Left 30/09/2015. Estimated full year salary for 2015/16 £5 - £10K
- (12) Left 30/09/2015. Estimated full year salary for 2015/16 £5 - £10K
- (13) A Stevens is beyond the threshold for calculation of CETV/Real Increase therefore this is not applicable in 2016/17.
- (14) Commenced 05/01/2015. Estimated full year salary for 15/16 £195 - £200K. Left 30/11/2016 Estimated full year salary for 16/17 £195 - £200K. K Lowry is beyond the threshold for calculation of CETV therefore this is not applicable in 2016/17 .
- (15) Commenced 01/08/2016. Estimated full year salary £155 - £160K.
- (16) Commenced 01/09/2015. Estimated full year salary for 2015/16 £85 - £90K.
- (17) Seconded from SEHSCT from 01/05/2015 until date of commencement with Trust 01/10/2015. Estimated full year salary for 2015/16 £80 - £85K.
- (18) Left 30/09/2016. Estimated full year salary £80 - £85K. 2016/17 salary inclusive of a £40 - £45K Voluntary Exit Scheme payment. U Cunning is beyond the threshold for calculation of CETV/Real Increase therefore this is not applicable in 2016/17.
- (19) Commenced Directorship 01/11/2015. Estimated full year salary for 2015/16 £65 - £70K.
- (20) Commenced Directorship 30/03/2016. Estimated full year salary for 2015/16 £70 - £75K.
- (21) Commenced Interim Directorship 09/09/2016. Estimated full year salary £75 - £80K.
- (22) Commenced Interim Directorship 03/10/2016. Estimated full year salary £70 - £75K.
- (23) Left 30/06/2016. Estimated full year salary £75 - £80K.
- (24) Acting up to Director post from 01/07/2016 - 01/10/16. Estimated full year salary £70 - £75K.
- (25) Left 01/04/2016. Estimated full year salary £80 - £85K.
- (26) Ceased GP Medical Directorship 01/12/2015. Estimated full year salary for 2015/16 £40 - £45K.

ACCOUNTABILITY REPORT

Staff Costs (Audited)

The following tables set out the NHSCT' staff costs:

Staff costs comprise:	2017		Total £000s	2016
	Permanently employed staff £000s	Others £000s		Total £000s (Restated)
Wages and salaries	320,291	27,510	347,801	341,942
Social Security costs	28,393	0	28,393	21,627
Other pension costs	45,576	0	45,576	41,238
Sub-total	394,260	27,510	421,770	404,807
Capitalised staff costs	576	0	576	599
Total staff costs reported in Statement of Comprehensive Expenditure	393,684	27,510	421,194	404,208
Less recoveries in respect of outward secondments			2,042	2,831
Total net costs			419,112	401,338
Total net costs of which:			£000s	£000s
Northern HSC Trust			421,154	404,169
Charitable Trust Fund			40	39
Consolidation Adjustments			0	0
			421,194	404,208

Staff Costs exclude £576K charged to capital projects during the year (2016 £599K). 2016 figures are re-stated due to a recategorisation of research and development (R & D) staff costs following the introduction of ESA 2010 (note 1.27 to the Accounts).

HSC Pension Arrangements

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 DoH. 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 as at 31 March 2012 was completed in 2015-16.

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

ACCOUNTABILITY REPORT

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) 2016/17
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 was 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>

ACCOUNTABILITY REPORT

Average number of persons employed (Audited)

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

	2017		2016
	Permanently employed staff No	Other No.	Total No. Restated
Medical and dental	544	104	648
Nursing and midwifery	3,108	147	3,255
Professions allied to medicine	602	4	606
Ancillaries	791	84	875
Administrative & clerical	1,505	80	1,585
Ambulance staff	0	0	0
Works	128	0	128
Other professional and technical	728	14	742
Social Services	2,201	57	2,258
Other	0	1	1
Total average number of person employed	9,607	491	10,098
Less average staff number relating to capitalised staff costs	13	3	16
Less average staff number in respect of outward secondments	67	0	67
Total net average number of person employed	9,527	488	10,015

Of which:

	2016 Composition
Northern HSC Trust	10,014
Charitable Trust Fund	1
	<u>10,015</u>

Staff Benefits

The Northern Health and Social Care Trust has no staff benefits.

Trust Management Costs

	2017	Restated
	£000s	2016 £000s
Trust Management Costs	25,240	24,318
Income:		
RRL	690,672	636,144
Income per Note 4	52,661	51,166
Non cash RRL for movement in clinical negligence provision	(24,932)	(7,640)
Total Income	<u>718,401</u>	<u>679,670</u>
% of total income	<u>3.5%</u>	<u>3.6%</u>

The management costs have been prepared on a consistent basis from previous years and have been based on the appropriate elements contained in the circular HSS (THR) 2/99.

ACCOUNTABILITY REPORT

Retirements due to ill-health

During 2016-17 there were 47 (34 in 2015/16) early retirements from the Trust, agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £57K (£110K in 2015/16). These costs are borne by the HSC Pension Scheme.

Reporting of early retirement and other compensation scheme - exit packages

(Audited)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2017	2016	2017	2016	2017	2016
<£10,000	0	0	0	3	0	3
£10,001 - £25,000	0	0	1	8	1	8
£25,001 - £50,000	0	0	5	7	5	7
£50,001 - £100,000	0	0	3	11	3	11
£100,001- £150,000	0	0	2	0	2	0
£150,001- £200,000	0	0	0	1	0	1
Total number of exit packages by type	0	0	11	30	11	30
	£000s	£000s	£000s	£000s	£000s	£000s
Total resource cost	0	0	653	1,254	653	1,254

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 (Audited)

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

	2016/17	2015/16
Band of Highest Paid Director Remuneration	£185 – £190K	£180 – £185K
Median Total Remuneration	£22,230	£22,236
Ratio	8.43	8.21

The midpoint of the remuneration of the highest paid director in Northern Health and Social Care Trust was £187,500 (2015/16 £182,500). This was 8.43 times (8.21 2015/16) the median remuneration of the workforce, which was £22,230. The ratio calculation for 2016/17 has indicated minimal movement from 2015/16.

Staff Composition by Gender

The following table provides an analysis of the number of employed staff as at 31 March 2017 by gender.

	Directors*		Non Executive Directors		Senior Staff**		Other Staff		Trust Total	
	No	As%	No	As %	No	As %	No	As %	No	As %
Female	10	63%	1	13%	24	83%	10,170	86%	10,205	86%
Male	6	37%	7	88%	5	17%	1,629	14%	1,647	14%
Total	16		8		29		11,798		11,852	

*Divisional and Executive Directors

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

Performance against Key Targets 2016/17

Indicator	DoH Target for year ending March 2017	Performance in Year Ending 31 st March 2017
Sickness Absence	6.98%	7.35%
Appraisal	80%	67%
Flu Vaccination	40%	36%

ACCOUNTABILITY REPORT

Off Payroll Engagements

The Trust did not have any 'off-payroll' engagements in 2016/17 that were in excess of £58,200 per annum (2015/16 £99,062).

Consultancy

Expenditure on Consultancy in 2016/17 was £nil (2015/16 £nil).

ACCOUNTABILITY REPORT

Assembly Accountability and Audit Report

Funding Report

The Northern Health and Social Care Trust managed income of £743 million in 2016/17.

The Trust employs in the region of 11,800 staff serving a population of approximately 470,000 residents and manages a wide and geographically dispersed estate valued in excess of £400m.

The Trust Delivery Plan for 2016/17 identified an underlying recurrent gap of £23.6million. As a consequence, a range of savings proposals were implemented, and alongside assistance from the Commissioners, the Trust has presented a breakeven position for the financial year.

The Trust continues to experience cost pressures particularly in relation to unscheduled care/emergency department activity growth; children's services; mental health and disability services; and demographic growth linked to an increasing elderly population.

During the year, the Trust implemented a number of service developments and improvements, including developments in relation to autism and transitions relating to complex cases of children to adults.

While the Trust achieved financial balance in 2016/17 it continues 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. As a result the Trust begins 2017/18 with a substantial underlying funding gap and faces significant challenges within what is expected to be an even tighter funding environment.

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; and
- 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.

ACCOUNTABILITY REPORT

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 out in the Governance Statement of the annual accounts for 2016/17.

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. This is supported by a programme of regular Accountability meetings with Directorates and Divisions during which financial performance forms a significant part of the agenda. An aggregate summary of the financial position to date and forecast yearend position is presented by the Director of Finance to the Trust Board each month with supporting narrative to ensure a clear understanding of underlying issues and trends.

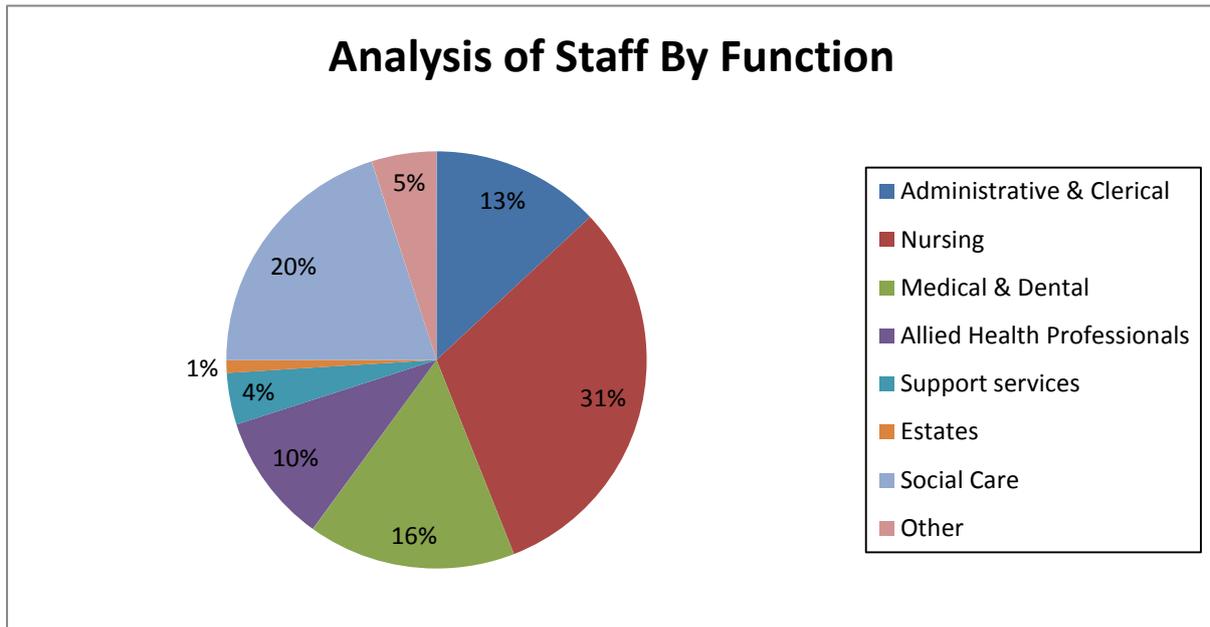
Income and Expenditure

The information below provides an analysis of Trust's income and a breakdown of expenditure in 2016/17.

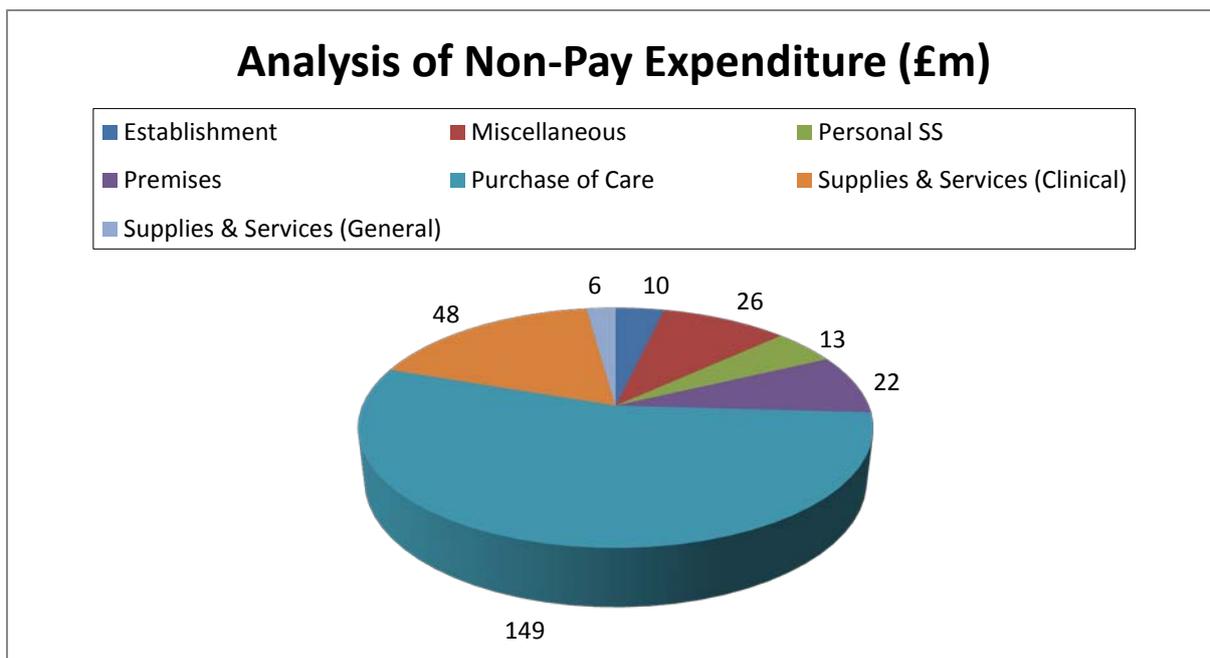
The largest cost incurred by the Trust is staff salaries, representing just over 60% of total expenditure covering a range of staff groups such as nursing, medical, diagnostic, social services and allied health professionals.

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

ACCOUNTABILITY REPORT

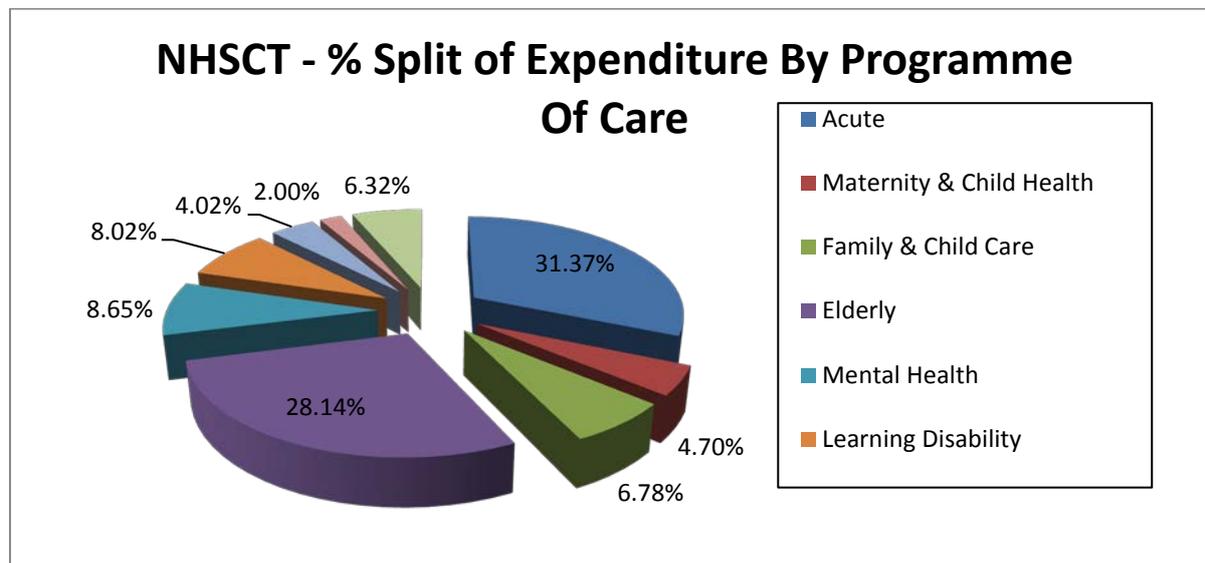


The Trust spent £274m on non pay expenditure and the chart below provides an analysis of this as follows:



ACCOUNTABILITY REPORT

In 2016/17 the Trust provided services for a range of programmes of care as detailed in the graph below



Income

The majority of income, over 90%, comes from the Department of Health, through the Health and Social Care Board and the Public Health Authority. The Trust also receives income for medical education from Northern Ireland Medical and Dental Training Agency [NIMDTA].

The income received by the Trust is used to deliver health and social care 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.

Remote Contingent Liabilities (Audited)

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

Going Concern

Whilst 2017/18 will continue to be financially challenging for the Trust, it is expected that the Trust will continue to operate on a “going concern” basis. Further detail is provided on page 70.

ACCOUNTABILITY REPORT

Capital Development Programme

For the 2016/17 financial year the Trust managed gross capital expenditure to the value of £12.232m to deliver capital projects. This included £6.642m of general capital covering minor capital estates schemes, medical devices, vehicles and ICT.

We are delighted to say that the following schemes progressed during 2016/17.

Capital Scheme	Expenditure 2016/17 £m	Total Value of Project £m
Ballymena Health & Care Centre	1.38	25.00
Community Dental Instruments	0.82	1.24
AAH 2 nd MRI Scanner	0.16	3.12
Vehicle replacement	0.95	0.95
Medical devices	1.95	1.95
ICT	3.39	3.39

The Antrim Area Hospital 2nd MRI scheme is currently underway with design completed in 2016/17 and tender process in progress. Looking forward work is underway to plan the development of a new 72 bedded ward block on the Antrim Area hospital site as well as a new mental health inpatient unit to replace the inpatient services currently provided on the Holywell Hospital site.

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 Trust.

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

In 2016/17 Charitable Trust Fund income amounted to £709K (721k 2015/16) and expenditure was £880K (£725k 2015/16). Total fund balances as at 31/3/17 amounted to £5.674m (£5.607m 2015/16).

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 2016/17. This is subject to audit.

ACCOUNTABILITY REPORT

Losses and Special Payments (Audited)

Type of loss and special payment	2016 – 17		2015 - 16
	Number of	£	£
Cash losses			
Cash Losses – theft fraud etc	1	2,721	50
Cash losses – overpayments of salaries, wages and allowances	23	7,862	578
Cash Losses – Other causes	18	22,988	14,368
	42	33,571	14,996
Administrative write-offs			
Bad debts	84	56,202	29,876
Other	0	0	0
	84	56,202	29,876
Fruitless payments			
Late payment of Commercial Debt	5	61,529	6,215
	5	61,529	6,215
Stores losses			
Losses of accountable stores through any deliberate act	15	4,754	5,707
Other stores losses	45	112,839	68,535
	60	117,593	74,242
Special Payments			
Compensation payments			
- Clinical Negligence	40	6,150,923	2,538,140
- Public Liability	5	66,650	477,325
- Employers Liability	37	320,755	426,587
- Other	3	17,500	123,780
	85	6,555,828	3,565,832
Ex-gratia payments	29	8,999	15,249
TOTAL	305	6,833,722	3,706,410

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	2016-17 £	2015-16 £
Special payments – Compensation payments Clinical negligence (these cases are included in the total value of special payments in the table above)	4	4,679,469	0
TOTAL	4	4,679,469	0

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 2017, has been applied to the purposes intended by the NI Assembly and that transactions conform to the authorities which govern them.

The Trust maintains a Gifts and Hospitality Register and there were no gifts made over the limits prescribed in Managing Public Money N.I.

Details on expenditure trends and plans are set out in detail within the Governance Statement and Performance Report.



Dr Anthony Stevens
Accounting Officer

Date

15/6/17

ACCOUNTABILITY REPORT

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 2017 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 the Assembly Accountability disclosures that are described in those reports as having been audited.

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer 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.

ACCOUNTABILITY REPORT

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 2017 and of the net expenditure 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 directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Assembly Accountability disclosures 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 and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

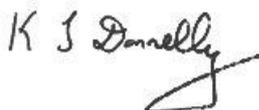
Matters on which I report by exception

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 Assembly Accountability disclosures 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 guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
22 June 2017

FINANCIAL STATEMENTS

**ANNUAL ACCOUNTS 2016/17 – FINANCIAL
STATEMENTS AND NOTES TO THE ACCOUNTS**

FINANCIAL STATEMENTS

Introduction

The financial statements and notes to the accounts of the Trust for 2016/17 are included on pages 98 to 141.

The Patients and Residents Monies Accounts for 2016/17 are included on pages 142 to 143.

Charitable Trust Fund Accounts for 2016/17 are issued separately however they are consolidated 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 2017

FOREWORD

These accounts for the year ended 31 March 2017 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.

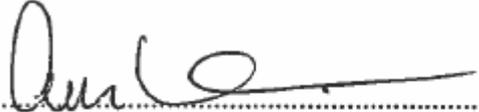
FINANCIAL STATEMENTS

NORTHERN HSC TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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 98 to 143) 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 Department of Health.

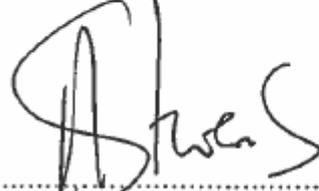

..... Director of Finance

15/6/2017
..... Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 98 to 143) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.


..... Chairman

15/6/2017.
..... Date


..... Chief Executive

15/6/2017
..... Date

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2017

This account summarises the expenditure and income generated and consumed 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	2017 £000s			Restated 2016 £000s		
		Trust	CTF	Consolidated	Trust	CTF	Consolidated
Income							
Income from activities	4.1	42,994	0	42,994	40,567	0	40,567
Other operating income*	4.2	9,667	633	10,300	10,599	634	11,233
Total operating income		52,661	633	53,294	51,166	634	51,800
Expenditure							
Staff costs	3	(421,154)	(40)	(421,194)	(404,169)	(39)	(404,208)
Purchase of goods and services	3	(214,886)	0	(214,886)	(194,620)	0	(194,620)
Depreciation, amortisation and impairment charges	3	(22,474)	0	(22,474)	(21,968)	0	(21,968)
Provision expense	3	(25,492)	0	(25,492)	(9,411)	0	(9,411)
Other expenditures	3	(59,257)	(835)	(60,092)	(56,962)	(681)	(57,643)
Total operating expenditure		(743,263)	(875)	(744,138)	(687,130)	(720)	(687,850)
Net operating expenditure		(690,602)	(242)	(690,844)	(635,964)	(86)	(636,050)
Finance income	4.2	0	76	76	0	87	87
Finance expense	3	(61)	0	(61)	(81)	0	(81)
Net expenditure for the year		(690,663)	(166)	(690,829)	(636,045)	1	(636,044)
Revenue Resource Limit (RRL) and capital grants	24.1	690,672	0	690,672	636,144	0	636,144
Add back charitable trust fund net expenditure*		0	166	166	0	(1)	(1)
Surplus / (Deficit) against RRL		9	0	9	99	0	99
OTHER COMPREHENSIVE EXPENDITURE							
Items that will not be reclassified to net operating costs:	NOTE	2017 £000s			2016 £000s		
		Trust	CTF	Consolidated	Trust	CTF	Consolidated
Net gain/(loss) on revaluation of property, plant and equipment	5.1/8/5.2/8	5,780	0	5,780	24,605	0	24,605
Net gain/(loss) on revaluation of intangibles	6.1/8/6.2/8	0	0	0	0	0	0
Net gain/(loss) on revaluation of charitable assets		0	233	233	0	(102)	(102)
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 2017		(684,883)	67	(684,816)	(611,440)	(101)	(611,541)

The notes on pages 102 to 141 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. 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.

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position as at 31 March 2017

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

	NOTE	2017		2016	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
Non Current Assets					
Property, plant and equipment	5.1/5.2	401,098	401,098	405,297	405,297
Intangible assets	6.1/6.2	3,937	3,937	4,474	4,474
Financial assets	7	0	1,895	0	1,662
Total Non Current Assets		405,035	406,930	409,771	411,433
Current Assets					
Assets classified as held for sale	9	218	218	80	80
Inventories	10	2,753	2,753	2,933	2,933
Trade and other receivables	12	14,092	14,109	12,410	12,417
Other current assets	12	1,468	1,468	1,428	1,428
Financial assets	7	0	3,700	0	3,700
Cash and cash equivalents	11	1,617	1,759	2,833	3,110
Total Current Assets		20,148	24,007	19,684	23,668
Total Assets		425,183	430,937	429,455	435,101
Current Liabilities					
Trade and other payables	13	(74,489)	(74,569)	(72,660)	(72,699)
Intangible current liabilities	13	0	0	(395)	(395)
Provisions	15	(9,784)	(9,784)	(9,026)	(9,026)
Total Current Liabilities		(84,273)	(84,353)	(82,081)	(82,120)
Total assets less current liabilities		340,910	346,584	347,374	352,981
Non Current Liabilities					
Provisions	15	(38,173)	(38,173)	(22,688)	(22,688)
Total Non Current Liabilities		(38,173)	(38,173)	(22,688)	(22,688)
Total assets less total liabilities		302,737	308,411	324,686	330,293
Taxpayers' Equity and other reserves					
Revaluation reserve		107,103	107,103	101,963	101,963
SoCNE reserve		195,634	195,634	222,723	222,723
Other reserves - charitable fund		0	5,674	0	5,607
Total equity		302,737	308,411	324,686	330,293

The financial statements on pages 98 to 101 were approved by the Board on 15 June 2017 and were signed on its behalf by:

The notes on pages 102 to 111 form part of these accounts.

Signed..... (Chairman)

Date 15/6/2017.

Signed..... (Accounting Officer)

Date 15/6/2017

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows for the year ended 31 March 2017

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	2017 £000s	Restated 2016 £000s
Cash flows from operating activities			
Net operating cost		(690,829)	(636,044)
Adjustments for non cash costs		48,009	31,243
(Increase)/decrease in trade and other receivables		(1,732)	1,204
<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		0	0
(Increase)/decrease in inventories		180	(79)
Increase/(decrease) in trade payables		1,475	(743)
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment		1,103	3,427
Movements in payables relating to the purchase of intangibles		0	48
Movements in payables relating to finance leases		0	0
Movements in payables relating to PFI and other service concession arrangement contracts		0	0
Use of provisions	15	<u>(9,249)</u>	<u>(4,353)</u>
Net cash outflow from operating activities		(651,043)	(605,297)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	(12,211)	(19,878)
(Purchase of intangible assets)	6	(1,124)	(1,100)
Proceeds of disposal of property, plant & equipment		27	87
Proceeds on disposal of intangibles		0	0
Proceeds on disposal of assets held for resale		0	275
Drawdown from investment fund		0	10
Share of income reinvested		<u>0</u>	<u>(100)</u>
Net cash outflow from investing activities		(13,308)	(20,706)
Cash flows from financing activities			
Grant in aid		663,000	622,200
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		<u>0</u>	<u>0</u>
Net financing		663,000	622,200
Net increase (decrease) in cash & cash equivalents in the period		(1,351)	(3,803)
Cash & cash equivalents at the beginning of the period	11	3,110	6,913
Cash & cash equivalents at the end of the period	11	1,759	3,110

The notes on pages 102 to 115 form part of these accounts.

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 the SoCNE Reserve (i.e. that reserve that reflects a contribution from the Department of Health). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve 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 2017

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
Balance at 31 March 2015		236,263	77,614	5,708	319,585
Changes in Taxpayers Equity 2015-16					
Grant from DoH		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	59	0	0	59
Movement - other					0
Balance at 31 March 2016		222,723	101,963	5,607	330,293
Changes in Taxpayers Equity 2016-17					
Grant from DoH		663,000	0	0	663,000
Transfers between reserves		640	(640)	0	0
(Comprehensive expenditure for the year)		(690,663)	5,780	67	(684,816)
Transfer of asset ownership		(125)	0	0	(125)
Non cash charges - auditors remuneration	3	59	0	0	59
Balance at 31 March 2017		195,634	107,103	5,674	308,411

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 based on guidance from the Department of Finance'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. This includes assets donated to the Trust.

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. 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; and
- 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

DOF 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. 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.

FINANCIAL STATEMENTS

The following asset lives have been used:

Asset Type	Asset Life
Freehold Buildings and Dwellings	25 – 80 years
Leasehold property	Remaining period of lease
IT Assets	4 – 5 years
Intangible assets	4 – 5 years
Transport Equipment	5 – 7 years
Furniture and Fittings	5 – 15 years
Plant, Machinery and Equipment	3 – 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.

FINANCIAL STATEMENTS

1.7 Intangible assets

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

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

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

FINANCIAL STATEMENTS

1.8 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.

1.9 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.

1.10 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.

FINANCIAL STATEMENTS

1.11 Investments

The Trust does not hold any investments.

Charitable Trust Fund Investments have been consolidated. These Investment Fixed Assets are shown at market value as at the Statement of Financial Position date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the Statement of Financial Position at mid-market price excluding dividend.

Other investment fixed assets are included at the Trustees' best estimate of market value.

1.12 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.

1.13 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.

1.14 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

FINANCIAL STATEMENTS

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

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.

1.15 Private Finance Initiative (PFI) transactions.

The Trust has had no PFI transactions during the year.

1.16 Financial instruments

- Financial assets

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

Financial assets are initially recognised at fair value.

- Financial liabilities

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

Financial liabilities are initially recognised at fair value.

- Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during

FINANCIAL STATEMENTS

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

Currency risk

- The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

- The Trust has limited powers to borrow or invest and therefore has low exposure to interest rate fluctuations.

Credit risk

- Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk.

Liquidity risk

- Since the Trust receives the majority of its funding through its principal Commissioner which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

1.17 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 DoF issued discount rates of:

Rate	Time Period	Real Rate
Short-term	0-5 years	-2.70%
Medium-term	5-10 years	-1.95%
Long-term	10+ years	-0.80%

FINANCIAL STATEMENTS

The discount rate to be applied for employee early departure obligation is +0.24% with effect from 31 March 2017.

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

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

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

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

1.18 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.

FINANCIAL STATEMENTS

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.

1.19 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 Department of Health. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSC Pension Scheme can be found in the HSC Pension Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

The costs of early retirements are met by the Trust and charged to the Statement of Comprehensive Net Expenditure at the time the Trust commits itself to the retirement.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was certified in February 2015 and used for the 2016/17 accounts.

FINANCIAL STATEMENTS

1.20 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.

1.21 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.

1.22 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.

1.23 Government Grants

The note to the financial statements distinguishes between grants from UK government entities and grants from European Union.

The Trust had no Government Grants.

1.24 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

FINANCIAL STATEMENTS

(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

1.25 Charitable Trust Account Consolidation

Northern HSC Trust 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.

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

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

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

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2020-21, 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

FINANCIAL STATEMENTS

adopted are unlikely to have a significant impact on the accounts in the period of the initial application.

1.27 Impact of implementation of ESA 2010 on research and development expenditure

Following the introduction of the 2010 European System of Accounts (ESA 10), there has been a change in the budgeting treatment (a change from the revenue budget to the capital budget) of research and development (R & D) expenditure. In order to reflect this new treatment which was implemented from 2016/17, additional disclosures have been included in the notes to the accounts.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ANALYSIS of NET EXPENDITURE by SEGMENT

NOTE 2

The Trust is managed by way of a directorate structure, each led by a Director, providing an integrated healthcare service for the resident population. The Directors along with Non Executive Directors, Chairman and Chief Executive form the Trust Board which coordinates the activities of the Trust and is considered to be the Chief Operating Decision Maker. The information disclosed in this statement does not reflect budgetary performance and is based solely on expenditure information provided from the accounting system used to prepare the accounts. The information disclosed reflects the realignment of directorates that took place in 2016/17 and prior year figures have been updated to reflect this.

<u>Directorate</u>	Staff Costs £000s	2017 Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	Restated 2016 Other Expenditure £000s	Total Expenditure £000s
Community Care	74,813	83,594	158,407	73,044	79,769	152,813
Surgical & Clinical Services	84,314	30,016	114,330	80,974	27,678	108,652
Medicine & Emergency Medicine	62,676	14,779	77,455	55,215	15,001	70,216
Medical Directorate	10,447	2,804	13,251	9,579	3,298	12,877
Women, Children and Families	76,363	24,296	100,659	72,727	23,926	96,653
Mental Health, Learning Disability & Community Wellbeing	61,776	84,941	146,717	59,332	75,767	135,099
Nursing User Experience	25,019	5,256	30,275	24,026	4,711	28,737
Other Trust Directorates	25,746	28,475	54,221	29,272	21,514	50,786
Expenditure for Reportable Segments net of Non Cash Expenditure	421,154	274,161	695,315	404,169	251,664	655,833
Non Cash Expenditure			48,009			31,378
Total Expenditure per Net Expenditure Account			743,324			687,211
Income Note 4			52,661			51,166
Net Expenditure			690,663			636,045
Revenue Resource Limit			690,672			636,144
Surplus / (Deficit) against RRL			9			99

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 3 OPERATING EXPENSES

	2017 £000s			Restated 2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
Operating Expenses are as follows:-						
Staff costs ¹ :						
Wages and salaries	347,185	40	347,225	341,304	39	341,343
Social security costs	28,393	0	28,393	21,627	0	21,627
Other pension costs	45,576	0	45,576	41,238	0	41,238
Purchase of care from non-HSC bodies	148,685	0	148,685	134,628	0	134,628
Revenue grants to voluntary organisations	2,979	0	2,979	3,220	0	3,220
Capital grants to voluntary organisations	0	0	0	0	0	0
Personal social services	12,405	0	12,405	11,684	0	11,684
Recharges from other HSC organisations	1,810	0	1,810	1,675	0	1,675
Supplies and services - Clinical	48,246	0	48,246	43,838	0	43,838
Supplies and services - General	6,302	0	6,302	6,049	0	6,049
Establishment	10,494	0	10,494	11,369	0	11,369
Transport	2,763	0	2,763	2,438	0	2,438
Premises	22,066	0	22,066	21,072	0	21,072
Bad debts	64	0	64	(108)	0	(108)
Rentals under operating leases	573	0	573	399	0	399
Interest charges	61	0	61	6	0	6
PFI and other service concession arrangements service charges	0	0	0	75	0	75
Research & development expenditure	43	0	43	191	0	191
BSO services	5,100	0	5,100	4,435	0	4,435
Training	1,512	0	1,512	1,329	0	1,329
Professional fees	1,588	0	1,588	986	0	986
Patients travelling expenses	120	0	120	199	0	199
Costs of exit packages not provided for	653	0	653	1,254	0	1,254
Elective care	3,155	0	3,155	3,009	0	3,009
Other charitable expenditure	0	835	835	0	681	681
Miscellaneous expenditure	5,542	0	5,542	3,916	0	3,916
Non cash items						
Depreciation	22,857	0	22,857	22,173	0	22,173
Amortisation	1,661	0	1,661	1,687	0	1,687
Impairments	(2,044)	0	(2,044)	(1,892)	0	(1,892)
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(23)	0	(23)	(85)	0	(85)
Loss on disposal of property, plant & equipment (including land)	7	0	7	25	0	25
Provisions provided for in year	25,701	0	25,701	9,563	0	9,563
Cost of borrowing of provisions (unwinding of discount on provisions)	(209)	0	(209)	(152)	0	(152)
Auditors remuneration	59	5	64	59	5	64
Add back of notional charitable expenditure	0	(5)	(5)	0	(5)	(5)
Total	743,324	875	744,199	687,211	720	687,931

¹ Further detailed analysis of staff costs is located in the Staff Report on page 79 within the Accountability Report. During the year the Trust purchased the following non audit services from its external auditor NIAO: National Fraud Initiative £2,762.

Research & Development staff expenditure (£762K) had previously been categorised under R&D, following the introduction of ESA2010 (Ref Note 1.27) this is now captured under staffing

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 4 INCOME

4.1 Income from Activities

	2017 £000s			2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
GB/Republic of Ireland Health Authorities	143	0	143	187	0	187
HSC Trusts	0	0	0	0	0	0
Non-HSC:- Private patients	159	0	159	214	0	214
Non-HSC:- Other	1,273	0	1,273	801	0	801
Clients contributions	41,419	0	41,419	39,365	0	39,365
Total	42,994	0	42,994	40,567	0	40,567

4.2 Other Operating Income

	2017 £000s			2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
Other income from non-patient services	7,548	0	7,548	7,225	0	7,225
Seconded staff	2,042	0	2,042	2,831	0	2,831
Charitable and other contributions to expenditure by core trust	0	0	0	0	0	0
Donations / Government grant / Lottery funding for non current assets	71	0	71	80	0	80
Charitable income received by charitable trust fund	0	633	633	0	634	634
Investment income	0	76	76	0	87	87
Research and development	6	0	6	328	0	328
Profit on disposal of land	0	0	0	135	0	135
Total	9,667	709	10,376	10,599	721	11,320

TOTAL INCOME

52,661	709	53,370	0	51,166	721	51,887
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FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 5.1 Consolidated Property, plant & equipment - year ended 31 March 2017

	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 2016	50,450	318,387	23,375	0	53,319	8,121	13,138	2,709	469,499
Indexation	66	6,524	434	0	510	86	0	0	7,620
Additions	0	3,996	645	8	3,151	949	2,244	44	11,037
Donations / Government grant / Lottery funding	0	0	0	29	42	0	0	0	71
Reclassifications	(138)	590	(590)	0	0	0	0	0	(138)
Transfers	(16)	(114)	0	0	0	0	0	0	(130)
Impairment charged to the SoCNE	(21)	(636)	(632)	0	(50)	0	0	0	(1,339)
Impairment charged to the revaluation reserve	0	(687)	(493)	0	(1)	0	0	0	(1,181)
Reversal of impairments (indexation)	2,421	838	69	0	3	0	0	0	3,331
Disposals	0	(489)	0	0	(7,009)	(498)	(234)	(1,541)	(9,771)
									0
At 31 March 2017	52,762	328,409	22,808	37	49,965	8,658	15,148	1,212	478,999
Depreciation									
At 1 April 2016	0	12,577	1,026	0	35,879	5,431	7,968	1,321	64,202
Indexation	0	460	31	0	263	42	0	0	796
Reclassifications	0	51	(51)	0	0	0	0	0	0
Transfers	0	(5)	0	0	0	0	0	0	(5)
Impairment charged to the SoCNE	0	(29)	(40)	0	(9)	0	0	0	(78)
Impairment charged to the revaluation reserve	0	(104)	(32)	0	(1)	0	0	0	(137)
Reversal of impairments (indexation)	0	21	5	0	0	0	0	0	26
Disposals	0	(489)	0	0	(7,009)	(487)	(234)	(1,541)	(9,760)
Provided during the year	0	12,279	845	0	5,687	784	2,390	872	22,857
At 31 March 2017	0	24,761	1,784	0	34,810	5,770	10,124	652	77,901
Carrying Amount									
At 31 March 2017	52,762	303,648	21,024	37	15,155	2,888	5,024	560	401,098
At 31 March 2016	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297
Asset financing									
Owned	52,762	303,648	21,024	37	15,155	2,888	5,024	560	401,098
Carrying Amount									
At 31 March 2017	52,762	303,648	21,024	37	15,155	2,888	5,024	560	401,098

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 (2016 £0)

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

	2017 £000s	2016 £000s
Donations	71	80
Government grant	0	0
Lottery funding	0	0

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 5.2 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	2,534	360	1,802	522	16,381
Donations / Government grant / Lottery funding	0	18	0	0	22	30	0	0	70
Transfers	0	20,553	0	(20,553)	(73)	0	0	0	(73)
Revaluation	0	393	0	25	0	0	0	0	418
Impairment charged to the SoCNE	0	(72)	0	(2,661)	0	0	0	0	(2,733)
Reversal of impairments (indexation)	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	5,299	6,821	1,019	47,093
Indexation	0	797	57	0	126	15	0	4	999
Transfers	0	0	0	0	(63)	0	0	0	(63)
Revaluation	0	(1,231)	0	0	0	0	0	0	(1,231)
Reversal of impairments (indexation)	0	52	8	0	0	0	0	0	60
Disposals	0	0	0	0	(2,892)	(733)	(1,204)	0	(4,829)
Provided during the year	0	11,225	828	0	6,621	850	2,351	298	22,173
At 31 March 2016	0	12,577	1,026	0	35,879	5,431	7,968	1,321	64,202
Carrying Amount									
At 31 March 2016	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297
At 1 April 2015	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
Carrying Amount									
At 31 March 2016	50,450	305,810	22,349	0	17,440	2,690	5,170	1,388	405,297
Asset financing									
Owned	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
Carrying Amount									
At 1 April 2015	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544
Carrying amount comprises:									
Northern HSC Trust at 31 March 2017	52,762	303,648	21,024	37	15,155	2,888	5,024	560	401,098
Northern HSC Trust Charitable Trust Fund at 31 March 2017	0	0	0	0	0	0	0	0	0
	52,762	303,648	21,024	37	15,155	2,888	5,024	560	401,098
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 Trust Fund 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 Trust Fund at 31 March 2015	185	1,627	0	0	636	0	11	122	2,581
	48,055	268,080	21,229	15,813	21,350	3,136	5,721	1,160	384,544

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 6.1 Consolidated Intangible assets - year ended 31 March 2017

	Software Licenses £000s	Total £000s
Cost or Valuation		
At 1 April 2016	10,543	10,543
Additions	1,124	1,124
Donations / Government grant / Lottery funding	0	0
Disposals	(294)	(294)
At 31 March 2017	11,373	11,373

Amortisation

At 1 April 2016	6,069	6,069
Disposals	(294)	(294)
Provided during the year	1,661	1,661
At 31 March 2017	7,436	7,436

Carrying Amount

At 31 March 2017	3,937	3,937
At 31 March 2016	4,474	4,474

Asset financing

Owned	3,937	3,937
Carrying Amount		
At 31 March 2017	3,937	3,937

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:

	2017 £000s	0 £000s
Donations	0	10

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 6.2 Consolidated Intangible assets - year ended 31 March 2016

	Software Licenses £000s	Total £000s
Cost or Valuation		
At 1 April 2015	9,491	9,491
Additions	1,042	1,042
Donations / Government grant / Lottery funding	10	10
At 31 March 2016	10,543	10,543

Amortisation		
At 1 April 2015	4,382	4,382
Provided during the year	1,687	1,687
At 31 March 2016	6,069	6,069

Carrying Amount		
At 31 March 2016	4,474	4,474
At 1 April 2015	5,109	5,109

Asset financing		
Owned	4,474	4,474
Carrying Amount		
At 31 March 2016	4,474	4,474

Asset financing		
Owned	5,109	5,109
Carrying Amount		
At 1 April 2015	5,109	5,109

Carrying amount comprises:

Northern HSC Trust at 31 March 2017	3,937	3,937
Northern HSC Trust Charitable Trust Fund at 31 March 2017	0	0
	3,937	3,937
Northern HSC Trust at 31 March 2016	4,474	4,474
Northern HSC Trust Charitable Trust Fund at 31 March 2016	0	0
	4,474	4,474
Northern HSC Trust at 31 March 2015	5,109	5,109
Northern HSC Trust Charitable Trust Fund at 31 March 2015	0	0
	5,109	5,109

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 7 FINANCIAL INSTRUMENTS

As the cash requirements of NHSCT are met through Grant-in-Aid provided by the Department of Health, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Northern Health and Social Care Trust's expected purchase and usage requirements and the Trust is therefore exposed to little credit, liquidity or market risk.

Please note that the investments shown below relate to Charitable Trust Funds.

	Investments £000s	2017 Assets £000s	Liabilities £000s	Investments £000s	2016 Assets £000s	Liabilities £000s
Balance at 1 April	5,362	0	0	5,374	0	0
Additions	0	0	0	100	0	0
Disposals	0	0	0	(10)	0	0
Revaluations	233	0	0	(102)	0	0
Balance at 31 March	<u>5,595</u>	<u>0</u>	<u>0</u>	<u>5,362</u>	<u>0</u>	<u>0</u>
Trust	0	0	0	0	0	0
Charitable trust fund	5,595	0	0	5,362	0	0
	<u>5,595</u>	<u>0</u>	<u>0</u>	<u>5,362</u>	<u>0</u>	<u>0</u>

NOTE 7.1 Market value of investments as at 31 March 2017

	Held in UK £000s	Held outside UK £000s	2017 Total £000s	2016 Total £000s
Investments in a Common Deposit Fund or Investment Fund	1,795	0	1,795	1,562
Short Term Investments and Deposits	3,700	0	3,700	3,700
Other investments	100	0	100	100
Total market value of fixed asset investments	<u>5,595</u>	<u>0</u>	<u>5,595</u>	<u>5,362</u>

The only other financial instruments held by the Trust as at 31 March 2017 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.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 8 IMPAIRMENTS

	2017		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	(1,000)	0	(1,000)
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	1,044	0	1,044
	<hr/>	<hr/>	<hr/>
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	<u>(2,044)</u>	<u>0</u>	<u>(2,044)</u>
	2016		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	(1,892)	0	(1,892)
(shown in Other Comprehensive Expenditure Statement)	0	0	0
	<hr/>	<hr/>	<hr/>
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	<u>(1,892)</u>	<u>0</u>	<u>(1,892)</u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2017 £000s	2016 £000s	2017 £000s	2016 £000s	2017 £000s	2016 £000s
Cost						
At 1 April	80	145	0	90	80	235
Transfers in	138	0	0	0	138	0
(Disposals)	0	(65)	0	(90)	0	(155)
At 31 March	218	80	0	0	218	80
Depreciation						
At 1 April	0	0	0	0	0	0
At 31 March	0	0	0	0	0	0
Carrying amount at 31 March	218	80	0	0	218	80

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 2016/17 refers to land and building assets at the following sites : Lynwood, Princess Gardens, Carnview and Rathmoyle.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 10 INVENTORIES

Classification	2017 £000s		2016 £000s	
	Trust	Consolidated	Trust	Consolidated
Pharmacy supplies	2,209	2,209	2,301	2,301
Building & engineering supplies	82	82	83	83
Laboratory materials	35	35	179	179
Laundry	0	0	0	0
Heat, light and power	208	208	179	179
Other	219	219	191	191
Total	2,753	2,753	2,933	2,933

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 11 CASH AND CASH EQUIVALENTS

	2017 £000s			2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
Balance at 1st April	2,833	277	3,110	6,558	355	6,913
Net change in cash and cash	(1,216)	(135)	(1,351)	(3,725)	(78)	(3,803)
Balance at 31st March	1,617	142	1,759	2,833	277	3,110

The following balances at 31 March were held at	2017			2016		
	Core Trust	£000s CTF	Consolidated	Core Trust	£000s CTF	Consolidated
Commercial banks and cash in hand	1,617	142	1,759	2,833	277	3,110
Balance at 31st March	1,617	142	1,759	2,833	277	3,110

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 12 TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

	2017 £000s			2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
Amounts falling due within one year						
Trade receivables	6,525	0	6,525	6,238	0	6,238
VAT receivable	4,914	0	4,914	4,562	0	4,562
Other receivables - not relating to fixed assets	2,653	17	2,670	1,610	7	1,617
Trade and other receivables	14,092	17	14,109	12,410	7	12,417
Prepayments and accrued income	1,468	0	1,468	1,428	0	1,428
Other current assets	1,468	0	1,468	1,428	0	1,428
Intangible current assets	0	0	0	0	0	0
Amounts falling due after more than one year						
Trade and other receivables	0	0	0	0	0	0
Other current assets falling due after more than one year	0	0	0	0	0	0
TOTAL TRADE AND OTHER RECEIVABLES	14,092	17	14,109	12,410	7	12,417
TOTAL OTHER CURRENT ASSETS	1,468	0	1,468	1,428	0	1,428
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	15,560	17	15,577	13,838	7	13,845

The balances are net of a provision for bad debts of £943K (2016 £897k)

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

13.1 Trade payables and other current liabilities

	2017 £000s			2016 £000s		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
Amounts falling due within one year						
Other taxation and social security	16,228	0	16,228	13,198	0	13,198
Trade capital payables - property, plant and equipment	4,537	0	4,537	5,640	0	5,640
Trade revenue payables	27,178	0	27,178	24,809	0	24,809
Payroll payables	24,282	0	24,282	26,653	0	26,653
Clinical negligence payables	212	0	212	20	0	20
VER payables	543	0	543	888	0	888
BSO payables	1,488	0	1,488	961	0	961
Other payables	21	80	101	491	39	530
Trade and other payables	74,489	80	74,569	72,660	39	72,699
Other current liabilities	0	0	0	0	0	0
Carbon reduction commitment	0	0	0	395	0	395
Intangible current liabilities	0	0	0	395	0	395
Total payables falling due within one year	74,489	80	74,569	73,055	39	73,094
Amounts falling due after more than one year	0	0	0	0	0	0
Total non current other payables	0	0	0	0	0	0
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	74,489	80	74,569	73,055	39	73,094

13.2 Loans

The Trust did not have any loans payable at either 31 March 2017 or 31 March 2016.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 14 PROMPT PAYMENT POLICY

14.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trusts pay their non HSC trade payables 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:

	2017	2017	2016	2016
	Number	Value £000s	Number	Value £000s
Total bills paid	235,921	323,331	200,012	277,980
Total bills paid within 30 days of receipt of an undisputed invoice	<u>219,578</u>	<u>303,470</u>	<u>184,091</u>	<u>260,372</u>
% of bills paid within 30 day target or under agreed payment terms	<u>93.1%</u>	<u>93.9%</u>	<u>92.0%</u>	<u>93.7%</u>
Total bills paid within 10 day target	<u>182,111</u>	<u>262,293</u>	<u>149,875</u>	<u>221,417</u>
% of bills paid within 10 day target	<u>77.2%</u>	<u>81.1%</u>	<u>74.9%</u>	<u>79.7%</u>

14.2 The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	3,350
Amount of interest paid for payment(s) being late	<u>12,006</u>
Total	<u>15,356</u>

This is also reflected as a fruitless payment in the Accountability Report Losses and Special Payments

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2017

	Clinical negligence £000s	Other £000s	2017 £000s
Balance at 1 April 2016	26,577	5,137	31,714
Provided in year	28,590	1,241	29,831
(Provisions not required written back)	(3,460)	(670)	(4,130)
(Provisions utilised in the year)	(8,505)	(744)	(9,249)
Cost of borrowing (unwinding of discount)	(198)	(11)	(209)
At 31 March 2017	43,004	4,953	47,957

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 Pension 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 3 reflects the total charge within the Operating costs and Losses and Special

Comprehensive Net Expenditure Account charges	2017 £000s	2016 £'000
Arising during the year	29,831	13,977
Reversed unused	(4,130)	(4,414)
Cost of borrowing (unwinding of discount)	(209)	(152)
	25,492	9,411

Analysis of expected timing of discounted flows

	Clinical negligence £000s	Other £000s	2017 £000s
Not later than 1 year	8,732	1,052	9,784
Later than 1 year and not later than 5 years	3,079	742	3,821
Later than 5 years	31,193	3,159	34,352
At 31 March 2017	43,004	4,953	47,957

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2016

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

Analysis of expected timing of discounted flows

	Pensions relating to other staff £000s	Clinical negligence £000s	Other £000s	2016 £000s
Not later than 1 year	0	7,677	1,349	9,026
Later than 1 year and not later than 5 years	0	11,182	1,240	12,422
Later than 5 years	0	7,718	2,548	10,266
At 31 March 2016	0	26,577	5,137	31,714

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 16 CAPITAL COMMITMENTS

Contracted capital commitments at 31 March not otherwise included in these financial statements are:

	2017 £000s	2016 £000s
Property, plant & equipment	5,523	7,538
Intangible assets	0	0
	<u>5,523</u>	<u>7,538</u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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.

	2017 £000s	2016 £000s
Obligations under operating leases comprise		
Buildings		
Not later than 1 year	333	230
Later than 1 year and not later than 5 years	663	259
Later than 5 years	102	140
	<u>1,098</u>	<u>629</u>
Other		
Not later than 1 year	55	56
Later than 1 year and not later than 5 years	41	60
Later than 5 years	0	0
	<u>96</u>	<u>116</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 2017 or 31 March 2016

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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:	2017 £000s	2016 £000s
Land & Buildings		
Not later than 1 year	47	61
Later than 1 year and not later than 5 years	143	148
Later than 5 years	665	1,243
	<u>855</u>	<u>1,452</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 2016/17 this benefit was estimated to be valued at £160K.
- 2) Grazing Land - a small amount of land is leased to private individuals.
- 3) Joymount Carpark is leased to a local council.
- 4) Boots Chemist lease part of Ballymena Health and Care Centre.
- 5) The reservoir at Holywell Hospital is leased to an angling association.

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 18 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

18.1 Off Statement of Financial Position PFI and other service concession arrangements schemes

	2017 £000s	2016 £000s
Estimated capital value of the PFI schemes	0	2,877
	<u>0</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.

18.2 On Statement of Financial Position PFI Schemes

The Trust has no on Statement of Financial Position PFI and other service concession arrangements schemes

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

	2017 £000s	2016 £000s
Amounts included within operating expenses in respect of off Statement of Financial Position PFI and other service concession arrangement transactions	0	75
Amounts included within operating expenses in respect of the service element of on Statement of Financial Position PFI and other service concession arrangement transactions	0	0
	<u>0</u>	<u>75</u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 19 OTHER FINANCIAL COMMITMENTS

The Trust did not have any other financial commitments at either 31 March 2017 or 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

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.

	2017 £000s	2016 £000s
Clinical negligence	1098	2044
Public liability	27	0
Employers' liability	120	21
Accrued leave	0	0
Injury benefit	0	0
Other	0	0
Total	1245	2065

The Trust did not have any unquantifiable contingent liabilities as at 31 March 2017 or 31 March 2016

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

NOTE 22 RELATED PARTY TRANSACTIONS

The Northern HSC Trust is an arms length body of the Department of Health 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:-

Dr Anthony Stevens, Chief Executive, holds an Honorary Senior Lectureship at Queens University Belfast. The value of transactions between related parties being £315K in relation to payments made by the Trust and £109K being payments received by the Trust. These payments relate to various services and recharges.

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 £39K, 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 £61K, 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 £242K being payments made to the Trust. These transactions relate mainly to the provision of accommodation support for clients.

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 £640K being payments to Domestic Care Ltd and £3,212K being payments made to Optimum Care. The value of transactions in respect of N.I. Community Addiction Service was £8K being payments made by the Trust for social care activities.

Mr Jim McCall, Non Executive Director, is the Managing Director of Care Circle Group, (Nursing Homes with a number of 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 £4,061K relating to payments made by the Trust to Care Circle Group, £40K being payments made by the Trust to N.I.H.E and £242K being payments made to the Trust by N.I.H.E. Also £760K being payments made by the Trust to N.I. Water for provision of services.

Mr Paul Corrigan, Non Executive Director, is also a lay representative of NI Medical and Dental Training Agency. The value of transactions between related parties was £322k being income received by the Trust. These transactions relate mainly to monies received for medical education.

NOTE 23 THIRD PARTY ASSETS

The Trust held £5,293K cash at bank and in hand at 31/3/17 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 2017

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:

	2017 Total £000s	Restated 2016 Total £000s
HSCB	628,827	591,170
PHA	7,840	7,906
SUMDE & NIMDTA	5,627	5,426
Non cash RRL (from DoH)	48,009	31,243
Total agreed RRL	<u>690,303</u>	<u>635,745</u>
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	(71)	(80)
Adjustment for Research and Development under ESA10	440	479
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	<u><u>690,672</u></u>	<u><u>636,144</u></u>

24.2 Capital Resource Limit

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

	2017 Total £000s	Restated 2016 Total £000s
Gross capital expenditure	12,232	17,503
Less charitable trust fund capital expenditure	(71)	(80)
(Receipts from sales of fixed assets)	(11)	(168)
Net capital expenditure	<u>12,150</u>	<u>17,255</u>
Capital Resource Limit	12,606	17,872
Adjustment for Research and Development under ESA10 not included in RRL	(440)	(479)
Overspend/(Underspend) against CRL	<u><u>(16)</u></u>	<u><u>(138)</u></u>

FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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

	2016/17	2015/16
	£000s	£000s
Net Expenditure	(690,663)	(636,045)
RRL	690,672	636,144
Surplus / (Deficit) against RRL	9	99
Break Even cumulative position (opening)	(4,914)	(5,013)
Break Even cumulative position (closing)	<u>(4,905)</u>	<u>(4,914)</u>

Materiality Test:

	2016/17	2015/16
	%	%
Break Even in year position as % of RRL	<u>0.00%</u>	<u>0.02%</u>
Break Even cumulative position as % of RRL	<u>-0.71%</u>	<u>-0.77%</u>

The Trust has achieved a small surplus in 2016/17 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 2017

NOTE 25 POST STATEMENT OF FINANCIAL POSITION

There are no material events after the reporting period which would have a material effect on the account

DATE OF AUTHORISATION FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 22nd June 2017.

FINANCIAL STATEMENTS

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS / RESIDENTS

YEAR ENDED 31 MARCH, 2017

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

The Trust is required by the Health and Personal Social Services (Northern Ireland) Order 1991 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.

Year Ended 31 March, 2017

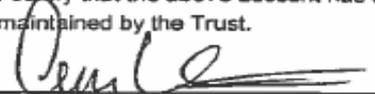
ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS / RESIDENTS

Previous Year	RECEIPTS		
£		£	£
	Balance at 1 April, 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
2,854,217	Amounts Received in the Year		3,089,873
20,991	Interest Received		17,922
6,377,568	TOTAL		7,415,841
PAYMENTS			
£2,069,522	Amounts Paid to or on behalf of Patients/Residents		2,122,369
	Balance at 31 March, 2017		
£4,000,000	1. Investments (at cost)	5,050,000	
£300,716	2. Cash at Bank	235,401	
£7,330	3. Cash in Hand	8,071	5,293,472
£6,377,568	TOTAL		7,415,841

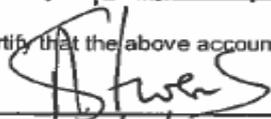
Schedule of Investments held at 31 March, 2017

		Nominal Value £	Cost Price £
£4,000,000	Investment	5,050,000	5,050,000

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
 15/6/2017 Date

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

 Chief Executive
 15/6/2017 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 monies held on behalf of Patients and Residents for the year ended 31 March 2017 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 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, 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 account

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

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

Opinion on regularity

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

Opinion on account

In my opinion:

- the account properly presents the receipts and payments of the monies held on behalf of the patients and residents of Northern Health and Social Care Trust for the year ended 31 March 2017 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.

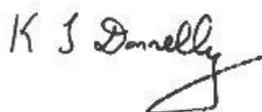
Matters on which I report by exception

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 guidance.

Report

I have no observations to make on this account.



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

22 June 2017