

Annual Report & Accounts



2015 / 2016





South Eastern Health
and Social Care Trust

South Eastern Health and Social Care Trust
Annual Report and Accounts
For the year ended 31 March 2016

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South Eastern Health and Social Care Trust

Annual Report and Accounts

For the year ended 31 March 2016

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On

5 August 2016

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Chairman's Report

I am delighted to present to you the 9th Annual Report of the South Eastern HSC Trust. It has been another busy year, with ever increasing need for our services and increasing pressure on our staff.



The Ulster Hospital site is evolving before our eyes, with the new Ward Block set to open early in 2017. Health Minister Simon Hamilton visited in March and was impressed with the cutting edge design of single en suite rooms and innovative use of hi tech equipment. It will provide a magnificent environment for patients and staff and we hope it will greatly aid staff recruitment and further enhance the patient experience. Since then we have been able to sign the contract to start work on the Acute Services Block, which will complete the Phase B Redevelopment in 2019.

In October, I hosted the Chairman's Awards which showcase the innovation, good practice and compassion in our Trust. We had the highest entry ever and we are very grateful to have staff who are constantly thinking of how to improve our services, and do things better. Congratulations to all our finalists and winners, in particular the overall winners, the Speech and Language Therapy schools based team in the Lisburn and Down areas.

Volunteers continue to play a key role in our delivery of services and I was delighted to join the celebration for the 50th Anniversary of the Ex-patients Guild at Lagan Valley Hospital. These dedicated volunteers run the hospital shop and have raised hundreds of thousands of pounds over the years for the purchase of vital medical equipment. We are hugely appreciative of the support our volunteers give to the Trust in a variety of ways, and always looking for new recruits.

Doctors, radiographers and IT specialists were among staff who travelled to Uganda this year to bring their skills and our obsolete equipment to Kiwoko Hospital, which reaches the milestone of 25 years next year. Kiwoko is our Chairman's charity and staff have supported a number of fund raising events this year including a Christmas sale, carol concert, the pantomime, Gala Ball and the annual golf classic.

I would like to record our gratitude to three of our Non-Executive Directors, Deepa Man-Kler, Dermot O'Hara and Peter Davison, whose period of service ended in December after almost nine years. Each of them has made a tremendous contribution to the Trust and I would like to thank them, along with the continuing Board members, for their support throughout the year. I would also like to extend a warm welcome to our new Board members Dr Maura Briscoe, Noel Brady and Maynard Mawhinney and we look forward to working with you in the year ahead.



Colm McKenna

Chief Executive's Report



Firstly, I want to thank staff who have responded to the ever increasing demand and yet continue to deliver improving outcomes and high quality care. However, it is important to say that we are fully aware of the pressure associated with growing demand and the gaps in staffing and that it is a priority for the Trust to address these issues. We cannot take it for granted that staff will continue to meet pressures in the future if demand continues to rise and I see it as a major responsibility for me and the Trust Board to address the underlying issues and support our staff.

There is some light at the end of the tunnel. Before the end of the coming year, we will have started to move into the new Ward Block on the Ulster Hospital site. This will provide not only some additional capacity, but also an excellent environment for both patients and staff which will boost recruitment to this Trust, in particular nursing recruitment.

The pressures are not limited to the hospital. Due to the ageing population our community services are experiencing rising demand as well. We are also seeing increasing numbers of young people with complex health needs, and more of them progressing into adulthood with a need for significant support.

There are also major pressures on our prison healthcare teams who deliver services in a challenging environment to a vulnerable population. We look forward in the coming year to working strategically with the NI Prison Service to continue to improve the services we offer and contribute to a better Northern Ireland.

I was delighted to note that the Prison Healthcare team won a major national award for compassionate care. We know how much good work goes on within our Trust but it is pleasing to see it recognised, with many staff receiving recognition and awards this year.

I want to thank and congratulate the many staff and teams who offer compassionate and high quality care and also those who find ways to improve their services. It remains our philosophy that our services should be safe and up to standard; improving and getting better; and that users have a good experience and we have an open and learning culture. That is in essence why we have developed Safety, Quality & Experience (SQE).

Our Director of Human Resources and Corporate Affairs Eamonn Molloy, retired from the Trust in February after a career in healthcare management spanning almost 40 years. I would like to thank Eamonn for his significant contribution and to wish him well for the future.

We are now moving forward into a period of major challenge for health and social care. There has never been a greater need for reform, however, there is a great opportunity with a new Assembly coming after the May elections and the input of Professor Rafa Bengoa and his expert panel. His vision is of a health and social care system that is financially sustainable and which puts quality, safety and the patient at its centre. These are principles which, for some years, have been at the top of our agenda and which we must all strive to achieve in the coming months.

I believe with the commitment of our staff we can help create better and sustainable Health and Social Care services that will rival those provided anywhere.

A handwritten signature in black ink, appearing to read 'Hugh McCaughey', written in a cursive style.

Hugh McCaughey

Performance Overview - Hospital Services

Maternity

The number of births within the Trust continues to rise as does the complexity of the women attending our services. The three Midwifery Led Units (MLU) have birthed more than 7,000 babies to date. We are rolling out our SQE project on Sepsis, implementing the GAIN guidelines for MLU Admissions, developing an integrated approach to maternity services for women in prison and we have introduced a 'drop in' post-clinic in the Lisburn area. Lagan Valley MLU celebrated its 5th birthday with an open day and reached its 1000th birth in March of this year. Team Leaders, Hannah McCauley and Katherine Robinson have won poster presentations on Midwifery led care at two events.



Gynaecology

The Gynae team carried out a Truclear list where polyps were successfully removed during hysteroscopy without the need for anaesthetic. This is the first time this procedure has been carried out in an outpatient setting in Ireland. This was made possible not only because of advances in the equipment, but because of our team of nurses, doctors and health care assistants who have developed a wealth of experience in 'office gynaecology' and are committed to improving the service for patients.

Ears, Nose & Throat (ENT) & Audiology

ENT is involved in a regional review of outpatient services and an 'Ear Camp' clinic has been piloted to reduce waiting times for paediatrics. Audiology has continued to implement the Adult Audiology Quality Standards and addressed the waiting times by participating in a regional waiting list initiative.

Pharmacy

The Pharmacy team has made a major contribution to key developments within the Trust including the e-whiteboards, Falls work, 7 day working and the use of Ipads at ward level to improve efficiency and multi-disciplinary team working. Jean Patterson, Cardiology Pharmacist was awarded the Inaugural Pharmacist Tutor of the year award by QUB in November 2015.



Paediatrics

The Paediatric Diabetes team was shortlisted for the Chairman's Awards while the Paediatric Allergy team was awarded a Health Foundation grant to set up a Cow's Milk Allergy Project. This is the first time such an award has been given to a team in Northern Ireland. The Paediatric Sepsis group have introduced a sepsis 6 bundle to acute areas. The introduction of simulation training and the use of high fidelity Sim baby to acute paediatrics using real time simulation to improve practice and further develop clinical skills. A QI newsletter, SQuEak, for Acute Paediatrics and Neonatology has been written by staff for staff.

Performance Overview - Hospital Services

Laboratories

Despite significant staffing challenges, the teams throughout Labs have made significant progress in implementing the 24/7 service which has been funded by the DHSSPS. The Trust Laboratories have agreed to provide the regional service for H Pylori detection/eradication. Labs have maintained a 98% turnaround compliance rate throughout the year across all areas for the service. 78% of all Biochemistry and Haematology requests are now made using Ward Order Comms.

The Day Procedure Unit in Lagan Valley Hospital has been refurbished and extended to accommodate all Day Surgery Procedures in Lagan Valley including new services such as the Plastic Surgery See and Treat Service.

Radiology

The introduction of face to face E-referral training with the junior doctors during their shadowing week in July has resulted in an 85% reduction in the number of incomplete/inaccurate MRI & CT imaging referrals. Emma Bingham, Assistant Practitioner has obtained outstanding results in the Higher Education Certificate in Mammography from Queen Margaret University, Edinburgh. The Radiology Department, Ulster Hospital for the second consecutive year was selected to present a scientific presentation at the European Congress of Radiology, Vienna. The Hospital was one of the few non-University affiliated hospitals selected. Dr Michele Crawford Jefferson, a newly appointed Consultant Radiologist presented research on contrast induced nephropathy in high risk cardiac patients.

The Virtual Fracture Clinic were recent winners of the Innovation category at the Radox Health Care Awards, in aid of Marie Curie. The Plastic Surgery See and Treat Service at Lagan Valley Hospital was also a finalist in the Innovation category.

Cancer Services

Acute Oncology is a new service to Northern Ireland which aims to improve patient outcomes and experience. Health & Social Care Board (HSCB) / Public Health Agency (PHA) funding was approved in late 2014; Recruitment for Acute Oncologists and Acute Oncology Nurses commenced in spring 2015 with a team developed in each Trust funded by HSCB and PHA. Macmillan Cancer Support is providing initial funding for Acute Oncology Nursing. Last year Cancer Services participated in the National Peer Review Programme and performed well against the standards from a regional perspective. Health and wellbeing events have now been established in 3 tumour sites (Breast, Colorectal and Haematology). The aim of these education events is to give the person affected by cancer all the information they need to enable rehabilitation and self-management.

Cherith Semple, Macmillan Clinical Nurse Specialist for Head and Neck won the RCN Northern Ireland Nurse of the Year Award 2015. Martina Finn, lead nurse for the colorectal specialist nursing service, was runner up in the Director of Nursing award.





Performance Overview - Hospital Services

Rapid Access Assessment Unit, Downe Hospital

There has been a major focus on the management of the frail older patient on all 3 hospital sites this year. The Directorate has made connections in Leicester, Sheffield and has been testing models of care at small scale in Ulster, Lagan Valley (LVH) and in Downe. The most advanced of these initiatives has been in Downe Hospital. The Rapid Assessment Centre opened in November 2015 to provide an assessment and treatment service for patients over 65 who would otherwise have had to attend an emergency department. The unit aims to provide prompt investigations and diagnosis, avoid hospital admission unless absolutely necessary and create a bespoke patient centred environment to meet the needs of the frail older patient. The unit has been extremely well received to date by patients and families. There have been 140 patients through the unit and 64 of those have been discharged. There are plans to extend the service further during 2016/17.

Technology Enabled Insulin Guidance Service (d-Nav)

The Trust was approached by the Chief Medical Officer (CMO) in 2014 to pilot a new leading edge technology, designed to improve treatment for diabetic patients to optimise glycaemic control through insulin titration and focused support. Since that time the Trust has worked in collaboration with HSCB and connected health colleagues with the provider of this technology, Hygeia and we are pleased to report that there are now 500 patients in the Trust area who are benefitting from the d-Nav service. A full evaluation of the service is currently underway and will report back in November 2016.

Urgent Care

The need to have a separate minor injury stream from main stream Emergency Department (ED) has been identified as a key enabler to improve patient flow in ED thereby reducing patient waiting times and delivering an improved patient experience. Clinical outcomes have also been shown to be better. A dedicated minor stream in Urgent Care was piloted in November 2015. The service focuses on category 4 & 5 with the aim to reduce congestion in ED by maintaining the flow of these patients, and improve 4-hour performance. The unit is staffed by Emergency Nurse Practitioners (ENPs) with medical input and support from Registered Nurses. Evidence suggests if an ENP has designated support from a Registered nurse, the turnover of patients can increase by 30%. The addition of these nursing staff will also facilitate the flow of patients out with the normal 'Minor injury' to assessment and treatment initiated by medical staff and performed by B5 staff, reducing the waiting times for these patients and to better use the Rapid Assessment Treatment Unit and urgent Care Centre areas.

MS Service

The past year has seen an expansion in the services to patients with Multiple Sclerosis, with the provision of a monthly infusion service in the Medical Day Case Unit of the Ulster Hospital instead of having to travel to Royal Victoria Hospital (RVH)s. In the coming year the service will also be made available in LVH, and we will be recruiting 2 specialist MS Nurses and increasing the number of MS clinics.

Performance Overview - Hospital Services

Caydar

The electronics whiteboard system has been successfully rolled out across all areas in the Ulster Hospital in 2015/16. This software makes it easy to manage real-time patient flow in all care settings. It enables clinical teams to maintain key status information across all aspects of patient care on e-whiteboards, PCs or mobile devices replacing traditional ward or team-based whiteboards with a fully-configurable electronic solution. The next phase of the implementation project will see the system rolled out to Lagan Valley, Downe and Ards Hospitals.

Palliative Care

Marie Curie, the Northern Ireland Hospice and Macmillan continued work in partnership with the Trust to support palliative and end of life patients. Marie Curie Day Hospice has been relocated to a new area within the Downe hospital which offers a wider range of services to patients attending for supportive therapies, medical review and on-going psychosocial support. The redevelopment of the Community Palliative Care Department in Ards Hospital and the development of a new multi-professional palliative rehabilitation clinic will enable patients to be supported within their local community.



Expansion of medical workforce

To meet the growing demand for our services we have recruited additional consultants this year across a range of medical specialties including Emergency Department, Care of the Elderly, Respiratory Medicine, Gastroenterology, Acute Medicine, Cardiology and Acute Oncology. These appointments allow us to deliver more senior medical input to the wards and Emergency Department both in and out of hours, and deliver more out-patient and day case activity.

Performance Overview - Nursing, Primary Care & Older People

Implementation of the Nursing & Midwifery Strategy 2013-2016

In August 2015 the Trust published the Nursing and Midwifery Annual Report, which shared a selection of our achievements over the 2014/15 year and provided an update on our progress towards implementation of our three year Nursing and Midwifery Strategy (2013/16). Assuring Safety, Improving Quality and Testing the Patient Experience (SQE) is a corporate priority for the Trust and the Nursing and Midwifery profession continue to drive continuous improvement. Last year we continued to spread quality improvement and monitor compliance against a range of local indicators of professional standards and practice, in addition to the regionally agreed KPIs.

The Nursing and Midwifery Patient Experience KPI report was completed in January 2015. The tables below present the very positive overall results of how patients rated nursing and midwifery care in the Trust.

Overall feelings about nursing care	Number of stories (567)
Strongly positive / positive	538 (95%)
Neutral / not sure	28 (4%)
Strongly negative / negative	7 (1%)

Overall feelings about midwifery care	Number of stories (n=214)
Strongly positive / positive	94% (n= 202)
Neutral / not sure	4% (n=10)
Strongly negative / negative	2% (n=2)

Revalidation

The UK wide regulator, the Nursing and Midwifery Council made the decision to proceed with the new process for re-registration for nurses and midwives in October 2015.

The first nurses and midwives due to use the new process were those revalidating in April 2016. More than 1,500 nurses and midwives from the Trust attended face to face information and portfolio building sessions and training for line managers to become 'confirmers'. By March 2016, many nurses and midwives had successfully submitted their online applications.

Performance Overview - Nursing, Primary Care & Older People



Enhanced Care At Home (ECAH)

Funding was secured for the implementation of ECAH for the Ards and North Down localities. Recruitment commenced in September 2015 with the majority of posts now filled. Up to the end of February 2016, 125 patients have benefited from receiving their care at home. The ECAH service was officially launched by Minister Hamilton on 16 March 2016.

Mental Health Services for Older People (MHSOP)

This has been a positive year for MHSOP with the successful recruitment of Consultant Dr Lynn Agnew and speciality doctor Dr Abeir Assal. Demography resource has been secured to improve capacity in the community mental health teams in Ards, Down and Bangor sectors. And work on a regional memory service stepped care approach is due to conclude in April 2016.

Community Dental Team

The Community Dental Team has continued to provide dental care to patients who need their service most, and this has led to the use of a mobile dental clinic at Killard Special School, Donaghadee. In partnership with the school, the dental team is successfully providing dental treatment and preventative educational programmes to the school children who travel to the school from across the South Eastern Trust area. A second dental mobile clinic has been based at Glenraig Curative Centre, Camphill, treating special needs children and adults within their own familiar environment. Over the past twelve months, the Paediatric General Anaesthetic Service at the Ulster Hospital, Lagan Valley Hospital and the Downe Hospital has carried out dental extractions for over 1000 children with tooth decay.

Community Turnaround Project

The Community Turnaround Project was established in May 2015 as a response to the continual increasing demand across the unscheduled care pathway. The project's three main objectives were: (i) to deliver a robust and enhanced system of discharge planning for patients with complex needs in the Ulster Hospital; (ii) pilot and evaluate new models to support hospital discharge planning and provision of care; and (iii) to enhance communication between hospital and community teams in relation to discharge planning.

The Project has overseen the development of three new service models - the Integrated Discharge Hub, the Discharge to Assess model and the Domiciliary Services Referral Hub. Through these, and the ongoing commitment of all staff involved in the unscheduled care pathways, performance improvements have been noted in compliance with the 48 hour discharge target, the numbers of delayed complex patients with a length of stay over 7 days and the number of lost bed days for this group of patients.

Performance Overview - Nursing, Primary Care & Older People

- **Compliance with 48 Hour Discharge Target**

Despite the increase in numbers of patients with complex needs, performance against this target has been improving, with 71.9% of Trust patients discharged within 48 hours of being made medically fit in December 2014. This increased by 9.8% to 81.7% in December 2015. There has also been improvement in the performance for the same group of patients of the Belfast HSC Trust with 59.5% compliance in December 2014 increasing by 3% to 62.5% compliance in December 2015.

- **Number of Delayed Complex Patients Discharged with a Length of Stay over 7 days for South Eastern HSC Trust / other and Belfast HSC Trust**

For South Eastern Trust patients, this decreased from 30 patients in December 2014 by 60% to 9 patients in December 2015. A 29% decrease is noted for Belfast HSC Trust patients from 28 patients in December 2014 to 20 patients in December 2015.

- **Number of Bed Days Lost in the Ulster Hospital for Delayed Complex Patients with a Length of Stay Over 7 Days South Eastern HSC Trust & Belfast HSC Trust**

Improvements have been demonstrated in reducing the number of bed days lost for patients with a length of stay over 7 days from they were classified as delayed discharges.

In December 2014, the total lost bed days were 211 each for both the South Eastern HSC Trust and Belfast HSC Trust patients. In December 2015, the lost bed days had reduced by 82% to 39 for South Eastern HSC Trust patients and by 32% to 144 for Belfast HSC Trust patients.

Allied Health Professions (AHP)

Allied Health professions continue to reform services to meet the needs of the population. Several examples include:-

1. Successful pilot of Direct access Physiotherapy, where patients can self refer to physiotherapy services instead of requiring a GP referral
2. Speech and Language therapy staff were winners of Chairman's Award in 2015, with their schools project. Occupational Therapy, Orthoptics and Dietetics services were successfully shortlisted
3. Falls service and Community Stroke services, which have been developed with local Integrated Care partnerships, are being rolled out Trustwide, to enable more patients to remain at home
4. AHP services, 97.8% achievement of 13 week waiting list target.



Back Row: Anne McKeever, SLT, Downpatrick Schools, Lorraine Coulter, SLT Clinical Co-ordinator for Education, Margaret Moorehead, Assistant Director for AHP's, Colm Mc Kenna Chairman South Eastern Trust, Heather Crawford, Lead Professional for SLT, Jane McConn SLT Clinical Co-ordinator for Community Services.

Front row: Katie Rocke, SLT Colin Schools, Sarah Majury-Harris, SLTA, Colin Schools.

Performance Overview - Adult Services & Prison Health

Mental Health Hospital Services

Mental Health Hospital Services completed year 2015/16 with the publication of a research paper on an Anti-Absconding pilot which took place in Ward 27, Ulster Hospital with the support of the Public Health Agency (PHA). Absconding from wards is a specific concern within inpatient psychiatric settings. During the pilot period, there was a statistically significant 70% reduction in absconding rates. This reduction exceeds the results from internationally recognised studies by Bowers (2003, 2005). The outcomes from this pilot have now been formulated by the PHA into Regional Key Performance Indicators and these performance indicators will be applicable across all Trusts in Northern Ireland from April 2016.



SET Recovery College

2015/16 has been another eventful year for our Recovery College. Over 300 students have attended courses on subjects such as 'Building Resilience', 'Coaching for Recovery', 'Spirituality' and 'Training for Trainers'. Staff, service users and carers are coming together on almost a daily basis to develop and deliver training together, and the feedback from our students has been overwhelming. The Recovery College has been proactive in raising awareness with its own Facebook page and information on the Trust website.

In November we had the opportunity to pair up with Nottingham Recovery College for a learning set and this has helped develop and shape the future for the college. 2015 also saw the development of the Mental Health Recovery Network - a group set up by service users involved in the Recovery College for service users across the Trust. Although early in development this group is growing from strength to strength and the Recovery College are proud to support it.



Learning Disability Services



Disability Services across the Trust have embarked upon a major review of day opportunity and day care services to broaden and modernise the range of options available to service users. The Gatelodge Cafe at Ards Hospital was officially opened by the Health Minister and the Employment and Learning Minister in February 2016. The Garden Cafe in Downpatrick was relaunched during 2015. A partnership has also been developed with the Orchardville Society to provide training and employment opportunities to service users with a Learning Disability.

A learning disability Intensive Support Service has been developed to support individuals with behaviours that challenge their families and service providers, with plans to further develop this service in 2016 to include a forensic specialist element.

The Direct Enhanced Service with GPs has continued to provide annual health checks for an increasing number of people, with 53 out of 54 GP practices signed up to delivering this service. As a result, links have been established with breast screening and angiogram services to promote screening for people with a learning disability and information in an easy read format.

Performance Overview - Adult Services & Prison Health

The GAIN Guidelines for improving the quality experience for people with a learning disability using Acute hospital services has been implemented in partnership between acute hospital and learning disability services.

Physical Disability and Sensory Support Services

New initiatives are continuing to be developed by Sensory Services to meet the needs of people with sight and hearing impairments with an emphasis on deaf / blind rehabilitation, lip reading and specialist tinnitus training. Two further signed DVDs promoting health and well-being for sleep disorders and bereavement have been produced and the Team continue to provide a wide range of community & health development activities. The service was shortlisted for the Chairman's prize in the Health & Wellbeing category.

Physical Disability Services

Construction has commenced on a new Supported Living Neuro-disability scheme at Meadowvale Court, in the Lisburn sector. This new scheme will provide independent living opportunities for thirteen individuals.

The Citizen Engagement Social Networking Project has been established within the Down Sector to promote opportunities for both social and civic participation for people with a physical disability.

Thompson House Hospital Patient Stories Project was successful in winning the Chairman's Prize for Stakeholder Engagement. The Community Brain Injury Service was commended at the Patient Safety Awards, in relation to their SQE project.



Ardarragh Day Centre in Downpatrick was Highly Commended by the Best Kept Facility, Northern Ireland Amenity Council Awards.

Prison Health

The Trust is pleased to deliver and lead on Prison Healthcare Services across the region. This is a complex area of health provision and the Trust is proud of the Prison Healthcare Team who deliver this challenging service day and daily to a most vulnerable and marginalised population.

Critical to this function is the strategic relationship with the NI Prison Service. The Trust led on a senior workshop with our colleagues in Justice in December 2015. This workshop addressed key priorities and interfaces. An action plan was agreed between the Trust Chief Executive and the Director General, Prison Services which will support the interdependent working of the Health and Justice Teams into the future.

A number of work streams are currently operating to address the key areas of:-

- Workforce
- Medicines Management
- Patient Safety
- Quality Improvement.

Performance Overview - Adult Services & Prison Health

Representatives from Prison Healthcare accepted the HSJ Award for Compassionate Care in London in November 2015. The Prison Healthcare Service was 1 of 10 national finalists including services such as Bereavement and End of Life Care. This was a truly marvellous achievement which was highly commended by the Chairman of National Institute for Health & Care Excellence (NICE).



Clinical Psychology and Psychological Therapies Services

The Clinical Psychology and Psychological Therapy Service is experiencing a high level of demand. This has necessitated the Service to introduce a range of measures which optimise our productivity, while continuing to ensure that we deliver a safe and high quality service. The Service has also progressed development of our Outcomes Framework which allows us to evaluate the effectiveness and acceptability of services delivered. Thirdly, the Service works in partnership across Directorates to contribute to the development of new service models including the development of the Intensive Support Service for adults with learning disability and the development of an early intervention service for adults with Type 2 diabetes.

Performance Overview - Children's Services & Social Work

16 Plus Accommodation

This year saw the significant achievement marked by the Ministerial opening of the new supported accommodation project for care leavers and young homeless in Downpatrick. Further success was achieved by having two additional business cases passed with the Northern Ireland Housing Executive, paving the way for the development of two further supported accommodation projects to be opened in Lisburn and Bangor in 2016.

Children's Homes

The Trust has worked closely with VOYPIC, (Voice of Young People in Care), in making the National Care Day a success. The day gave a positive profile of care experienced by young people. Each of the children's homes and Lakewood Secure Care Centre were involved in many creative initiatives, including a fete. VOYPIC hosted a major and enjoyable celebration in February in Belfast City Hall for over 400 young people in care across the region.



Fostering

The Fostering Service has developed a new service called 'Fostering Positive Family Relationships' for young people aged 12 - 16yrs, which sits at the interface of fostering services and family support services. The Trust, with Fostering Network, won a joint bid to the Big Lottery to develop an early intervention approach for children aged 3 - 12yrs on the edge of care.

In both these services the role of the foster carer is extended to provide a mentoring role offering parenting advice and support to the birth family.

Children with Disability

The Children's Disability service have established Carer's focus groups and forums and a website is under construction, which will signpost carers and parents to essential services for their children.

Family Support and Safeguarding

There have been a number of new and exciting initiatives including the Aim to Change Project, the Home on Trial scheme, the Adverse Childhood Experience assessment framework and the Care Proceedings Pilot. All of these initiatives are designed to enhance the frontline social work service and to ensure that our support for children and their families is more effective.

The main thrust of the work to support families and safeguard children continued unabated. There were approximately 8,000 referrals and at any one time children's social workers were working with up to 4,000 service users. The outcome for the vast majority of these children was extremely positive.

Performance Overview - Children's Services & Social Work

Child Health

A new and exciting evidence based service for early intervention for teenage mums expecting their first baby commenced in August 2015. This is called the Family Nurse Partnership. The Team consists of a Family Nurse Supervisor, 4 Family Nurses and a Data Quality Support Officer, based in Stewartstown Road Health Centre and the current catchment area extends across Lisburn and into Down. To date 34 mums are enrolled on the programme and 9 new-borns have been welcomed.

Health Development

The Trust received a £2.5m grant from OFMDFM for a new early intervention project to be delivered over the next two years, which aims to improve outcomes for children living in areas of deprivation across the South Eastern area.

An innovative Trust wide project to improve the health and wellbeing of isolated seniors across the Trust area, called Caring Communities, was also established on a recurrent basis during 2015/16. This has included the establishment of a team who will deliver a 'one-stop-shop' for older people who have become disconnected from their local communities.

The Trust also went smoke-free on 9 March 2016 and the Health Development Stop Smoking Team played an important role in helping to plan for this initiative. Demonstrating the breadth of work within the Health Development team, there has also been a number of new health and wellbeing initiatives developed in prisons this year, with peer mentoring and horticultural projects commenced, whilst the £1m 'Alcohol and You' project continues to go from strength to strength in supporting individuals and families impacted by hazardous drinking.

Regional Quality Improvement in Social Work Programme



In December 2015, the Trust's Social Work Executive, in partnership with the Trust's Quality Improvement and Innovation Centre launched a regional quality improvement programme for social work across the five Trusts. The aim of this programme is to enable social workers to lead small change improvement initiatives, that enhance the quality of service provided.

Performance Overview - Children's Services & Social Work

Social Services Learning Development and Research

A number of Social Workers were recognised for their Post Qualifying achievement at the Northern Ireland Social Care Council (NISCC) awards Ceremony in October, reflecting considerable effort in ensuring their continuous professional development. This was followed in November by a Trust event to present certificates to a number of our Social Care staff who have completed Qualifications & Credit Framework (QCF) awards across all Programmes of Care. Brendan Whittle as Director of Social Work, commended the staff for their commitment in following a learning and development pathway which reflects the work they are undertaking and delivers outcomes for our service users and the Trust.



Self Directed Support

This year, we have been forging ahead with the development of staff to support the implementation of Self Directed Support which puts people at the centre of decisions about them. Self Directed Support allows people to choose how their care is provided, and gives them as much control as they want over their personal budget. The individual's personal budget can be:-

- Taken as a Direct Payment (a cash payment in lieu of Trust provided services)
- A managed budget (is where the Trust or another organisation holds the budget, but the individual is in control of how it is spent to meet their assessed care and support needs)
- The Trust can arrange a service - the Trust went live with SDS in April 2016.

Training has been delivered to almost 700 staff, and the team has developed an SDS which will support our providers in their contribution to making Self Directed Support and Person Centred Care happen in Northern Ireland.



Performance Overview - Children's Services & Social Work

Pride in Practice - A Strategy for Social Work 2012-2015

This year the Trust Social Work Executive undertook a review of social work priorities that were developed for Social Work for 2013 - 2015. A number of key achievements across the past three years were noted including:-

- Increase in supervision and appraisal across the profession
- Development of service user stories to hear about how people experience our service. Increase in social workers leading local improvement projects
- Increase in learning and development opportunities.

The key priorities for 2016/19 will include implementing an outcomes based accountability approach to our work. The Trust's Social Work Executive is committed to moving forward with a focus on a restorative, strengths based approach, particularly the implementation of self-directed support, to empower services users to develop their own care arrangements



Social work leaders identifying future priorities
Lyn Preece, Tony McAllister, Kate Anderson,
Linda McConnell

Performance Overview - Medical

Clinical Risk

Dr Ann Hamilton continues as Clinical Risk Director, as well as clinical work as a Consultant Obstetrician & Gynaecologist for 50% of her job plan. The importance of learning lessons after adverse events for the individuals and the department involved and the organization as a whole is at the forefront of this role. Support for staff is also paramount.

The quarterly newsletter 'Lessons from Litigation' piloted last year to consultants is now being rolled out to junior medical staff, as often the lessons also apply to them. This picks up on themes identified in post Counsel reports after medicolegal and Coroners cases. Individuals are also contacted separately if there are specific areas identified where they are requested to reflect and record this in their next appraisal. Areas of good practice are also identified and individuals informed.

HOT (Honest, Open and Transparent) meetings with Foundation 1 doctors are held bi-monthly facilitated by a consultant, where they are invited to discuss with their peers regarding safety issues they have identified, adverse incidents they may have been involved in or any issue that concerns them as a junior doctor. This is to give them an opportunity early in their career to raise concerns and support an open culture within the organisation.

Dr Hamilton has met with staff from the Mental Health teams and the Prison Healthcare service to offer help with Serious Adverse Incident (SAI) investigations and learning generally.

The risk management team has met on a number of occasions with staff from the Coroner's Office and Dr Hamilton talked to solicitors from both DLS and those who act for the claimants. The risk management department is involved in regional work regarding the Serious Adverse Incident Procedures and Reporting.

Medical Education

The Department of Medical Education in conjunction with the Department of Workforce Development has commenced a 2 day Work Experience Course for year 13 school students and University undergraduates interested in applying for Medicine at University. The course involves gaining a thorough understanding of what a career in medicine entails by meeting over 25 medical students and doctors. The course has had more than 140 attendees, mainly from the Trust area but from farther afield with extremely positive feedback.

Clinical Simulation is a safe way of delivering training to medical students and doctors without exposing patients to any risk. The high fidelity simulation suite has been delivering training over the last two years to medical students, doctors in training and clinical teams. The Trust has appointed Dr Richard Corry, Consultant Anaesthetist, as Lead for Clinical Simulation, with a view to building on this and developing the training delivered.

Northern Ireland Medical & Dental Training Agency (NIMDTA) continues to inspect the training provided to our junior doctors and this continues to reflect the high standard of training being delivered by a committed consultant body. All consultants who have a named role in the educational supervision process must attain the General Medical Council's (GMC) Recognised Trainer Status by July 2016. This involves attending 3 training courses and completing on-line modules. To date this training has been delivered to 130 trainers by the Medical Education Department.

Performance Overview - Medical

Appraisal and Revalidation

Over the past 12 months, 96.26% of medical staff received their annual appraisal. In addition 100 doctors were recommended for revalidation with the GMC. There were 11 deferral requests submitted to the GMC, primarily on the basis that there was insufficient information available on their date of revalidation. There were no recommendations to the GMC for non-engagement of doctors.

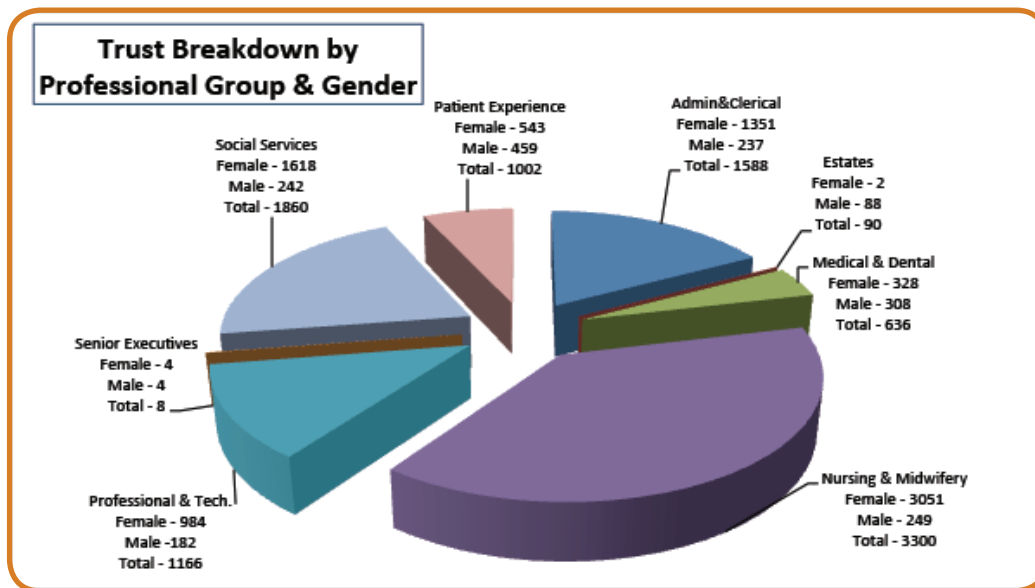
The Trust Governance procedures with regards to appraisal and revalidation have been reviewed during the past year by the Regulation & Quality Improvement Authority (RQIA) and although the formal report is awaited, the initial feedback has been positive.

Restructuring of the Office of the Medical Director

Following the recent retirement of General Manager within the Office of the Medical Director, Angela Johnston, who worked within the organisation for over 20 years, the Trust has appointed a Business Partner - Medical and Dental Workforce. The post holder will take a lead role in the implementation of key initiatives and developments within the Medical and Dental Workforce.

Performance Overview - Human Resources & Corporate Affairs

The Human Resources Department provides a wide range of services to approximately 12,000 staff including Bank staff.



Highlights for 2015/16 include:

Employee Resourcing

- 421 recruitment episodes during 2015/16 resulting in 10,995 applications. 74% Manager Self-Service (MSS) / Employee Self-Service (ESS) deployed across Trust. 1,347 flu vaccinations were administered to front line staff (19%), 50,311 bank and agency shifts equating to 431,873 hours were booked by Corporate Bank Office - 83% Bank & 17% Agency. Users of the service increased by 29% and now include Prison Healthcare. To respond to winter pressures, opening hours were extended.

Staffing shortages in certain occupations remains a real challenge for the Trust into 2016/17.

Employee Relations

- In November 2015, the Trust launched the Staff Health and Wellbeing Strategy. The strategy will aim to promote positive engagement of staff to the Trust as a caring employer. Information can be found on the Staff Health and Wellbeing site on i-connect using the quick link or via the Employee Relations Section. Initiatives currently in place include: Leap Forward programme, Occupational Health and Wellbeing, Stop Smoking service, stress and resilience information and toolkit for staff and managers, gym membership, general health advice from NHS Choices, cycle to work scheme and nursery and childcare facilities
- In 2015 the Employee Relations team ran a pilot workshop in partnership with the Labour Relations Agency to look at training Trust senior managers to improve the quality and standards of investigations and report writing.

This programme has now been rolled out to Trust senior managers, senior medical staff and trade union representatives. We currently have a twelve month timetable in place for these workshops.

Performance Overview - Human Resources & Corporate Affairs

Organisational Workforce Development

- The Trust's vision is to have a "Coach Approach" integrated into the way business is done and how the organisation is managed with coaching clearly linked to the Trust's organisational strategy and business operating cycle. A coaching infrastructure has been established to offer individual coaching and team coaching, to build an internal coaching capacity, and develop managers, staff and service users in the use of coaching behaviours. Over **130** staff have benefited from 1-1 coaching, approximately **200** people have attended the 1 day Introduction to Coaching programme and another **30** have gone on to complete an Institute of Leadership & Management (ILM) qualification in coaching. The Coaching for Recovery course which has been co-produced and is co-delivered through the Recovery College has been attended by **45** service users and carers.



Patient Experience

The Patient Experience Department is critical to the overall success of the Trust; they are often the people that make a stressful event in someone's lives just a little more manageable through our attention to detail and ability to listen and respond quickly to our patients and clients' needs.

Patient Experience continues to meet and exceed legislative requirements and regional targets against a backdrop of financial restraint; and provides high quality, customer focused and value for money services. We have a robust internal audit process to provide assurance of the quality of our services which is supplemented by both routine and unannounced inspections from external agencies and accredited bodies such as RQIA, Environmental Health Officer (EHO), British Standards institute (BSI) & International Organisation for Standardisation (ISO).

The provision of car parking spaces remains a challenge to the Trust. In February 2016 the Trust endorsed the Travel Plan for the Ulster Hospital to create a modal shift from single occupancy vehicle use to more sustainable forms of transport setting short, medium and longer term goals. To support the organisation fulfilling these goals, a travel plan coordinator will be appointed in 2016/17. The Public Consultation on the implementation of Traffic Management Controls across the main hospital sites concluded in February 2015 and these controls are currently being implemented on the Ards site which will go live early in the next financial year.

The Senior Management Team would like to take the opportunity to thank all Patient Experience staff for their commitment, enthusiasm, support and co-operation - without them the department would not have achieved such success.

Performance Overview - Human Resources & Corporate Affairs

Risk Management & Governance – 2015/16

The Risk Management & Governance Directorate comprises five key service areas that provide a corporate support function for the Trust, Complaints & Patient Liaison, Information Governance, Litigation Services, Risk Management Advisory Services and the Office of the Chief Executive.

Some interesting facts for 2015/16:-

- 769 complaints were received from services users (8% decrease from 2014/15)
- 672 requests for information (8.1% decrease from 2014/15); overall compliance rates with legislative timeframes was 73%, a 4% increase on the previous year
- 18,000 incidents (a 6% increase from 2014/15 reaffirming the importance placed by staff on reporting incidents for the purposes of learning).

An online complaints user survey was ongoing throughout the year to enable the Trust to receive feedback from complainants in relation to their experiences of using the complaints process and used to inform service improvements. Likewise, the lessons learnt from our litigation and coroners cases are disseminated widely across the organisation.

In February 2015, an internal restructuring took place within the Directorate which enabled all service areas to become more closely aligned and responsive to operational service Directorates. With regard to Emergency & Business Continuity Planning, three major events took place during the year - Irish Open Golf (May 2015), the Gran Fondo Giro D'Italia cycle race (June 2015) and the Tall Ships (July 2015) - all required significant planning and thankfully went according to plan.

Finally, the Directorate was subject to a successful ISO re-accreditation in January 2016. The auditor confirmed that the Directorate *“... operates a Quality Management System which complies with the requirements of ISO 9001:2008”*. This also included a new element this year in terms of the operation of the Trust Board and it was great to have this included.



Health and Social Care (HSC) Organisations have a duty to care for patients contaminated with chemical, biological or radiological materials as a result of a major incident.

There is one DECON2 Tent located at the UHD, LVH and the Downe Hospital. There is a regular schedule in place for staff to erect these tents every 6 months to maintain their skills and test the tents in the event of a CBRN incident.

Performance Overview - Planning, Performance & Informatics

ICT, Technology and Telecommunications

It was both a challenging and successful year for the ICT Department. Technology continues to be a key enabler for delivery of Health and Social Care. The demand for timely access to patient and client data by Health Care Professionals makes it more important than ever to have a robust technological infrastructure and an environment that promotes and supports its use.

In the past year the Trust has continued to develop and build an ICT infrastructure to meet this requirement and also commission new information systems.

Notable achievements in 2015/16 are:-

- Completion of a transformation programme in partnership with BT to upgrade the voice and data communications infrastructure across all facilities in the Trust
- Continued Implementation of Virtual Desktop services giving users secure, fast access to their Trust desktop from any network or internet connected device. This has been successfully implemented in the Emergency Department at the Ulster Hospital, and has transformed how staff can access IT and use it to work more effectively. This project was the successful recipient of a Chairman's Award
- Modernisation and streamlining of patient flow systems via the implementation of electronic whiteboards across all acute hospital wards
- Preparation for the opening of the Inpatient Ward Block (Phase B) Ulster Hospital redevelopment
- Recognition in the inaugural eHealth Awards for Sean Dooher, eHealth Rising Star, and the ICT Training Department, highly commended in the Radox Health Awards for training in healthcare.

The Minister for Department of Health, Social Services & Public Safety NI (DHSSPSNI) launched the eHealth Strategy for Northern Ireland in March 2016. This is a major milestone in the effective delivery of ICT to support the Health and Care of citizens in Northern Ireland. The Trust will use this strategy as the basis to inform our own local delivery.



Performance Overview - Planning, Performance & Informatics

Performance, Improvement & Commissioning Department continue to support the planning, commissioning and performance management of care delivery Trust wide. It performs three key functions:-

1. Planning & Service Improvement
2. Performance & Information
3. Contracting & Commissioning including Social Care procurement.

The Planning and Service Improvement team are driving and co-ordinating the Trust service planning and reform agenda working with clinical teams to focus on securing opportunities to introduce new models of care in line with the Trust's strategic vision and objectives. This has also included adopting the Institute of Healthcare Improvement (IHI) Triple aim approach focusing on population health, patient's experience of care and resulting cost of care model. Co-ordination and submission of the resulting investment proposals is now carried out centrally by the Contracting and Commissioning team.

This work has been supported by the Performance & Information team who have carried out data analysis on a wide range of services to inform the development of new initiatives and monitor their success. There has been greater emphasis on developing health analytics to augment the value of the data produced, whilst continuing to manage the Trust operating cycle and reporting arrangements. A Trust Business Intelligence development strategy is being implemented. This will ensure that the creation of information to support business decisions through the extraction, analysis and presentation of data is developed including specialist data mining and analysis skills internally.

The team also co-ordinate the internationally recognised ISO 9001 improvement programme Trust wide with over 50 service areas now accredited. This accreditation has also been achieved by the Contracting department. The Trust was awarded Europaen Foundation for Quality Management (EFQM) Ireland Excellence Award (4 Star Level of Recognition) in 2015. Recommendations from the report are now being incorporated within the Quality Improvement and Innovation approach Trust wide.



Performance Analysis - Performance Informatics

The Trust measures and reports its performance against a broad range of targets and standards. Many of these focus on hospital-based care, but there are also many targets and standards that focus on how we care for people in their own homes and communities, how we safeguard children, and the services we provide to those who have disabilities or mental health problems. The Trust's performance compares favourably with the other Trusts in Northern Ireland. The following gives a flavour and brief overview of some of the targets that are set for the Trust and indicates the performance for March 2016, with a comparative position at March 2015.

Hospital Services			
Target 2015/16	Commentary	March 2015	March 2016
Inpatient & Daycase Waits: Minimum of 65% of inpatients and day cases to be treated within 13 weeks and no patient to wait longer than 26 weeks	The 13 week target moved from 80% in 2014/15 to 65% in 2015/16. Compliance against the target has declined over the year but has improved during quarter 4 of 2015/16.	56.9% (13wk)	51.9% (13wk)
	Increased demand in unscheduled care and an increase in red flag and urgent cases has impacted on routine waits. Use of Independent Sector capacity was limited during the year due to late release of funding.	80% (26wk)	71.5% (26wk)
Outpatient Waits: Minimum of 60% of patients should wait no longer than 9 weeks for a first outpatient appointment and no-one to wait longer than 18 weeks	The target moved from 80% in 2014/15 to 60% in 2015/16. Trust performance decreased against this target during the year, however there was an improvement during quarter 4. Demand continues to increase across all areas of outpatient activity whilst capacity has remained unchanged. However, the restarting of the waiting list initiative and Independent Sector transfers during the latter part of the year has supported improved performance in quarter 4 of 2015/16.	42.4%	33.6%
Diagnostic Test Waits: no patient should wait longer than 9 weeks for the following diagnostic tests	Imaging – ie.X-Rays	96.1%	87.8%
	Physiological Measurement	63.2%	73.9%
Diagnostic Reporting (Urgent): all urgent diagnostic tests should be reported within 2 days of the test being undertaken.	Performance has been consistent over the year only dropping to under 96% in 2 months out of the 12.	95.9%	96.5%
Hip Fractures 95% of patients to have inpatient treatment for hip fractures within 48 hours	Escalation measures have been put in place at various points over the year with additional lists organised and transfer of patients to elective lists in Musgrave Park Hospital. The Trust's inability to meet the target is due to insufficient fracture theatre resource to manage peak demand and due to the urgency of other complex fracture trauma cases.	84%	81%
Other Fractures 95% of patients to have inpatient treatment for fractures within 48 hours and no-one to wait more than 7 days	The Trust's inability to meet the target is due to insufficient fracture theatre resource to manage peak demand and due to the urgency of other complex fracture trauma cases.	70%	80%
	% treated within 7 days	98.8%	96.5%

Performance Analysis - Performance Informatics

Cancer Services

Target	Commentary	March 2015	March 2016
All urgent breast cancer referrals should be seen within 14 days.	The number of referrals received on a monthly basis has increased to 209 from 149 in 2013/14. Despite running waiting list initiative clinics up until October 2015 it has not been possible to see all patients within 14 days. Routine patients have been deferred in order to secure additional capacity. It is anticipated that performance will improve throughout May and reach 100% in June.	97.8%	75.5%
98% of cancer patients should commence treatment within 31 days of decision to treat.	The Trust is meeting this target.	99%	98%
95% of patients urgently referred with a suspected cancer should begin their first definitive treatment within 62 days.	Compliance against the 62 day standard remains challenging. The number of red flag referrals received each month has continued to increase. In 2014/15 the Trust received on average 713 referrals each month. This increased to 862 in 2015/16. Further resources are required in order to improve performance. Business cases have been submitted over the last 3 years and discussions continue to take place with the Health and Social Care Board.	61%	53%

Community Services and Services for Older People

Target	Commentary	March 2015	March 2016
Allied Health Professional Outpatient Waits: no patient should wait longer than 13 weeks from referral to commencement of treatment.	The AHP Outpatient target changed in 1 April 2015 to 13 weeks. There has been significant improvements over the course of the year and the number of patients breaching the target has reduced to 185 (8562 total patients), waiting longer than 13 weeks in March 2016 vs 362 in March 2015. It is hoped further investment will be received to reduce this further, following a demand and capacity exercise carried out in conjunction with the Health and Social Care Board.		97.9%
Assess & treat older people - older people with continuing care needs should wait no longer than 5 weeks for assessment to be completed.	The Trust is meeting this target.		100%
Assess & treat older people - older people should have the main components of their care needs met within 8 weeks of the completion of assessment.	The Trust is meeting this target.		100%

Performance Analysis - Performance Informatics

Children's Services

Target	Commentary	March 2015	March 2016
All children admitted to residential care should, prior to admission, have had their placement matched through the Children's Resource Panel Process.	The Trust is meeting this target.	100%	100%
Care leavers in education, training or employed ensure that at least 75% of all care leavers aged 19 are in education, training or employment.	The Trust is meeting this target.	78%	77%
Autism. No child to wait more than 13 weeks for assessment following referral.	The Trust continues to experience significant pressure from referrals to Autism Service for assessment. The Trust continues to review its internal mechanisms and work with the Health and Social Care Board to attract the necessary resources to manage this situation. In that regard, the Trust did receive some end of year monies that were targeted at this waiting list with some improvement gained.	53.9%	77.5%
Autism. No child to wait more than 13 weeks for the commencement of specialist treatment following assessment.	The Trust is meeting this target.	100%	100%

Adult Services

Target	Commentary	March 2015	March 2016
Discharges: 99% of patients admitted to Mental Health services for assessment and treatment to be discharged within 7 days of the decision to discharge.	The Trust is meeting this target.	98%	100%
No patient to wait more than 9 weeks from referral to assessment and commencement of treatment for mental health issues, other than psychological therapies	The Trust is meeting this target.	100%	100%
No patient to wait longer than 13 weeks from referral to assessment and commencement of psychological therapies.	There is a significant shortfall in Trust capacity to meet this target. The Health and Social Care Board have provided investment to address shortfall. This has facilitated the Trust in halting the decline in the waiting list performance. There is also a Regional Workforce shortage of clinical psychologists which has delayed recruitment to some posts.	43.5%	46%

Performance Analysis - Strategic & Capital Development

In 2015/16 the Department successfully managed a Capital Resource Allocation of c £52m. Notable successes and achievements in 2015/16 are:-

Ulster Hospital Phase B Redevelopment:-

- Secured approval to Addendum bringing total approved funding to £261m
- Inpatient Ward Block - Construction of the new Inpatient Ward Block is progressing well and will complete in October 2016. A phased commissioning programme has been agreed and the Inpatient Wards will open early 2017, followed by the remainder of the building in Spring 2017
- Acute Services Block - In March 2016, the contract was awarded for the next phase of redevelopment, which will include a new Emergency Department and specialist wards. The 3 year construction programme will commence in April 2016
- Runner up for the Ivor Goodsite hoarding competition in collaboration with Dundonald and Torbank Primary Schools.

Lisburn Primary & Community Care Centre:-

- In February 2016, the Trust received DHSSPS approval to commence to the next stage of procurement for a new Primary & Community Care Centre on the Lagan Valley Hospital Site
- A series of enabling works will commence Summer 2017 and the construction of new Primary & Community Care Centre will commence one year later
- The Trust's Strategic Capital Priorities Review was submitted to DHSSPS in November 2015 for consideration. This document sets out the key capital projects required by the Trust
- Completion of a Replacement CT Scanner, Ulster Hospital.

Supporting People Programme:-

- Significant progress made on this programme which supports vulnerable people to maintain independence in their own homes
- New Supported Living schemes/places were provided for learning disability clients in Bangor and frail older people and people with dementia in North Down
- This year schemes are on site for clients with a learning disability, physical disability, and looked after children and young homeless
- Annual Leadership Conference held in November 2015
- Development of the first Register of Opportunities which collates involvement activity across Trust services and available to the public.



Naomi Dunbar, Assistant Director of Strategic & Capital Development visiting the new Inpatient Ward Block site with Health Minister, Simon Hamilton, MLA



Performance Analysis - Finance Report

The South Eastern HSC Trust's performance against its key financial targets is as follows:-

	Target	Actual
	£'000	£'000
1. Breakeven - Surplus/(Deficit)	0	53
2. Capital Resource Limit	51,722	51,719

*Inclusive of receipts from sale of fixed assets

The Trust's Revenue Resource Limit represents the funding provided to it primarily by the DHSSPSNI, either directly or through the Health and Social Care Board. For the 2015/16 financial year this amounted to £563,144k.

The funding is used to provide a wide range of health and personal social care services to the population of the North Down, Down, Ards and Lisburn government districts - a population of approximately 330,000 people. In addition, the Trust provides to a further 110,000 people, mainly via the Ulster Hospital, Dundonald, due to its proximity to Belfast.

Finance Directorate

The Finances of the Trust had another challenging year in 2015/16. The roll-forward of the previous year's contingency plan resulted in early achievement of the majority of savings plans, however resources remained constrained throughout the year.

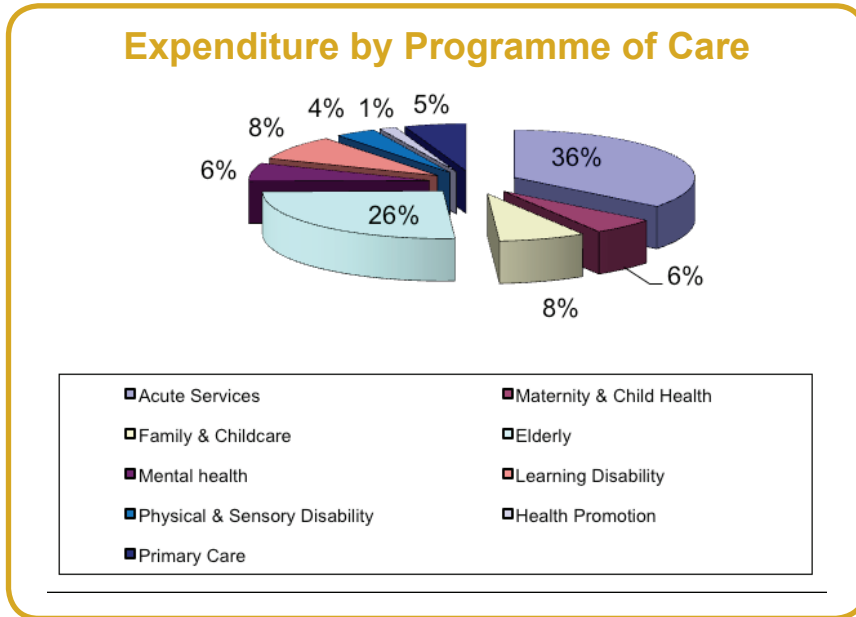
The Trust has achieved its breakeven target, with a surplus of £53k. A key feature of the financial performance of the Trust has been the stable expenditure through the year in most areas.

General capital was reduced in 2015/16. The Trust relies on this to address a wide range of issues and risks. Our overall capital investment was significant, primarily due to the funding received for the redevelopment of the Ulster Hospital. The Trust is required to live within its Capital Resource Limit, which was achieved - we spent £51,719k against a limit of £51,722k.

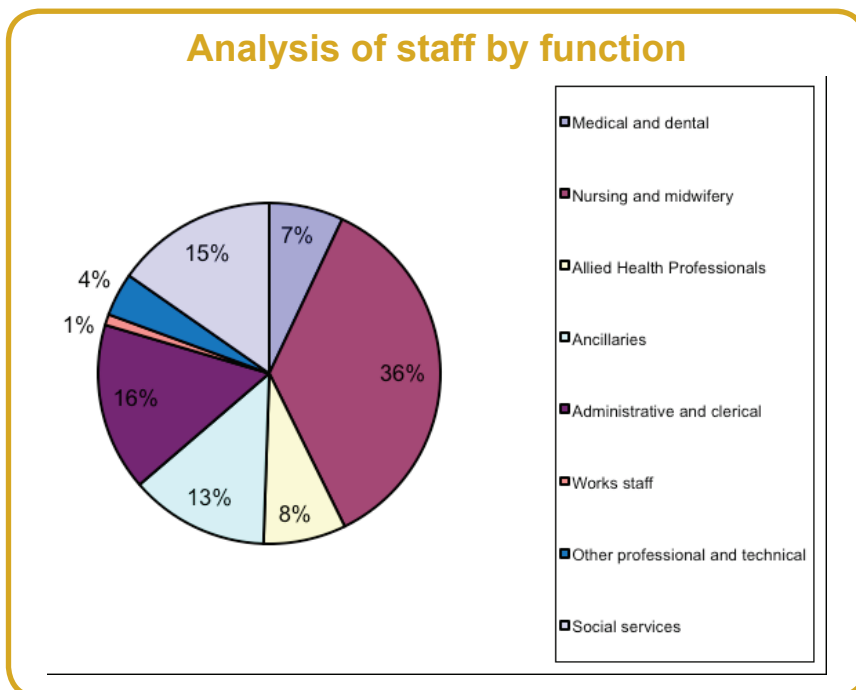
The Trust has also significantly improved its Prompt Payment performance - this is the measure of speed of payment of invoices - we have increased from 80.7% by number (89.4% by value) to 91.7% by number (93.8% by value). Of equal relevance is the improvement in 10 day performance - now 81.6% of all invoices are paid in 10 days (62.1% last year).

Performance Analysis - Finance Report

The services provided can be classified into different programmes of care, and an analysis of spend across these programmes is shown below:-

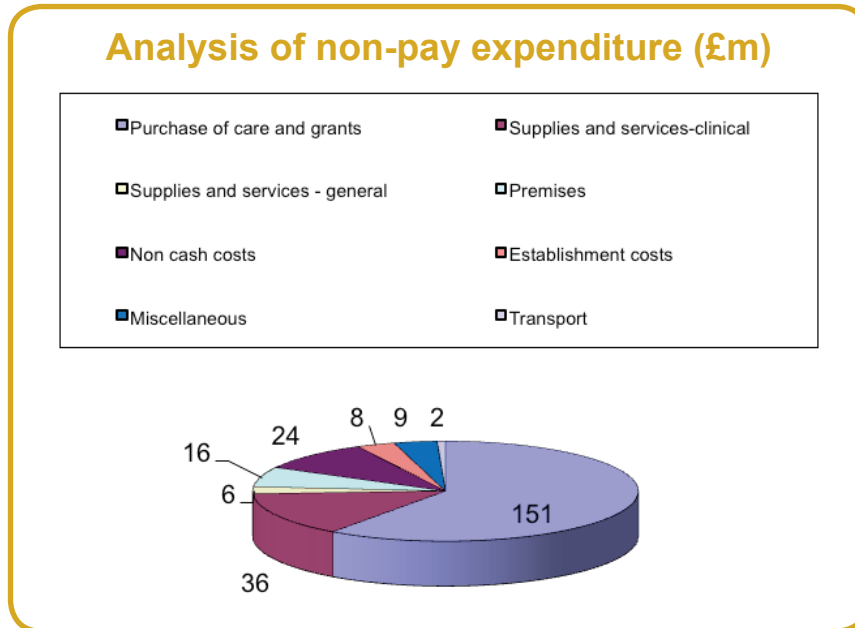


The Trust is dependent on its skilled and dedicated workforce to deliver high quality services to patients and clients. In total we employ approximately 8,800 whole time equivalent members of staff, and spend £351m on salaries and wages. The types of roles carried out by our staff can be classified as follows:-



Performance Analysis - Finance Report

The Trust also spent £252m in the year on non-pay expenditure. This is analysed into the main areas of spend below:-



Non-pay expenditure covers things like payments to residential and nursing homes and private domiciliary care providers (purchase of care), as well as all the costs associated with running and maintaining all the Trust facilities including the hospitals (premises and establishment costs).

In addition to the yearly spend on paying staff and other expenses, the Trust is involved in a continuous process of improving its facilities and equipment. During the year £51.9m was spent on capital. The main elements of this are as follows:-

Capital Outlay 15-16	£'000
Ulster Hospital Redevelopment	39,946
Ulster Hospital Infrastructure New High Voltage Electrical Supply	2,672
Ulster Hospital Decentralisation of Boilers	2,504
Lagan Valley Hospital GP Out of Hours	563
ICT	2,090
Building Refurbishments and Maintaining Existing Services	2,171
Vehicles	638
Equipment	1,317
Total	51,901

Performance Analysis - Finance Report

Going Concern

Whilst 2016/17 will be a challenging year financially for the Trust, the Health and Social Care Board and DHSSPSNI are working with all stakeholders to develop a financial strategy which addresses all pressures and emphasises the need for continued efficiency.

The Directors believe that the Trust will continue to operate on a “going concern” basis.

Expenditure from Charitable Donations

In addition to the allocation that the Trust received from DHSSPSNI, the Trust also receives charitable donations from members of the public.

The Trust has established a Charitable Funds Committee which is responsible for ensuring 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.

The underlying principal of the management of the charitable donations is that they can only be used for the purpose for which they were donated. Expenditure in respect of the charitable funds for 2015/16 was £0.484m. Expenditure on charitable purposes can be summarised under the following categories:-

Expenditure 15-16	£'000
Building & Refurbishment	100
Purchase of new equipment	198
Staff education and welfare	41
Patient education and welfare	132
Other	13
Total	484

The expenditure on new equipment included the donation of £76k of medical equipment assets to the Trust and the donation of £6k towards the Stepping Stones run Diasies Café which reopened in new premises on the Ards Hospital site.

Charitable donations are not used to fund core services. They are used to provide or purchase services that are not centrally funded. A separate audited set of Charitable Fund Accounts are published on the Trust’s website and available on request from the Trust’s Finance Department.

The Trust would like to take the opportunity to thank all those who have donated to the Trust Charitable Funds in the year.



Performance Analysis - Sustainability Report

With regards to sustainability within the Trust it has been identified that the major areas and KPIs of concern are those of gas/oil/electricity/water consumption, emissions to atmosphere of hydrocarbons and generation of various wastes; all manifesting themselves in the “Carbon Footprint” of the Trust.

South Eastern HSC Trust performance year on year was:

Utility		2014/15	2015/16	Variation
Gas	Expenditure	£2,132,835.39	£2,177,315.52	(+) 2.08%
mWh	Consumption	62,241.50	69,519.44	(+) 11.7%
Elec	Expenditure	£2,735,842.55	£2,535,495.98	(-) 7.32%
mWh	Consumption	24,242.03	23,958.43	(-) 1.17%
Oil	Expenditure	£561,715.25	£477,779.69	(-) 14.94%
mWh	Consumption	13,011.07	14,492.61	(+) 11.39%
Biomass	Expenditure	£72,171.45	£12,188.28	(-) 83.11%
mWh	Consumption	1,750.91	295.692	(-) 83.11%
Water	Expenditure	£410,309.05	£371,302.84	(-) 9.51%
	Consumption	14,0680m ³	12,9021m ³	(-) 8.29% #Note 1
Budget Expenditure		£5,912,873.69	£5,574,082.31	(-) 5.73%
Estate mWh Consumption		101,245.51	108,266.17	(+) 6.93%
Trust Carbon Emissions		27,865.53TonnesCO ₂ e	29,448.34TonnesCO ₂ e	(+) 5.68%
Degree Day Correlation		3,020	3,429	(+) 13.54%
CRC Regulated core emissions		21,682.40TonnesCO ₂ e	22,521.77TonnesCO ₂ e	(+) 3.87%
CRC Cost		£355,591.34	£380,617.91	(+) 7.4% #Note 2

Note 1: Figures are mains water demand. Ulster site also uses 87673m³ abstracted from a borehole. Overall, water demand reduced by 8.29%.

Note 2: CRC scheme costs increased from £16.40/T to £16.90/T

Performance Analysis - Sustainability Report

Sustainability Accreditations & Compliance

The Trust has a range of accreditations and compliance frameworks as follows:-

- Controls Assurance Standards for Environmental Management & Waste Management
- ISO14001: Is a major contributor to continuing Controls Assurance compliance. Annual auditing of the ISO14001 process also takes place with regular site visits across all Trust facilities
- Estates Business Plan (Operations & Targets): Environmental impacts are targeted for annual reduction and values noted in this document. (KPIs for assessment)
- Compliance with NIEA legislation & reporting requirements: CRC, water abstraction licensing, discharge content and waste returns.

Awards within sustainability:-

1. **2015** - UK Public Sector sustainability awards - Most sustainable public sector organisation in NHS - Highly commended.
2. **2015** - UK Public Sector sustainability awards - Most sustainable public sector project Best Energy Management - Highly commended.
3. **2015** - Chairman's recognition awards: Our Staff: Best in category.
4. **2016** - Action Renewables Awards - Best energy saving: Large organisation: 1st Place.

Biodiversity

- The Trust ensures compliance for BREEAM biodiversity sections on all new build capital works pursuant of an "Excellent" rating as standard practice within the project
- Continuing commitment to the biodiversity of the existing Trust Estate.

Waste

Figures for clinical waste for the 2015/16 year and for comparison the previous financial year are listed below:-

Clinical Waste	2014/15	2015/16
Total Weight (Tonnes)	736	736
% change on previous year	-0.4%	0%
Disposal Cost	£529,587	£442,764
% change on previous year	+1.9%	-16.4%
Community Collection Costs	£42,724	£45,144
% Change on previous year	-5.5%	+5.66%
Total Costs (Collection & Disposal)	£572,311	£487,908
% Change on previous year	+1.3%	-14.75%

Performance Analysis - Sustainability Report

- Waste tonnage unchanged in comparison with previous financial year.
- June 2014 to Jan 2016: 100% of the flock produced by the steam sterilisation process sent to an Energy-from-Waste plant ('Indavar')
- February 16: Indavar reduced accepted volume to 40-50% so remainder now going to landfill
- The incineration used for approximately 10% of waste that cannot safely be treated by steam sterilisation also feeds a waste to energy plant
- New clinical waste contract commenced November 2015 - significantly reduced unit price and revised pricing structure leading to the substantial savings shown above.
- New community collection contract commenced December 2015 - significant rise in unit price but effect of this mitigated by transfer of approx. 40% of the collections to the main clinical waste contract.

The figures for non-clinical wastes are summarised below:-

Non Clinical Wastes	2014/15	2015/16
Domestic Waste & Recyclables*		
Total Weight (Tonnes)	1,266	1,225
% change on previous year	-5.2%	-3.2
Disposal Cost	£177,518	£165,385
% change on previous year	+0.9%	-6.8%
Bulky Skips		
Total Weight (Tonnes)	140.8	178.28
% change on previous year	-5%	+26.6
Total Weight landfilled	84.34	88.86
Total Weight Recycled	56.45	89.42
Disposal Costs	£13,924	£14,989
% Change on previous year	-0.3%	7.65%
Confidential Waste		
Disposal Costs	£15,675	£15,068
% Change on previous year	-4%	-3.87%
Non-Clinical Hazardous Wastes		
Disposal Costs	£3,739	£3,328
% Change on previous year	+58%	-10.99%
Total Costs	£210,856	£198,770
% Change on previous year	+1.1%	-5.7%

*projected figs for Domestic Waste and Recyclables as March data not yet available

Performance Analysis - Sustainability Report

- Regional contracts in place for all streams
- Cardboard compacted and baled at Ulster and Downe Hospitals for recycling
- Bulky skip items (furniture etc) - total amount landfilled roughly unchanged - tonnage recycled has increased considerably
- Confidential Waste remains consistent with previous year
- Non-Clinical Hazardous Wastes (WEEE, chemicals, oil etc.)
 - Fluorescent tubes and waste oil processed to recover valuable components.
 - WEEE broken down for recovery
 - Chemicals treated to either recover or safely destroy (according to legal /environmental requirements).
 - This stream is sporadic in nature.

Acronyms:

KPIs: Key performance indicators.

HSC: Health & Social Care.

KgCO₂e/kWh: equivalent kilogram of carbon per kilowatt hour (measure of energy)

UK: United Kingdom.

CRC: Carbon reduction commitment government scheme.

mWh: megawatt hour (1million watts) – measure of energy.

m³: cubed metres – measure of water volume.

TonnesCO₂e: equivalent tonnes of carbon emissions.

CERI: Carbon emission reduction initiative.

LED: Light emitting diode – energy efficient lighting.

KW: kilowatt – measure of energy.

PV: Photovoltaic array.

NIEA: Northern Ireland Environment Agency.

BREEAM: Building research establishment environmental assessment methodology.

HEIG: Health Estates Investment Group.

SRCL: Name of clinical waste disposal company.

RPI: Retail price index.

MRF: Materials recovery facility.

WEEE: Waste electrical & electronic equipment directive.


DECs: Display Energy Certificates.

NIROCs: Northern Ireland Renewable Obligation Certificates

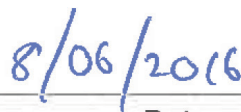
ISO14001: International Environmental Management Standard.

On behalf of the South Eastern H&SC Trust I approve the Performance Report encompassing the following sections:

- Performance Overview
- Performance Analysis



Hugh McCaughey
Accounting Officer



Date

Accountability Report - Corporate Governance Statement

Introduction / Scope of Responsibility

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

The Trust has a number of processes in place to ensure effective working with key stakeholders. These include:

- Service and Budget Agreements with the main Commissioning body, the Health and Social Care Board (HSCB), which establish clear specifications for the delivery of health and social care. Performance against these is monitored through a regular schedule of meetings and reporting.
- Ensuring compliance with statutory and other requirements set by the Department of Health, Social Services & Public Safety, Northern Ireland and the Minister, to whom the Trust is ultimately accountable.
- Patient and Client Forums for a wide range of our services to maximise involvement of patients and clients in determining the manner of delivery of their own treatment and care.
- Public board meetings and public consultations on all major service changes, to ensure active engagement with the community we serve.
- Twice annual Accountability meetings with DHSSPS, and monthly meetings with HSCB.

Compliance with Corporate Governance Best Practice

The Trust applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements by undertaking continuous assessment of its compliance with Corporate Governance best practice. In March 2016, the Trust completed its fourth formal baseline assessment of the Department of Health, Social Services & Public Safety's (the Department) document entitled 'Board Governance Self-Assessment Tool (BGSAT)' which was issued in October 2015. The document is no longer required to be submitted on an annual basis to the Department as at 31 March year end. The assessment covered the following 4 areas:-

1. Board composition and commitment;
2. Board evaluation, development and learning;
3. Board insight and foresight; and
4. Board engagement and involvement

One Board Impact Case Study was also completed. This covered the area of organisational change and the Board's role in bringing about change.

Each section was broken down into individual criteria and a Red, Amber and Green (RAG) rating was applied. There were a total of 17 criteria – 15 were rated as Green with 2 rated as Amber/Green and 0 as Amber/Red. Amber/Green ratings related to section 2.1 – Board

Accountability Report - Corporate Governance Statement

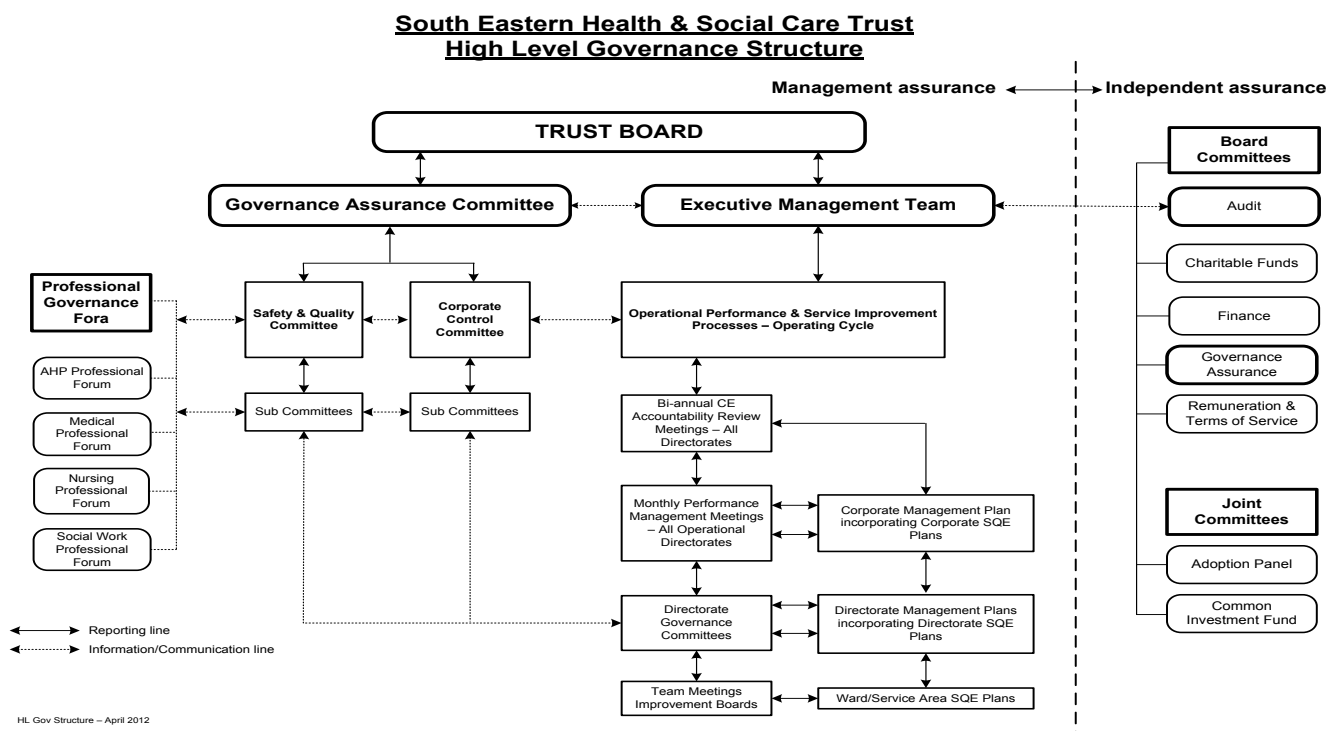
evaluation, learning and development in terms of engagement with staff and other stakeholders as to whether they believe the Board to be effective; section 2.3 – Board induction, succession and contingency planning – due to the ongoing recruitment process by the Department. A plan was developed detailing the action plans to achieve any areas of non-compliance with good practice and/or red flag areas on completion of the assessment. The assessment tool was formally approved by the Trust Board at its meeting on 23 March 2016. The document is no longer required to be submitted on an annual basis to the Department as at 31 March year end.

In December 2014, the Trust reviewed the National Audit Office compliance checklist in respect of the Corporate Governance Code for Central Government Departments: Code of Good Practice 2011 (published by HM Treasury and the Cabinet Office in July 2011) to determine its applicability for use by the Trust. It concluded that whilst the content of the document was useful it was not appropriate for a HSC Trust.

Governance Framework

The Trust has an integrated governance framework in place which links corporate governance (including risk management and organisational controls), safe and effective care (clinical and social care governance), and financial governance. This framework is closely aligned to the Department’s Assurance Framework (April 2009). It operates on the four domains contained in this document namely, Corporate Control, Safety & Quality, Finance and Operational Performance and Service Improvement. This framework for 2015/16 (see table 1 below) is further supported by the Trust’s own Assurance Framework, Risk Management and Governance Strategies.

Table 1 – High Level Governance Infrastructure



Accountability Report - Corporate Governance Statement

The high level Governance infrastructure was reviewed by the Corporate Control Committee at its meeting on the 20 January 2016. A number of improvements were made to the infrastructure and these will become operational with effective from 1 April 2016.

The role of the Trust Board is to establish the organisation’s strategic direction and aims in conjunction with the Executive Management Team; ensure accountability to the public for the organisation’s performance and assure that the organisation is managed with probity and integrity. It has five sub committees:-

- Audit;
- Governance Assurance;
- Charitable Funds;
- Finance; and
- Remuneration.

Attendance records are maintained for all sub committees and these are detailed in the Table 2 below. Each sub-committee has an approved Terms of Reference and an agreed Programme of Work which are reviewed on an annual basis to ensure that the committee is discharging its role and performance responsibilities.

Table 2 – Attendance records for Trust Board and Sub Committee meetings

Board/Committee	Number of meetings	% Attendance
Trust Board	9	89
Audit Committee	5	90
Charitable Trust Funds Committee	3	93
Finance Committee	6	96
Governance Assurance Committee	4	66*
Remuneration & Terms of Service Committee	1	100

*The Governance Committee was impacted by required attendances to DHSSPS / HSCB meetings held on the same dates

The Audit Committee, under the chairmanship of a Non-Executive Director, meets not less than 4 times per year in line with its Terms of Reference and Programme of Work. Its main role focuses on the system of internal control and includes a range of functions about Governance and Internal Control, Internal and External Audit, Assurance Functions, Financial Reporting and Value for Money activities. It approves the Internal Audit programme of work which is risk based. It also receives the Head of Internal Audit’s Opinion and recommends approval of the draft Governance Statement of the Board. In addition, it reviews progress on implementing internal and external audit recommendations. Following each meeting, the minutes of the Committee are submitted to the Trust Board for information/noting with the Chairman highlighting any specific governance issues for the attention of the Trust Board.

The Audit Committee, on an annual basis, undertakes a review of its effectiveness based on its Terms of Reference. This includes a section on attendance at committee meetings by members. The outcome of this work is reported to the Trust Board. It also provides an Annual Report on the work of the Committee to the Board during the year.

The Charitable Funds Committee, chaired by a Non-Executive Director, meets not less than 3 times per year in line with its Terms of Reference and Programme of Work. Its main role is

Accountability Report - Corporate Governance Statement

to oversee the administration, including banking arrangements, of Charitable Funds, their investment and disbursement. Following each meeting, the minutes of the Committee are submitted to the Trust Board, for information/noting with the Chairman of the Committee highlighting any specific issues for the attention of the Trust Board. The Committee, on annual basis, undertakes a review of its effectiveness based on its Terms of Reference. This includes a section on attendance at committee meetings by members. The outcome of this work is submitted to the Trust Board.

The Finance Committee, chaired by a Non-Executive Director, meets on a bi-monthly basis, or more frequently, if required. In line with its Terms of Reference and Programme of Work. The committee is the delegated committee of the Trust Board with overall responsibility to ensure that the Trust Board delivers its statutory responsibility to breakeven. Following each meeting, the minutes of the Committee are submitted to the Trust Board, for information/noting with the Chairman of the Committee highlighting any specific issues for the attention of the Trust Board.

The Remuneration and Terms of Service Committee, is chaired by the Chairman of the Board. It meets as required by the Chairman of the Board and at least once per year. Its main function is 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 Departmental policy. The Committee reports, on an annual basis, to the Trust Board (in a confidential meeting) the basis for its decisions and recommendations and seeks the necessary approval to its recommendations (circa June).

The Governance Assurance Committee is the lead Board committee for Governance and is supported in this work by two sub committees – the Corporate Control Committee and the Safety & Quality Committee (both meet on a quarterly basis). These committees are further supported by a range of sub committees aligned to both areas. Each sub-committee has agreed terms of reference and annual work plans approved by its parent committee.

The Governance Assurance Committee, under the chairmanship of a Non-Executive Director meets on a quarterly basis to ensure the continued development of this important and essential agenda. The focus of this Committee is to be the overarching strategic committee responsible to the Trust Board on all matters pertaining to Governance issues. Following each meeting, the minutes of the Committee are submitted to the Trust Board for information/noting with the Chairman highlighting any specific governance issues for the attention of the Trust Board.

The Corporate Control Committee supports the work of the Governance Assurance Committee. Its role is to be the overarching strategic committee responsible to the Governance Assurance Committee on all matters pertaining to integrated Corporate Governance issues i.e. Financial, Risk Management and other organisational controls. The Chief Executive chairs this committee, which meets on a quarterly basis, and oversees the work of all specialist risk management groups (which may include both clinical and non-clinical groups), the chairpersons of which report directly to the committee. A standing agenda item on the committee's agenda is the management of Risk Registers both Corporate and Directorate. The minutes of the meeting of the Corporate Control Committee are submitted to the Governance Assurance Committee.

In addition, the Safety & Quality Committee supports the work of the Governance Assurance Committee under the joint chairmanship of the Director of Primary Care, Older People and Executive Director of Nursing, the Medical Director and the Director of Children's Services &

Accountability Report - Corporate Governance Statement

Executive Director of Social Work. Its role is to be the main sub-committee of the Governance Assurance Committee responsible for leading the safe and effective care agenda across the Trust.

The Governance Assurance Committee, on an annual basis, also undertakes a review of its effectiveness based on its Terms of Reference. This includes a section on attendance at committee meetings by members. The outcome of this work is reported to the Trust Board. It also provides an Annual Report on the effectiveness of the Committee to the Board.

The Corporate Control and Safety & Quality Committees both undertake an annual review of their effectiveness in line with their terms of reference which are presented to the Governance Assurance Committee. A formal presentation on the work of both committees is presented to the Governance Assurance Committee at the year-end about performance during the year and work plans for the incoming year.

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.

The Trust's business planning process is carried out in accordance with DHSSPS guidance and results in the production of an annual Trust Delivery Plan (TDP). The plan is developed in response to the priorities set out in the Joint Commissioning Plan. Each Trust Director is accountable for delivering against the elements of the TDP that fall within his/her sphere of responsibility. A Corporate Plan (2011-2015) was approved in August 2011 (with a subsequent addendum in August 2015 extending the plan for a further one year period). This is delivered on an annual basis by Directorates who compile their annual Directorate Management Plans which then form the basis of the annual Corporate Management Plan; all plans are closely aligned to the objectives set out in the four year Corporate Management Plan. Monitoring of compliance with the Trust Delivery Plan is via the Operating Cycle which includes monthly Performance Monitoring and Improvement meetings for all Operational Directorates and Bi-annual Chief Executive Accountability Review meetings. This also includes compliance with the governance, risk management and safety, quality and experience agendas. Following discussions on a regional basis and to align with the Department's planning process an addendum to the extant Corporate Plan was approved for a further one year period to the 31st March 2017 by the Trust Board on 27 August 2015.

South Eastern Health and Social Care Trust's capacity to handle risk and its risk and control framework

During 2015/16, the Trust continued to implement its Integrated Governance framework which links corporate governance and risk management (including organisational controls), safe and effective care (clinical and social care governance), and financial governance. A new three year Board Assurance Framework (2014-2017); Risk Management Strategy (2014-2017) and updated Integrated Governance Strategy (2013-2015) were developed and approved by the Trust Board on 25th June 2014. These documents continue to be embedded ensuring a cohesive and integrated approach to the key building blocks of governance and risk management. The continued focus of these documents was to strengthen and improve the existing systems of internal control.

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The Trust's extant Risk Management Strategy is based on the principles of the AS/NZS 4360: 2004 (and subsequent amendments). It is regularly reviewed on an annual basis by the Corporate Control Committee (taking account of problems and/or significant external developments that arise during the course of the year). It is updated on an annual basis (circa December each year).

This document is available for all staff via the intranet and details the clear chain of accountability for managing risk from the Accounting Officer downwards. The responsibilities of the Executive Management Team, Trust Board, Audit Committee, Governance Assurance Committee and other relevant committees and sub committees are clearly defined. The document includes the identification of the Trust's Risk Management objectives and the leadership, accountability and working arrangements for risk management through the formation of appropriate organisational structures. It also details the application of the Trust's risk matrix and a definition of acceptable risk. All risks, whether resulting from accidents, incidents, adverse events, hazard reports or any form of risk assessment must be graded in accordance with the risk matrix and entered on the appropriate risk register/s.

There is a clear method of risk identification using the risk assessment and risk register tools/methodologies and upward identification and reporting of risks. Risk appetite/tolerance levels are included within the risk strategy and risk matrix which clearly demonstrates how to escalate risks from department, Directorate and Corporate levels. All significant risks are assessed and ranked and action plans developed to mitigate the risk. A risk owner (manager) is assigned to each risk and has the authority to allocate actions to specific staff.

The strategy is delivered and embedded in the organisation through the work of the Corporate Control Committee and its supporting sub committees. In addition, Directorates in their individual Directorate Management Plans include a range of governance and risk management initiatives based on the Trust's high-level Governance priorities outlined in the Corporate Management Plan. There is regular risk management reporting at various levels within the organisation and these are managed primarily through the Planning, Performance and Accountability Framework. These plans are monitored via the performance management and accountability framework. Governance and Risk Management is a key standing agenda item monitored as part of this performance management process.

Reports on Directorate Risk Registers are submitted and discussed on a quarterly basis by the Corporate Control Committee. A similar process is in place for the Corporate Risk Register with the Governance Assurance Committee. Regular reports on the Board Assurance Framework and Corporate Risk Register were submitted to the Trust Board during the year. In February 2015, the Executive Management Team reviewed the previous year's Corporate Risk Register and determined those items that would be closed off and those which would be carried forward into 2015/16 Corporate Risk Register. A total of 19 risks were on the register for the year as at March 2016. Details as listed below:-

- 17 of the existing 17 Corporate Risk Register (2014/2015) topics were carried forward into the 2015/2016 Corporate Risk Register as at 1 April 2016 with new action plans developed, as appropriate;
- 8 items were reworded:-
 - ID1558 (now ID1735 in 2015/16 register) in respect of the Historical Institutional Abuse Inquiry [HIAI]) was remitted to the Children's Services Directorate Risk Register but replaced with a new HIAI CRR focusing on the current issues in the inquiry;

Accountability Report - Corporate Governance Statement

- ID1503 (now ID1608 in 2015/16 register) – reference to mental health services removed;
 - ID1558 (now ID1735 in 2015/16 register) – reworded as per previous bullet point;
 - ID1525 (now ID1731 in 2015/16 register) – reworded and includes a specific action point reference CSSD issues;
 - ID1567 (now ID1788 in 2015/16 register) – item shut down from a Finance perspective but remains open from an HR perspective – transferred to Director of Human Resources & Corporate Affairs from Directorate of Finance & Estates).
 - ID1569 (now ID1727 in 2015/16 register) – includes reference to EDs in the risk description;
 - ID1389 (now ID1733 in 2015/16 register) – wording amended reference Governance Statement.
 - ID1502 (now ID1729 in 2015/16 register) – narrative description amended.
- All forms were reviewed for accuracy and updated for scoring, control measures and new action plans inserted, as appropriate;
 - Two further new items were added – Laundry ID1873 (September 2015) and Location of Mental Health In-patient Unit ID1879 (January 2016).

Employees are made aware of their own responsibilities for managing risk via a range of methods – corporate induction, departmental induction, specific risk management awareness and training courses specific to their job roles. Risk management organisational structures and reporting procedures are in place for verifying that key risk areas are regularly reviewed and reported on and that risk management has been fully incorporated into the corporate planning and decision making processes of the organisation. The Trust has a wide range of communication and consultation mechanisms in existence with relevant stakeholders, both internal and external.

Staff are trained and equipped to manage risk in a way appropriate to their authority and duties. Risk management support and guidance is made available to staff both in paper format and via the intranet. Managerial staff are clearly accountable for ensuring that appropriate guidance, support and training is available for all their staff. There is on-going training provided by both the Risk Management Directorate and other specialist advisers to embed risk management concepts and tools into everyday business.

During the year the main focus on risk management training was on General Risk Assessment and Control of Substances Hazardous to Health (COSHH). In addition, a range of other training was delivered for e.g. Induction, Practical Manager, Serious Event Audit and Root Cause Analysis (on request), Incident Reporting, Emergency Preparedness, Complaints and Information Governance courses. A range of other health and safety training was provided on an on-going basis by specialist advisers for e.g. fire, manual handling, display screen equipment and waste management, etc.

The Trust promotes an open, just, honest and participative culture in which errors or service failures can be admitted, reported and discussed openly. Incident reporting (including near misses) is the cornerstone of the risk management system. Trust staff are encouraged to undertake individual reporting of near misses, errors or mistakes, and to look critically at their own actions and those of their teams to ensure we can provide good quality services for our

Accountability Report - Corporate Governance Statement

patients/clients, staff and visitors. Incident reporting is a key mechanism for quality improvement and is a key component of the governance programme. During the year the extant incident policies and procedures were updated.

Reports of all Root Cause Analysis Reports and other relevant incidents are widely disseminated within the Trust (and outside, as appropriate) to ensure that all areas learn from other's mistakes. During the year the work of the Lessons Learnt Sub Committee, chaired by the Chief Executive, was further embedded in the organisation and provides assurance that lessons arising from incidents, complaints, litigation and other reports/review are truly embedded within all levels of the organisation.

The Trust's Incident Policies and Procedures were reviewed and updated in 2015/16.

There is regular consultation with key stakeholders and partners on risk for e.g., the Department, Health and Social Care Board, Regulation Quality and Improvement Authority and the Northern Ireland Prison Service.

An annual internal audit of the Trust's risk management and governance systems is undertaken each year (February 2016) - satisfactory assurance was confirmed. There were no Priority 1 findings, - 2 Priority 2 findings and 0 Priority 3 findings.

Information Risk

In terms of risks to information, the Trust has a well-established Information Governance Sub Committee (IGSC) which reports to the Corporate Control Committee and is supported in its work by seven sub committees. The role of the Information Governance Sub-Committee is to lead, co-ordinate and direct the strategic agenda with regard to Information Governance issues within the Trust. It also supports the Trust's corporate and Directorate objectives and ensures that risks in this area are regularly identified and addressed. Information risks are identified at all levels in the organisation and, where appropriate, are included on the Directorate and/or Corporate Risk Registers. The Trust is a public sector information holder and is subject to the terms of the Freedom of Information Act, 2000. The Trust's Senior Information Risk Owner (SIRO) has provided formal assurance to the Department, through completion of the mandatory annual SIRO assurance statement in February 2016.

The Director of Human Resources & Corporate Affairs and the Personal Data Guardians (i.e. the Medical Director and Director of Children's Services & Executive Director of Social Work) are the Trust leads for ensuring compliance with the Data Protection Act 1998 and the Code of Practice on Protecting the Confidentiality of Service User Information. The Director of Human Resources & Corporate Affairs is the nominated Senior Information Risk Owner (SIRO) and the Director of Planning, Performance & Informatics is the appointed deputy Senior Information Risk Owner. All Assistant Directors have been nominated to the roles of Information Asset Owner (IAO). The appointment of the SIRO and IAO were made under the direction of the DHSSPS as a result of its Data Protection Reviews 2007/08. The newly appointed Director of Human Resources & Corporate Affairs (14/3/16) will attend SIRO Training on 16 May 2016. The Assistant Director, Risk Management & Governance and Head of Information Governance will also attended as part of their refresher training.

The Information Governance Sub Committee continued, in conjunction with its seven supporting working groups, to roll-out a challenging programme of work during 2015/16. The Information Management Controls Assurance standard which includes 27 criteria spanning for example, the corporate agenda, data quality, data security, coding, pseudonymisation

Accountability Report - Corporate Governance Statement

and, anonymisation of data, training, audit and the handling of subject access and Freedom of information requests was subject to internal audit in February 2016. Attainment of the required level of substantive compliance was a significant challenge during the year. Action plans were developed and implemented to address any areas of non-compliance. The Information, Communication and Technology (ICT) Controls Assurance Standard was also progressed throughout the year and both the Information Governance (IG) (substantive compliance) & ICT Controls Assurance Standard achieved the required substantive compliance level as per Departmental guidance.

Each Directorate has developed an information asset register and in accordance with the IGSC's programme of work, each Directorate ensures that information risks are considered in conjunction with the Trust's Risk Management Strategy. A key finding from the Information Asset returns was the requirement for Information Governance training, in particular, data protection training for staff.

The Trust has continued to roll-out learning in line with the annual IG training programme. During 2015/16 there has also been moderate uptake in the Information Governance e-learning programme which includes training modules on Data Protection, Freedom of Information, Records Management and Information Security.

The Trust continues to monitor the off-site storage contract (awarded on 1 March 2012 and extended as a single tender action from 29 February 2016 for a period of 18 months). It also continues to actively appraise archived records in accordance with Good Management, Good Records, 2011. Regrettably, due to ongoing Trust contingencies, finance has not been made available to destroy records which are eligible for destruction; however this will be reassessed in the 2016/17 financial year.

The Head of Information Governance continues to participate in the DHSSPS Information Governance Advisory Group (IGAG) to ensure that the Information Governance agenda is focused to meet the needs of the DHSSPS strategic agenda. One continuing key focus of the IGAG is to ensure that appropriate governance arrangements are in place for the sharing of data for secondary purposes. As a result, the Trust is participating in a Departmental lead initiative to review Health & Social Care (HSC) engagement in National Audit programmes.

Staff are trained and encouraged to report all incidents including (Information Governance) incidents to ensure the Trust can investigate the reasons for an incident happening again. The Information Governance Steering Group receives quarterly reports on all information governance incidents. In addition, all reported incidents of data loss or confidentiality breach in 2015/2016 have been assessed. While there were several small scale incidents, the impact was limited and procedures were put in place to address future risk in these areas. Three incidents were reported to the Information Commissioner's Office (ICO). The first related to the discovery of Trust documentation in a private property, the second, related to the theft of a vehicle operated by a 3rd party contracted company which contained Trust documentation and the third related to the issue of a group email to personal email accounts. The (ICO) concluded that in relation to the second and third incidents, it did not meet the criteria set out in the ICO's Data Protection Regulatory Action Policy and therefore no action was taken.

The first incident was combined with an ongoing case which had been reported by the trust, to the ICO in November 2014, where a report had been emailed, in error, to an incorrect email address; as a result of these combined incidents the Trust has agreed an Undertaking with the ICO. The Undertaking has been published on the ICO website.

Accountability Report - Corporate Governance Statement

Any issues specifically identified by the IGSC are managed via the Risk Management & Governance Directorate Risk Register or are escalated to the Corporate Risk Register, if appropriate. Regular reports are made to the IGSC, as appropriate.

The Trust is also committed to ensuring the security of information held in electronic form in accordance with its ICT security Policy.

Public Stakeholder Involvement

The Trust regularly interfaces with public stakeholders, where appropriate, with regard to risks which impact on them, for example:-

- Via the Corporate and Directorate Risk Registers – these registers identify risks to the achievement of the overall objectives, including the provision of services, and the range of persons affected by specific risk issues. Summary information about both registers is presented on a bi-annual basis to the Public Trust Board.
- There are a number of sub committees aligned to the Trust's governance structures whereby both patients and clients attend and actively input to discussions about Trust specific issues i.e. the Personal & Public Involvement Sub Committee. The purpose of this engagement is to work with service users to design, deliver and improve services, which would include any associated risk issues. In addition, there is also a Trust-wide User Forum and specific Service User Forums in operation across the Trust which also provides active platforms through which service users engage in decision making, feedback processes and associated risk issues.

Our Annual Report outlines other elements of our stakeholder involvement, and the above narrative should be read in conjunction with this.

Assurance

The Trust has an Assurance Framework (June 2014) updated on an annual basis which is based on the Department's Assurance Framework (April 2009). This framework provides a strong basis for effective challenge and better informed decision-making at Trust Board level. The framework helps the Trust to improve its systems of internal control. It does this by showing how the evidence for adequate control can be marshalled, tested and strengthened within the Assurance Framework. It forms part of a series of strategies and systems for improving and strengthening practices and governance arrangements so that safe and high quality health and social care are provided to all that need them.

The framework work sits alongside the Corporate Risk Register system and the Controls Assurance process, which underpins all aspects of the business of Health & Social Care (HSC) – clinical and social care, financial and organisational – and which supports the Trust's governance arrangements.

The commissioning and provision of health and social care services by the Trust requires quality assurance and risk management. They also require organisational governance, such as management of personnel, financial efficiency and systems efficiency, as much as clinical and social care governance; all the various elements of governance need to be managed and this is done via the Assurance Framework, Risk Management and Governance Strategies. These strategies are subject to annual review.

Accountability Report - Corporate Governance Statement

A key source of assurance is the reports from Internal Audit. The annual Audit Plan is based on key risks and systems within the organisation. As part of its annual audit programme for 2015/16, Internal Audit reviewed the Trust's Risk Management and Governance arrangements and in March 2016 reported satisfactory assurance on the system of internal control for Risk Management and Governance.

Controls Assurance Standards

The South Eastern Health and Social Care Trust assessed its compliance with the applicable Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2015/16.

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

Standard	DHSS&PS Expected Level of Compliance	Trust Level of Compliance	Audited by Internal Audit
Buildings, land, plant and non-medical equipment	75% - 99% (Substantive)	82% (Substantive)	No
Decontamination of medical devices	75% - 99% (Substantive)	92% (Substantive)	No
Emergency Planning	75% - 99% (Substantive)	89% (Substantive)	No
Environmental Cleanliness	75% - 99% (Substantive)	90%(Substantive)	No
Environment Management	75% - 99% (Substantive)	83% (Substantive)	No
Financial Management (Core Standard)	75% - 99% (Substantive)	89% (Substantive)	Yes
Fire safety	75% - 99% (Substantive)	86% (Substantive)	No
Fleet and Transport Management	75% - 99% (Substantive)	90% (Substantive)	No
Food Hygiene	75% - 99% (Substantive)	90% (Substantive)	No
Governance (Core Standard)	75% - 99% (Substantive)	97% (Substantive)	Yes
Health & Safety	75% - 99% (Substantive)	86% (Substantive)	No
Human Resources	75% - 99% (Substantive)	88% (Substantive)	No
Infection Control	75% - 99% (Substantive)	93% (Substantive)	No
Information Communication Technology	75% - 99% (Substantive)	86% (Substantive)	No
Information Management	75% - 99% (Substantive)	78% (Substantive)	Yes
Management of Purchasing and Supply	75% - 99% (Substantive)	80% (Substantive)	No
Medical Devices and Equipment Management	75% - 99% (Substantive)	75% (Substantive)	No

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Medicines Management	75% - 99% (Substantive)	84% (Substantive)	Yes
Research Governance	75% - 99% (Substantive)	91% (Substantive)	No
Risk Management (Core Standard)	75% - 99% (Substantive)	95% (Substantive)	Yes
Security Management	75% - 99% (Substantive)	86% (Substantive)	No
Waste Management	75% - 99% (Substantive)	83%(Substantive)	No

Sources of Independent Assurance

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

Internal Audit

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

In 2015-16 Internal Audit reviewed the following systems:

Audit Area	Level of Assurance
HR/Payroll and Travel Processes within Trusts	Limited
Non Pay Expenditure (Trust Controls)	Satisfactory
Bank and Cash	Satisfactory
Budgetary Control	Satisfactory
Financial Assessments including Direct Payments	Satisfactory - Financial Assessments Limited – Direct Payments
Asset Management	Satisfactory
Cash Management in Social Services Facilities	Satisfactory
Management of Client Monies in Independent Sector Homes (including Adult Supported Living Services)	Satisfactory – majority of homes visited Limited in respect of two homes
Year End Stocktake Review	Satisfactory
Laboratory Procurement and Management of Contracts	Limited
Management of Waiting Lists	Satisfactory
Management of Medical Locum Staff	Limited
GP Out of Hours	Limited
Risk Management	Satisfactory
Whistleblowing and Fraud Processes	Limited - Whistleblowing Processes Satisfactory - Fraud Processes

Follow-up on previous Recommendations

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, 309

Accountability Report - Corporate Governance Statement

(84%) recommendations out of the 369 examined have been fully implemented and 60 (16%) recommendations have been partially implemented at the time of review.

In her annual report, the Head of Internal Audit provided the following opinion on the Trust's system of internal control:-

"My overall opinion for the year ended 31 March 2016 is that there is a **satisfactory** system of internal control designed to meet the organisation's objectives.

Although I am content that overall there is a satisfactory system of internal control within the Trust, it is important to note that Limited assurance has been provided in a number of areas."

HR/Payroll and Travel Processes within Trusts

Limited assurance was issued in respect of a number of priority one findings in respect of access, control and monitoring in the HRPTS system. The Net Pay Control account had not been fully reconciled on a monthly basis and HR processing in respect of issuing of contracts and ensuring that all relevant documentation is held in personnel files and available for review.

Financial Assessments including Direct Payments

Whilst this report was issued with a satisfactory assurance for Financial Assessments, it was Limited in respect of control and monitoring processes around Direct Payments.

Management of Clients Monies in Independent Sector Homes (including Adult Supported Living Services)

Whilst satisfactory assurance was issued for the majority of homes visited, limited assurance was given for two of the homes visited in respect of controls around the management of client's monies.

Laboratory Procurement and Management of Contracts

Limited assurance was issued in respect of the absence of having a Service Level Agreement (SLA) with the Belfast Trust for access to Laboratory Services and also the procurement and contract management processes in respect of goods/services procured from suppliers.

Management of Medical Locum Staff

Limited Assurance was issued in respect of number of priority one findings. These relate to the use of non contracted agency staff, controls in respect of the recruitment of locum doctors and controls in respect pre-employment checks.

GP Out of Hours

Limited Assurance was issued in respect of number of priority one findings. These related to performance against regional Key Performance Indicators, lack of segregation of duties in respect of approval of timesheets, a required review of the management structure and governance arrangements of the service and control in respect pre-employment checks.

Whistleblowing and Fraud Processes

Whilst this satisfactory assurance was issued in respect of fraud processes it was limited in respect of the governance and investigation into whistleblowing cases.

Accountability Report - Corporate Governance Statement

Shared Services Audits

A number of audits (summarised below) have been conducted in BSO Shared Services, as part of the BSO Internal Audit Plan. The recommendations in these Shared Service audit reports are the responsibility of BSO Management to take forward and the reports have been presented to BSO Governance & Audit Committee.

Shared Services Audit	Level of Assurance
Payroll Shared Service (as at September 2015)	Limited
Payroll Shared Service (as at March 2016)	Limited
Payments Shared Service (as at September 2015)	Satisfactory
Payments Shared Service (as at March 2016)	Satisfactory
Income Shared Service	Satisfactory
Business Services Team	Satisfactory
Benefits Realisation	Satisfactory

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

At 2015/16 year end, Internal Audit followed up on the implementation of priority one and priority two BSO shared service recommendations, where the implementation date had passed. 294 2015/16 shared service recommendations were included in the BSO year-end follow up. 78% of these 2015/16 recommendations were fully implemented at the time of review, 20% were partially implemented and 2% were not yet implemented.

Other Sources of Independent Assurance

The Trust also receives independent assurance from the following bodies:-

- Northern Ireland Audit Office – Provides an independent opinion on whether the Trust's Public Fund Accounts and Charitable Trust Funds Accounts present a true and fair view in respect of the Trust's financial activities.
- Regulation and Quality Improvement Authority – On the extent to which the services provided by the Trust, 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 childrens' 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 Council (NIMDTA) and various Royal Colleges.

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

- Feedback from Directors (via Assessment of skills, etc) on whether information meets their needs.
- Open debate, via Workshops, on level of detail, format, coverage and prioritisation of papers to Trust Board.

Accountability Report - Corporate Governance Statement

- Use of Patient Stories to confirm/assure on standard of services.
- Internal Audit assurance on Finance (and other) information.
- External Audit opinion on Annual Accounts.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the internal auditors and the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter 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 relevant internal mechanisms, Audit Committee, Governance Assurance Committee, Corporate Control Committee and the Safety & Quality Committee, and a plan to address weaknesses and ensure continuous improvement to the system is in place.

The Trust has a robust system of internal control in place within the organisation that supports the achievement of the policies, aims and objectives of the organisation. It is built on a comprehensive set of committees covering all aspects of governance including clinical and social care governance, risk management (including organisational controls) and financial controls.

The Trust Board regularly considers reports contained in the Assurance Framework/Corporate Risk Register faced by all areas within the Trust. This report contains information on levels of assurances, gaps in assurances and controls and actions plans to mitigate any shortfalls.

The Audit Committee met on 5 occasions during 2015/16 and regularly considered the effectiveness of internal controls. It approves and endorses the Internal Audit programme of work which is risk based. Regular progress and follow up reports are provided to the Audit Committee. The Audit Committee provides an Annual Report on the effectiveness of the Committee to the Board. It also receives the draft Head of Internal Audit Opinion and recommends approval of the draft Statement of Internal Control to the Board. In addition, it reviews progress on implementing internal and external audit recommendations.

The Governance Assurance Committee met on 4 occasions during 2015/16 and considers the effectiveness of the Trust's governance arrangements. The Chairman of this Committee is a member of the Audit Committee. Likewise, the Audit Committee Chairman sits on the Governance Assurance Committee. This committee reports to the Trust Board on a quarterly basis and provides assurances on all aspects of Governance (except financial controls). The Governance Assurance Committee provides an Annual Report on the effectiveness of this Committee to the Board.

The Audit Committee is responsible for the financial systems of internal control, and oversees the work and outputs of Internal Audit. It also reports directly to the Trust Board. The Corporate Control and Safety & Quality Committees and their associated committees form the main strands within the governance framework for the delivery of governance and risk agendas and report to the Governance Assurance Committee.

Non-Executive Directors sit on the Corporate Control and Safety & Quality Committees, Governance Assurance and the Audit Committees. The minutes of all sub committees are

Accountability Report - Corporate Governance Statement

shared with the respective parent committee and the minutes of the Audit and Governance Committees are circulated to the Trust Board.

The Trust completed its self-assessment of the Board Governance Self Assessment Tool (issued in November 2015). An action plan has been developed to address any areas on non-compliance.

The Trust has in place a process for reviewing receipt of external reports/inquiries to ensure that lessons are learnt and actions implemented, as necessary. During the year a number of key reports were received. Baseline assessments were completed and action plans prepared and tracked via the Safety & Quality Committee.

An Internal Audit programme was agreed at the outset of the year and its work plan was informed by an analysis of risk to which the Trust was exposed. Internal Audit undertook 5 Controls Assurance audits – the results are detailed in the table above. The Audit Committee agreed the internal audit plan for period April 2014 to March 2015 at its meeting on 8 May 2015.

The Board Secretary maintains a Register of Declaration of Interests and Register of Interests which is reviewed on annual basis (or sooner, if changes are notified by Board members) and is available on request for members of the public. In addition, Board members provide an annual statement confirming compliance with the Code of Conduct and Accountability.

In conclusion, as Accountable Officer, I am satisfied by the assurances provided by the Annual Reports of the Audit Committee and the Governance Assurance Committee in respect of the reliability and integrity of the assurances provided by both Committees and of their comprehensiveness in meeting the needs of the Board and the Accounting Officer. Furthermore, I am of the opinion that the assurances available are sufficient to support the Board and the Accounting Officer in the decisions taken by them and in their accountability obligations and that a sound system of Internal Control is in place.

Internal Governance Divergences

Update on Prior Year Control Issues which have been Resolved

Community Meals

The Trust had previously reported difficulties in the tendering of its Community Meals service. This was resolved during 2015/16, with the Trust reverting to a traditional service, and a new contract is in place.

Children's Disability Transfers and High Cost Cases

The Trust previously reported on an unprecedented number of complex children disability clients, and significant numbers of High Cost Cases emerging. During 2015/16 funding was identified from HSCB to address these cost pressures.

Progress on Prior Year Issues

Meeting and Resourcing the Increased Demand for Services and Ulster Hospital Emergency Department Services

The Trust previously reported on the need to address capacity to safely provide services in the Ulster Hospital. Significant progress has been made in reduction of delayed discharges

Accountability Report - Corporate Governance Statement

for South Eastern Trust residents, however capacity issues remain and some patients continue to wait longer than 12 hours.

HSCB commissioned an independent bed modelling exercise which identified capacity gaps. The Trust will include proposals to address this as part of the 2016/17 winter planning process.

The Trust believes the current level of activity cannot be continued into the longer term, without new services/capacity being commissioned.

Ageing Condition of the Estate

The Trust previously reported the range of increased risks associated with the age of the Estate (particularly the Ulster Hospital). These range from the risk of infections such as Pseudomonas/Legionella and other water borne infections, to concrete cancer, fire, electrical and sewage risks. The age, condition and layout of the older estate also hinders a fully robust approach to the eradication of Healthcare Acquired Infections.

The above risks will remain until the completion of the full Ulster Hospital Phase B Redevelopment. The first phase of this, the new Inpatient Ward Block, will complete in October 2016. A phased opening will commence in January 2017 when 288 inpatient beds will transfer to the new facility, the remainder of the facility will become operational by March 2016. Construction of the second phase, the Acute Services Block commenced in April 2016, this facility will provide a new Emergency Department and specialist inpatient wards. The Phase B Redevelopment project will complete in 2021 with the demolition of the existing Main Ward Block.

During 2015/16 the Trust has escalated its concerns regarding the current inpatient mental health accommodation at the Ulster and Lagan Valley Hospital sites. The rationalisation of acute mental health inpatient accommodation was subsequently included as the key major capital project for the Trust in the November 2015 Capital Plan.

The Trust vision is to move from 3 Mental Health inpatient Units to 1. Due to lack of funding, this new facility has not been advanced. The Trust will attempt to identify and mitigate risks in the interim.

Prison Healthcare

The Trust previously reported on the challenges (in conjunction with the NI Prison Service) of providing healthcare within the Prison Service. These related to staffing challenges, tensions between Security and Healthcare, and Pharmacy regimes.

Whilst much work has been done in this service area, many challenges remain, one of the biggest being the ability to recruit and retain permanent staff within Prison facilities.

Lagan Valley and Downe Hospitals Emergency Departments

The Trust previously reported on the significant challenges associated with Medical staff availability in the aforementioned Hospitals. From 9 January 2014, as a result of the difficulties in recruitment of middle grade doctors, the Trust had to temporarily close the Emergency Departments of Lagan Valley and Downe Hospitals during weekends.

The Trust has been working closely with neighbouring Trusts, HSCB and DHSSPS to mitigate the impact of this change for local communities.

Accountability Report - Corporate Governance Statement

Mitigation measures implemented include:-

- Additional GP input to increase direct access.
- Additional nurses redeployed to Ulster Hospital.
- Additional beds opened in Lagan Valley Hospital
- Additional beds in neighbouring Trusts.
- Increased NI Ambulance input.
- Further recruitment campaigns (unsuccessful).

The temporary closure at weekends has continued throughout 2015/16.

The Trust has not been able to attract Middle Grade ED staff despite a number of recruitment exercises and engaging recruitment agencies. However, the Trust has managed to secure the services of two Locum Consultant appointments who cover vacant shifts at both Lagan Valley and the Downe (as well as some shifts at the Ulster). In addition, the Trust has also appointed additional permanent Consultant posts, primarily to cover vacancies at the Ulster, who will also cover shifts at our local hospitals. Whilst these actions have provided a level of stability for the immediate future the Trust is still greatly concerned about the viability of both units, given the continued reliance on locums.

Business Services Transformation Project

The Trust previously reported on challenges to the proposed implementation of the Finance and Human Resources System and Shared Services.

New Finance systems and Income and Payments Shared Services have stabilised and are delivering project benefits. Payroll Shared Services continue to experience challenges, with 981 staff being incorrectly paid in March 2016, due to system problems.

In addition, the move to Recruitment Shared Services has been deferred due to problems being experienced by other Trusts and a lack of readiness in Shared Services. This service was due to transfer by Autumn 2015, however this has not occurred by March 2016, with no date currently formally committed to.

The Trust continues to be concerned that the introduction of Shared Services will not generate the required savings for South Eastern Trust.

Urology Services

The Trust previously highlighted pressures on Urology Services. Urology Services continue to be challenging – HSCB has initiated a regional process to identify and review the potential to increase capacity and productivity and reduce waiting times. South Eastern Trust are fully participating in this Regional initiative.

The Trust has received resources; however there are recruitment challenges, particularly at consultant level. The Trust will actively seek to recruit as soon as possible.

Increased Demand for Cancer Services

The Trust previously reported on Increased Demand for Cancer Services.

Significant work has been done on this, and additional resources have been identified. The target to have 95% of patients begin their treatment within 62 days of referral continues to be a challenge due to the increases in referrals.

Accountability Report - Corporate Governance Statement

Childcare Pressures

The Trust previously reported a range of childcare pressures.

In respect of the investigations of historical allegations in relation to staff previously employed in Rathgael, these have continued to impact on the operation of the regional secure care facility managed by South Eastern Trust, by reducing the available pool of experienced staff.

Child Protection referrals continue at high levels and this continues to impact on the speed at which the Trust has been able to allocate family support services cases to social work teams, whilst we continue to prioritise child protection investigations.

The Trust has continued to support the Marshall Inquiry recommendations and work with the DHSSPS and HSCB in relation to the recommendations of the Thematic Review undertaken by the Safeguarding Board for Northern Ireland (SBNI).

The Trust has needed to direct additional resources to co-operate fully with the Historical Institutional Abuse Inquiry, particularly around searches for records both on individual children and corporate governance. This has been particularly challenging due to the large number of individuals who have approached the inquiry where records have been requested, and the necessity to search extensively within archived materials.

Media Attention and Public Confidence

During 2015/16, whilst the number of specific media reports into health and social care has reduced slightly, reporting on public services has continued to be negative. This continues to have a negative impact on staff morale and public confidence.

Capital Resourcing 2014/15 – 2016/17

The Trust has received its general capital allocation for 2016/17 (£4.7m). Significant risks will not be addressed through this funding.

The main areas impacted would be:-

- Ability to replace expensive clinical equipment (especially diagnostic equipment).
- Ability to modernise and reform facilities to meet changing needs.
- Ability to improve energy efficiency.
- Ability to address risk as it arises.
- Ability to continually upgrade/maintain patient/client experience.
- Revenue costs to the Trust.

Financial Breakeven Requirement

The financial position of the Trust continues to be a challenge.

For 2015/16, the Trust's Financial Strategy identified an opening deficit of £17.5m. A savings plan for £7.8m was approved. The remaining gap was addressed by additional income received during 2015/16.

For 2016/17, the Trust has submitted financial plans to DHSSPS which reflect allocations, recurrent financial position, new pressures and low-impact savings plans. It is anticipated that 2016/17 will be another challenging year financially for the Trust.

Accountability Report - Corporate Governance Statement

New Internal Control Divergences 2015/16

Recruitment of Health & Social Care Staff

The Trust has experienced significant difficulties in recruitment of key health and social care professional staff. This has created high levels of vacancies (for Nursing and Medical posts particularly) and thus severely impacted on front-line service delivery.

The Trust has worked proactively to source staff, including campaigns outside NI, and a Regional Overseas Nursing recruitment campaign is underway. Early indications are that up to 46 nurses will be recruited in 2016/17 as part of this process.

Domiciliary Care Capacity

Demand for domiciliary care services continues to increase. The Trust is experiencing a lack of capacity, specifically within the independent sector for new and increased packages of care and this has the potential to adversely affect Trust performance with regards to patient flow. Despite augmenting the hourly rate paid and introducing a range of measures capacity has not materially improved. Some independent sector providers have raised concern that the Trust Hourly rate is inadequate to cover the cost of recent increases with regards to the National Living Wage, others have identified recruitment and retention as an issue impacting on their capacity and ability to take on new packages of care.

The Trust will continue to work with Independent Sector providers, as well as continually review/expand the in-house service to address this issue.

Nursing and Residential Care

During 2015/16 a number of nursing home providers advised the Trust that they were having significant nursing recruitment issues and that they had to rely on agency staff to comply with regulatory requirements in terms of staffing complements. This was indicated as a potential cost pressure and could subsequently raise the actual cost of care beyond that of the regional nursing and residential care home rate. Also, in 2015/16 one of the region's largest providers signalled its intent to close a number of homes due to them being financially unviable, with the staffing issue along with the regional rate paid being indicated as factors in the decision.

In line with normal practice the regional rate paid to all Nursing and Residential Care Providers was uplifted in April 2016 by the Health and Social Care Board. The increase, which was higher than that given in the preceding years, was 5%. The uplift was agreed to cover the impact of National Living Wage and other provider pressures. However, a number of providers are still indicating that this rate is inadequate the impact of this being that the number of beds available to the Trust at the regional rate has diminished.

The Trust will continue to work closely with Independent Sector partners to ensure service continuity.

Elective

Demand for elective services continues to increase beyond the capacity of the Trust to deliver the waiting time targets. The Trust prioritises urgent and cancer patients which means that routine patients will wait an unacceptable time for both outpatient and/or inpatient and daycase treatment.

Outpatient referrals have increased 4.3% since 2013-14 (an increase of 5,000) and this trend has continued for the last number of years. The Red Flag demand has increased 25% but the

Accountability Report - Corporate Governance Statement

numbers diagnosed with cancer remain static – so this increase is utilising those slots that previously were used for routine patients.

Whilst there has been some improvement in waiting time figures in the last two quarters of 2015/16, given that the resource applied were non-recurrent, then it is expected that waiting times will incrementally increase in 2016/17.

Lakewood RQIA Inspection Report

Following the RQIA inspection report of 29th - 30th July 2015, the Trust Lakewood Improvement Board continued to monitor the action plan developed by the Trust.

The main areas that have been addressed are as follows:

- An independent facilitator recommended by RQIA completed significant work with all the staff to ensure that the culture within the centre was caring and compassionate. Following this he confirmed that the culture within the centre was positive and child centred.
- The Trust undertook a number of audits which included an unannounced walk around by two Assistant Directors who were independent from the service to check if it was a caring environment which was confirmed.
- A number of internal audits were undertaken focusing on practice issues.
- The only doors that are now locked within each unit are the main entrance, staff office and bedrooms.
- Additional funding was received from the HSCB for refurbishment of the homes and this is now in place.
- Capital funding was received to progress the building of a third home and this will be completed in September 2016 which will enable the homes to have smaller numbers.
- Visits were made to Scotland and England to look at different models of care and the learning from this has been shared.
- The staff have completed significant training on recording.

RQIA completed an unannounced inspection on 23rd to 25th February 2016 which included four inspectors and two independent people for three days. The findings of the inspection by the Team showed positive improvements had been made; in particular, Emeritus Professor Stan Houston confirmed that the staff were caring and the overall culture was positive.

This inspection resulted in two Failure to Comply Notices relating to specific incidents regarding child protection, sanctions and separation of managing groups of children. These notices were lifted on 17th May 2016 by RQIA. The Quality Improvement Plan has been forwarded to RQIA and continues to be overseen by the Lakewood Improvement Board.

Conclusion

The South Eastern Health & 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.

Further to considering the accountability framework within the Body and in conjunction with assurances given to me by the Head of Internal audit, I am content that the Trust has operated a sound system of internal governance during the period 2015-16.

Accountability Report - Statement of Accounting Officer Responsibilities

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST'S RESPONSIBILITIES AND ACCOUNTING OFFICER'S RESPONSIBILITIES.

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health, Social Services and Public Safety has directed the South Eastern Health and Social Care 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 South Eastern 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 (FREM) and in particular to :

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

The Permanent Secretary of the Department of Health, Social Services and Public Safety as Accounting Officer for health and personal social services resources in Northern Ireland has designated Hugh McCaughey of South Eastern Health and Social Care 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 keeping proper records and for safeguarding the Trust assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

Accountability Report - Certificates of Chairman, Chief Executive & Director of Finance

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 83 to 123) which I am required to prepare on behalf of the South Eastern Health and Social Care Trust have been compiled from and are in accordance with the accounts and financial records maintained by the South Eastern Health and Social Care Trust and with the accounting standards and policies for HSC bodies approved by the DHSSPS.



.....Director of Finance

8th June 2016

.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (page 83 to 123) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



.....Chairman

8/06/16

.....Date



.....Chief Executive

08/06/2016

.....Date

Accountability Report - Directors Report

Management Board

The Management Board responsible for setting the direction for the South Eastern Trust is made up of the following individuals:-

Executive members:

Hugh McCaughey (Chief Executive)
Roisin Coulter
Neil Guckian
Seamus McGoran
Charles Martyn
Eamonn Molloy – Retired 29th February 2016
Bria Mongan
Nicki Patterson
Brendan Whittle
Myra Weir – Appointed 14th March 2016

Non-executive members:

Colm McKenna (Chairman)
Noel Brady – Appointed February 2016
Dr Maura Briscoe – Appointed February 2016
Peter Davison – Resigned December 2015
Francesca Graham
Deepa Mann-Kler – Resigned December 2015
Nigel Mansley
Maynard Mawhinney – Appointed February 2016
Dermot O'Hara – Resigned December 2015
John Trethowan

History of the South Eastern Trust

The South Eastern HSC Trust was established by The South Eastern Health and Social Services Trust (Establishment) Order (Northern Ireland) 2006 and came into effect on 1 April 2007 following the merger of the former Ulster Community and Hospitals Trust and Down and Lisburn Trust.

It is an integrated organisation, incorporating acute hospital services, community health and social services and serves a resident population of approximately 330,000 people, and a wider population of 440,000.

Equal Opportunities

The South Eastern HSC Trust has in place an equal opportunities policy to promote and provide equality between persons of different genders, marital or family status, religious belief or political opinion, age, disability, race or ethnic origin, nationality or sexual orientation, between persons with a disability and persons without, between persons with dependants and persons without, between men and women generally, and irrespective of Staff Organisation membership. This policy applies to recruitment, promotion, training, transfer and other benefits and facilities. Selection for employment and promotional opportunities is on the basis of ability, qualifications and aptitude for work.

Accountability Report - Directors Report

Employment of Disabled Persons

The Trust Disability Action Plan (DAP) 2014- 2017, details a number of key actions to demonstrate how the Trust fulfils its duties to promote positive attitudes and encourage the participation of disabled people. The Trust continues to provide in excess of 20 work placements for disabled people annually. This is further complimented by the Charter Work Experience Programme and other placements organised by the Work Placement Co-ordinator with inputs from the Occupational Health Department to ensure that the needs of individuals with a disability are met.

The Trust promotes participation in employment for staff with a disability through various initiatives including reasonable adjustments and professional development training sessions. The in-house e-Learning programme incorporates disability training. The Equality and Human Rights Screening Tool also contains sections relevant to the employment of disabled persons

The Trust produces an Annual Progress Report (APR) on its Section 75 and Disability Discrimination Order responsibilities which demonstrates progress against key targets. This APR is submitted to EMT and Trust Board for approval prior to submission to the Equality Commission for Northern Ireland.

Equality and Human Rights e-Learning Module

The Trust has developed an Equality and Human Rights e-Learning module which was launched in April 2014 and focuses specifically on Section 75 and Human Rights responsibilities. Staff are able to work their way through user friendly information and case studies in a time frame which best suits them. Over 2,000 staff have completed the module and feedback has been very positive.

Employees and Social Community Issues

The Trust has in place a Corporate Social Responsibility (CSR) Action Plan 2015-2016, which has been approved by Trust Board.

This Action Plan, which was written in partnership with Business in the Community, aims to develop and support initiatives that go further than normal services. It aims to utilise skills and resources within the Trust and to provide and improve development avenues for staff and the local community, in addition to improving outcomes for patients and clients.

CSR works in conjunction with existing legislation and statutory duties, such as Section 75 of the Northern Ireland Act 1998.

The CSR Action Plan concentrates on People, Place and Planet and also sets out clear initiatives, targets, responsibilities and timescales which include tackling disadvantage in local communities and developing alliances and partnerships with other organisations.

For South Eastern Trust staff the Action Plan addresses the needs and aspirations of existing and potential employees providing volunteering and professional development opportunities. The aim is to build a highly motivated and stable workforce that is committed to development of services for patients and clients.

Accountability Report - Directors Report

Examples include work experience placement and a well developed Employability Scheme which provides career opportunities for Looked after Children. For the past 5 years South Eastern Trust staff volunteers have been working in partnership with local primary Schools as part of the 'Time to Read' Scheme.

Engaging Together

The Trust is committed to continuously improving the patient/client and employee experiences. Research has shown that there is a clear link between improved patient/client experience and high levels of employee engagement. Using the McLeod model, the Trust embarked on an "Engaging Together" initiative with staff to seek their views on how best we could embed employee engagement into the organisational culture. In addition, our staff are encouraged to participate in a wide range of project groups, aimed at engaging those staff at front line, capitalising on their knowledge and shaping the reform solutions. A full census regional staff survey was undertaken in 2016 and the results will inform future staff engagement actions.

Accounts Preparation

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

Better Payments Practice Code

Details of the Trusts compliance with the code are given in Note 14.1 of the Annual Accounts Section.

Late Payment of Commercial Debts Regulations 2002

Compensation in respect of late payments is disclosed in note 14.2 of the Annual Accounts Section.

Trust Management Costs

Details of the Trust management costs are detailed within the Remuneration and Staff Report.

Related party transactions

Details of Related Party Transactions are disclosed in Note 22 of the Annual Accounts Section.

Accountability Report - Directors Report

Directors Interests

Details of company directorships or other significant interests held by Directors where those Directors are likely to do business, or are possibly seeking to do business with the South Eastern Health and Social Care Trust where this may conflict with their managerial responsibilities are held on a central register. A copy is available from Assistant Director, Financial Services, South Eastern Health and Social Care Trust, Lough House, Ards Hospital, Newtownards, BT23 4AS.

Charitable Donations

The Trust did not make any charitable donations during the financial year.

Post Balance Sheet Events

There are no post balance sheet events which have a material impact on the accounts.

Sickness Absence Information

The percentage figure for sickness absence for the 2015-2016 year is 6.79% (6.67% 2014/15).

Personal Data Related Incidents

All reported incidents of data loss or confidentiality breach in 2015/2016 have been assessed. While there were several small scale incidents, the impact was limited and procedures were put in place to address future risk in these areas. Three incidents were reported to the Information Commissioner's Office (ICO). One of the incidents was combined with an ongoing case reported by the Trust to the ICO in November 2014, and as a result of ICO combining both incidents, the Trust has agreed an Undertaking with the ICO. The Undertaking has been published on the ICO website.

The ICO concluded that two of the incidents reported, but the Trust, did not meet the criteria set out in the ICO's Data Protection Regulatory Action Policy and therefore no action was taken.

Public Sector Information Holder

The South Eastern HSC Trust is a public sector information holder and is subject to the terms of the Freedom of Information Act, 2000.

Treatment of Pension Liabilities

The Trust participates in the HSS Superannuation Scheme. Further details on the treatment of pension liabilities are disclosed the Statement of Accounting Policies 1.20 within the accounts section

Services

The Trust's statutory audit was performed by NIAO. The notional cost of the audit for the year ended 31 March 2016 which pertained solely to the audit of the accounts was £59K. The

Accountability Report - Directors Report

notional cost of the audit of Trust Charitable Funds for the year ended 31 March 2016 was £5k.

Non Audit Services

During the year the South Eastern Trust purchased no non audit services from its auditor NIAO.

Statement on disclosure of audit information

All directors can confirm that they are not aware of any relevant audit information of which the South Eastern HSC Trust's auditors are unaware. All Directors, including the Chief Executive have taken all the steps necessary to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Principal Risks and Uncertainties Facing the Trust

The Trust has a Corporate Risk Register (CRR) process in place which is complementary to, and works in conjunction with, the Risk Management System and the Board Assurance Framework. The CRR identifies the principal risks that may threaten the achievement of the corporate objectives; details the control measures in place to manage these risks; identifies the sources of assurances that provide evidence that the control systems on which we place reliance are effective. It also includes information in respect of Board reports in terms of positive assurances, gaps in control and gaps in assurance and action plans for the treatment of any residual risks. A Directorate Risk Register (DRR) process is also in operation and works alongside the CRR. It details principal risks at Directorate level which feed into the CRR, some of which may be escalated to the CRR, if appropriate during the year.

A total of 19 items were on the Corporate Risk Register 2015/2016 as at 31 March 2016. There were a total of 90 action point items (across 19 CRR pro formas). The risks are further described below in Table 1 - by the Principal Risks broken down by Principal Objectives and Table 2 - by the Risk Sub Type during 2015/2016.

Table 1 – Risks by Principal Risk by Principal Objective – 2015/2016

No	ID	Principal Objectives	Title
1	1680	Safety, Quality & Experience	Delayed Discharges in Disability
2	1647	Safety, Quality & Experience	Inability of Trust to provide full healthcare services within NIPS
3	1736	Safety, Quality & Experience	Child Sexual Exploitation
4	1735	Safety, Quality & Experience	Allegations of abuse – Rathgael Training School
5	1731	Safety, Quality & Experience	Risk posed to Trust due to ageing estate
6	1732	Efficiency & Service Reform	Management of savings and pressures to achieve breakeven
7	1788	Efficiency & Service Reform	Inability of systems/Shared Services to achieve required benefits, processes and effectiveness.
8	1728	Safety, Quality & Experience	Safe and effective care for emergency patients (Ulster Hospital)
9	1727	Safety, Quality & Experience	Inability to sustain Midwifery Led Units and Emergency Services in the Down and Lagan Valley Hospitals

Accountability Report - Directors Report

10	1726	Safety, Quality & Experience	Inability to staff hospital wards and other key hospital departments at nights and at weekends
11	1734	Our Staff	Inability to plan and deliver for the workforce
12	1733	Safety, Quality & Experience	Inability to deliver an organisational wide risk management system
13	1785	Safety, Quality & Experience	Failure to develop and implement appropriate business continuity arrangements
14	1676	Efficiency & Service Reform	Inability to meet and maintain performance targets causing increased risk to patients and clinical outcomes
15	1730	Safety, Quality & Experience	Risk of Healthcare Associated Infection
16	1786	Safety, Quality & Experience	GMS Out-Of-Hours funding
17	1729	Safety, Quality & Experience	Demand for Community Care packages
18	1873	Safety, Quality & Experience	Operational Laundry & Linen Services
19	1879	Safety, Quality & Experience	Location of Acute Mental Health In-patient Wards

Table 2 – Risk Sub Type/Total - 2015/16

	Total
Financial	2
Health & Safety	2
Legal/Statutory	1
Patient Safety/Clinical	8
Quality & Professional Guidelines/Standards	1
Service Continuity	3
Targets, Objectives & Service Provisions	2
Totals:	19

Progress reports were completed on a quarterly basis by the relevant Director and input into Datix under the direction of the Assistant Director, Risk Management & Governance.

A bi annual report on the Board Assurance Framework and CRR is presented to the Trust Board (May/November).

The Governance Assurance Committee is responsible for receiving reports on the Corporate Risk Register on a quarterly basis. At its meeting on 17 June 2015, it discussed and approved the Corporate Risk Register for 2015/2016 for submission to the Trust Board on 24 June 2015, for endorsement. The Committee was satisfied that the action plans contained in the CRR were appropriate and arrangements were in place for the quarterly monitoring of progress in respect of action plans.

Compliance with the Corporate and Directorate Risk Registers is monitored on a regular basis via the Governance Assurance and Corporate Control Committees respectively. This process is also discussed at the monthly Performance Improvement & Monitoring Meetings.

Directors can add new items to the Corporate Risk Register as and when required. These are normally discussed in the first instance at the Executive Management Team meetings and items added to the register accordingly.

Accountability Report - Remuneration and Staff Report

Membership of the Remuneration Committee

The Remuneration Committee of South Eastern Health & Social Care Trust includes the Chairman and 2 Non Executive Directors of the Trust. They are supported by the Chief Executive and Director of Human Resources & Corporate Affairs.

Policy on the Remuneration of the Chief Executive and Directors

The policy on the Remuneration of the Chief Executive and Directors is governed by and administered on the basis of the Department of Health, Social Services and Public Safety, Departmental Directives and Circulars on HSC Senior Executive Salaries.

Method used to assess performance

The Trust applies the Senior Executive Performance Management Scheme as set out within Departmental Circular HSS (SN) 1/2003 'Senior Executive Performance Management Scheme'. However one Senior Executive remains on protected terms and conditions of service and one is outside the purview of these arrangements (who is contracted under medical & dental terms and conditions).

The Trust Board

The Trust Board determines the strategic and operational corporate objectives for the Trust for the year ahead, taking into account the parameters established by the Department and to incorporate them within the Service or Trust Delivery Plans.

Remuneration Committee

The Remuneration Committee oversees the individual performance management process for all senior executives.

Chair

The Chairman agrees and reviews the Chief Executive's performance objectives.

Chief Executive

The Chief Executive agrees individual performance objectives of Directors and reviews the performance of objectives and completes the final report.

Performance Objectives

Performance objectives are linked to Trust service delivery and development plans. Performance objectives are clear and measurable.

Evaluation of Performance

The evaluation of performance is based on evidence of achievement of service and task objectives relating pay to performance. This process is completed in accordance with Paragraph 14 of the Departmental Circular detailed within the HSS (SN) 1/2003. The

Accountability Report - Remuneration and Staff Report

performance of each individual is assessed and rated each year in one of three bands according to how successfully objectives or targets have been met.

Individual Performance Review bands are as follows:

- Fully acceptable
- Incomplete
- Unsatisfactory

The Remuneration Committee, which is made up of the Chairman and 2 non-executive directors of the Board, are fully conversant with organisational performance via monthly reports to the Trust Board. In particular, financial management, patient and client access and governance development performance are taken into account. These are reflected in individual performance objectives. The method used does not include formal comparisons with outside organisations.

Duration of Contracts

Contracts of employment are permanent (subject to satisfactory performance) and provide for three months' notice for both parties. As far as all Senior Executives are concerned, the provisions for compensation for early termination of contract are in accordance with the appropriate Departmental guidance.

Audited Remuneration Table

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

Table of Non-Executive Directors Remuneration & Pension Benefits:

Non-Executive Members	2015-16					2014-15				
	Salary £000	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (rounded to nearest £1,000)	Total £000	Salary £000	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (rounded to nearest £1,000)	Total £000
C McKenna	30-35	0	0	0	30-35	30-35	0	0	0	30-35
P Davison (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
F Graham	5-10	0	0	0	5-10	5-10	0	0	0	5-10
D Mann-Kler (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
N Mansley	5-10	0	0	0	5-10	5-10	0	0	0	5-10
D O'Hara (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
J Trethowan	5-10	0	0	0	5-10	5-10	0	0	0	5-10
M Briscoe (2)	0-5	0	0	0	0-5	0	0	0	0	0
M Mawhinney (2)	0-5	0	0	0	0-5	0	0	0	0	0
N Brady (3)	0-5	0	0	0	0-5	0	0	0	0	0

- (1) Resigned 31st Dec 2015
 (2) Appointed 15th Feb 2016
 (3) Appointed 22nd Feb 2016

Accountability Report - Remuneration and Staff Report

Table of Executive Directors Remuneration & Pension Benefits:

Executive Members	2015-16			2014-15			2015-16				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 31/03/15 £000s	CETV at 31/03/16 £000s	Real increase in CETV in £000s
	Salary £000	Bonus / Performance pay £000	Kind (Rounded to nearest £100) £100	Pensions benefit (rounded to nearest £1,000) £1,000	Total £000	Salary £000	Bonus / Performance pay £000	Kind (Rounded to nearest £100) £100	Pensions benefit (rounded to nearest £1,000) £1,000	Total £000					
H McCaughey (Chief Executive)	125-130	0	600	12	135-140	125-130	0	1,200	12	135-140	0-2.5 plus lump sum 2.5-5	45-50 plus lump sum 135-140	818	870	52
R Coulter (Director of Planning / Performance)	75-80	0	700	9	80-85	70-75	0	4,000	9	80-85	0-2.5 plus lump sum 0-2.5	25-30 plus lump sum 75-80	373	398	25
N Guckian (Director of Finance/Estates)	85-90	0	1,200	19	105-110	85-90	0	2,300	11	100-105	0-2.5 plus lump sum 0-2.5	25-30 plus lump sum 70-75	401	434	33
C Martyn (including clinical duties) (Medical Director)	195-200	0	2,100	22	215-220	210-215	0	800	16	225-230	2.5-5 plus lump sum 7.5-10	65-70 plus lump sum 205-210	1,487	1,599	112
N Patterson (Director of Elderly & Primary Care Services)	85-90	0	5,200	19	110-115	90-95	0	0	10	100-105	0-2.5 plus lump sum 0-2.5	30-35 plus lump sum 90-95	520	554	34
S McGoran (Director of Hospital Services)	95-100	0	400	11	110-115	100-105	0	400	11	110-115	0-2.5 plus lump sum 2.5-5	35-40 plus lump sum 105-110	645	686	41
E Molloy (Director of HR & Corp Services) (4)	90-95	0	0	N/A	90-95	100-105	0	0	9	110-115	N/A	N/A	N/A	N/A	N/A
BJ Whittle (Director of Childrens Services & Executive Director of Social Work)	75-80	0	0	16	90-95	75-80	0	0	9	80-85	0-2.5 plus lump sum 0-2.5	20-25 plus lump sum 65-70	373	398	25
B Mongan (Director of Adult Services & Prison Healthcare) (5)	70-75	0	0	N/A	70-75	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
M Weir (Director of HR & Corp Services) (6) (7)	0-5 (70-75 fye)	0	0	N/A	0-5 (70-75 fye)	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A

Band of Highest Paid Directors Total Remuneration	210-215
Median Total Remuneration	26,928
Median Total Remuneration Ratio	7.9

- (4) Retired 29th Feb 2016 and once a member reaches their NRA CETV is not applicable
- (5) Is beyond the threshold for calculation of CETV and so this is not applicable in the 15/16 year
- (6) Appointed 14th Mar 2016
- (7) No CETV calculation is relevant due to the short period in post as Director

Accountability Report - Remuneration and Staff Report

Salary is the gross salary paid/payable to the individual. Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The benefits in kind listed above related to leased cars. 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 or any increase or decreases due to a transfer of pension rights.

The pension scheme for Executive Directors is the same scheme as for all HSC staff including nursing staff. There are seven rates of member contributions, ranging from 5% of pensionable pay for the lowest earners to 14.5% of pensionable pay for the highest earners.

Thus higher salaried staff contribute a larger proportion of their salary for the same defined benefit.

Member Contribution Rates (Gross)

Full-time pay	Contribution Gross 15-16
£0-15,000	5.00%
£15,000-21,000	5.6%
£21,000-27,000	7.1%
£27,000-48,000	9.3%
£48,000-71,000	12.5%
£71,000-111,000	13.5%
£111,000 over	14.5%

The HSC Pension Scheme is governed by rules laid down in regulations agreed by DHSSPS. These regulations are also bound by all primary legislation that has relevance to Occupational Pension Schemes. The rules of the HSC Pension Scheme are laid down in the Health and Personal Social Services (Superannuation) Regulations (NI) 1995. The Scheme is "registered" under the Finance Act 2004. The Scheme Administrator is the HSC Business Services Organisation. The HSC Pension Scheme does not have a real pension fund, but as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer, which meets the cost of Scheme benefits.

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 HSC 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.

Accountability Report - Remuneration and Staff Report

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

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

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in South Eastern Health and Social Care Trust in the financial year 2015-16 was £195k-£200k (£210k-£215k, 2014-15). This salary includes significant remuneration in respect of Clinical (Non-Director) duties. This was 7.0 times (7.9, 2014-15) the median remuneration of the workforce, which was £28,106 (£26,928, 2014-15).

In 2015-16, 4 employees received remuneration in excess of the highest paid director. Remuneration ranged from £197k to £232k.

Total remuneration includes salary, non-consolidated performance related pay, benefits in kind excluding severance payments and the value of pension benefits. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

STAFF REPORT

Staff Costs

	2016		2015	
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	285,707	11,919	297,626	284,295
Social security costs	18,977	0	18,977	19,506
Other pension costs	34,510	0	34,510	28,379
Sub-Total	339,194	11,919	351,113	332,180
Capitalised staff costs	478		478	1,466
Total staff costs reported in Statement of Comprehensive Expenditure	338,716	11,919	350,635	330,714
Less recoveries in respect of outward secondments			(3,762)	(4,518)
Total net costs			346,873	326,196
Total Net costs of which:			£000s	£000s
South Eastern HSC Trust			350,635	330,714
Charitable Trust Fund			0	0
Consolidation Adjustments			(129)	(270)
Total			350,506	330,444

Staff Costs exclude £478k charged to capital projects during the year (2015 £1,466k)

Accountability Report - Remuneration and Staff Report

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

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was certified in February 2015 and is used in the 2015/16 accounts.

Average Number of Persons Employed

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

	2016		2015	
	Permanently employed staff No.	Others No.	Total No.	Restated Total No.
Medical and dental	568	51	619	611
Nursing and midwifery	3,070	68	3,138	3,141
Professions allied to medicine	665	24	689	685
Ancillaries	1,156	3	1,159	1,180
Administrative & clerical	1,331	65	1,396	1,449
Ambulance staff	0	0	0	0
Works	90	0	90	93
Other professional and technical	360	0	360	368
Social services	1,277	69	1,346	1,312
Other			0	0
Total average number of persons employed	8,517	280	8,797	8,839
Less average staff number relating to capitalised staff costs	10		10	34
Less average staff number in respect of outward secondments	77		77	85
Total net average number of persons employed	8,430	280	8,710	8,720

Of which:

South Eastern HSC Trust	8,710	8,720
Charitable Trust Fund	0	0
	<u>8,710</u>	<u>8,720</u>

Others includes inward secondments to the Trust and agency staffing

Accountability Report - Remuneration and Staff Report

Gender Composition of Senior Management

The below table shows the number of persons of each sex who were senior managers within the Trust within 2015-16. Managers have been defined as non-medical staff at band 8c and above (excluding Directors).

Staff Gender Breakdown within South Eastern Health and Social Care Trust 2015-16 Senior Management (excl. Board Members)*	
Female	37
Male	13

Reporting of early retirement and other compensation scheme - exit packages

Exit package cost band	*Number of compulsory		*Number of other departures		Total number of exit packages by cost	
	2016	2015	2016	2015	2016	2015
<£10,000	0	0	0	5	0	5
£10,001 - £25,000	0	0	4	1	4	1
£25,001 - £50,000	0	0	7	9	7	9
£50,001 - £100,000	0	0	6	2	6	2
£100,001 - £150,000	0	0	2	0	2	0
£150,001 - £200,000	0	0	0	0	0	0
£200,001 - £250,000	0	0	0	0	0	0
£250,001 - £300,000	0	0	0	0	0	0
£300,001 - £350,000	0	0	0	0	0	0
£350,001 - £400,000	0	0	0	0	0	0
Total number of exit packages by type	0	0	19	17	19	17
Total resource cost	£000s	£000s	£000s	£000s	£000s	£000s
	0	0	966	526	966	526

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 3.2. 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.

Accountability Report - Remuneration and Staff Report

Trust Management Costs

	2016 £000s	2015 £000s
Trust management costs	21,832	20,080
Income:		
RRL	563,144	560,868
Income per Note 4	39,646	40,689
Non cash RRL for movement in clinical negligence provision	(8,665)	(12,283)
Less interest receivable	0	0
Total Income	594,125	589,274
% of total income	3.7%	3.4%

The increase in management costs reflects the additional costs of employers superannuation for 15-16 and a reduction in the capitalised salary costs within Corporate Services.

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

Off Payroll Staff Resources

The Trust had three 'off-payroll' staff resource engagement as at the 31st March 2016 at a cost of over £58,200 per annum. This is in respect of a continuing Prison Healthcare medical service.

	Number of Staff
Off Payroll staff as at 1st April 2015	1
New engagements during the year	0
Number of engagements transferred to departments payroll	0
Number of engagements that have come to an end during the year	(1)
Off Payroll staff as at 31 March 2016	0

Retirements Due to Ill-Health

During 2015/16 there were 22 early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £29k. These costs are borne by the HSC Pension Scheme.

Accountability Report - Statement of Losses

STATEMENT OF LOSSES AND SPECIAL PAYMENTS

Losses and Special Payments

Type of loss and special payment	2015-16		2014-15
	Number of	£000	£000
Cash losses			
Cash Losses - Theft, fraud etc	1	0	0
Cash Losses - Overpayments of salaries, wages and allowances	0	0	0
Cash Losses - Other causes	2	1	1
	3	1	1
Claims abandoned			
Waived or abandoned claims	0	0	0
	0	0	0
Administrative write-offs			
Bad debts	74	73	46
Other	0	0	0
	74	73	46
Fruitless payments			
Late Payment of Commercial Debt	1	0	0
Other fruitless payments and constructive losses	27	1	2
	28	1	2
Stores losses			
Losses of accountable stores through any deliberate act	0	0	0
Other stores losses	0	0	0
	0	0	0
Special Payments			
Compensation payments			
- Clinical Negligence	112	5,472	7,031
- Public Liability	2	12	96
- Employers Liability	42	262	256
- Other	2	19	0
	158	5,765	7,383
Ex-gratia payments	14	4	6
Extra contractual	0	0	0
Special severance payments	0	0	0
TOTAL	277	5,844	7,438

Five clinical negligence cases settled for in excess of £250,000 (including costs) in 2015/16. These cases settled for £1,763,492, £399,782, £334,345, £318,834, and £250,865.

The Trusts Preliminary Advisory Group on clinical negligence has reviewed the outcome of these cases and any lessons learnt have been considered and addressed.

Accountability Report - Statement of Losses

Special Payments

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

Other Payments

There were no other payments made in the year.

Losses and Special payments over £250,000

Losses and Special Payments over £250,000

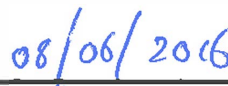
Losses and Special Payments over £250,000	Number of Cases	2015-16 £000	2014-15 £000
Cash losses	0	0	0
Claims abandoned	0	0	0
Administrative write-offs	0	0	0
Fruitless payments	0	0	0
Stores losses	0	0	0
Special Payments	5	3,067	4,014
	5	3,067	4,014

On behalf of the South Eastern H&SC Trust I approval the Accountability Report encompassing the following sections:

- Corporate Governance Statement
- Directors Report
- Remuneration and Staff Report
- Statement of Losses and Special Payments



Hugh McCaughey
Accounting Officer



Date

Accountability Report - C&AG Audit Certificates

South Eastern 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 South Eastern Health and Social Care Trust and its group for the year ended 31 March 2016 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise the Consolidated Statements of Comprehensive Net Expenditure, Financial Position, Changes in Taxpayers' Equity, Cash Flows, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and Accountability and Audit Report within the Accountability Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and South Eastern Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the South Eastern 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 - C&AG Audit Certificates

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 South Eastern Health and Social Care Trust's affairs as at 31 March 2016 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health (formerly Department of Health, Social Services and Public Safety) directions issued thereunder.

Opinion on other matters

In my opinion:

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

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.



15th June 2016

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



South Eastern Health and Social Care Trust

Annual Consolidated Accounts

For the year ended 31 March 2016



Annual Accounts - Foreword

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

FOREWORD

These accounts for the year ended 31 March 2016 have been prepared in accordance with Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

Annual Accounts - Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE

For the year ended 31 March 2016

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	2016 £000s		2015 £000s	
		Trust	Consolidated	Trust	Consolidated
Income					
Income from activities	4.1	29,205	29,205	29,247	29,247
Other operating income*	4.2	10,441	10,645	11,442	11,438
Deferred income	4.3	0	0	0	0
Total operating income		39,646	39,850	40,689	40,685
Expenditure					
Staff costs	3.1	(350,635)	(350,506)	(330,714)	(330,444)
Purchase of goods and services	3.2	(227,662)	(228,211)	(218,211)	(219,701)
Depreciation, amortisation and impairment charges	3.2	(15,226)	(15,226)	(39,769)	(39,769)
Provision expense	3.2	(9,155)	(9,155)	(12,856)	(12,856)
Other expenditures	3.2	(59)	(59)	(57)	(57)
Total operating expenditure		(602,737)	(603,157)	(601,607)	(602,827)
Net operating expenditure		(563,091)	(563,307)	(560,918)	(562,142)
Finance income	4.2		144	0	157
Finance expense	3.2		0		0
Net expenditure for the year		(563,091)	(563,163)	(560,918)	(561,985)
Revenue Resource Limit (RRL)	24.1	563,144	563,144	560,868	560,868
Add back charitable trust fund net expenditure*			72		1,067
Surplus / (Deficit) against RRL		53	53	(50)	(50)

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2016 £000s		2015 £000s	
		Trust	Consolidated	Trust	Consolidated
Items that will not be reclassified to net operating costs:					
Net gain/(loss) on revaluation of property, plant and equipment	5.1/8/5.2/8	20,301	20,301	20,732	20,732
Net gain/(loss) on revaluation of intangibles	6.1/8/6.2/8	0	0	0	0
Net gain/(loss) on revaluation of charitable assets			(275)		364
Items that may be reclassified to net operating costs:					
Net gain/(loss) on revaluation of investments			0		0
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2016		(542,790)	(543,137)	(540,186)	(540,889)

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

The notes on pages 83 to 123 form part of these accounts.

Annual Accounts - Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2016

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

	NOTE	2016		2015	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
Non Current Assets					
Property, plant and equipment	5.1/5.2	529,910	530,010	471,535	471,635
Intangible assets	6.1/6.2	7,193	7,193	7,662	7,662
Financial assets	7	0	5,093	0	5,724
Trade and other receivables	12	0	0	0	0
Other current assets	12	0	0	0	0
Total Non Current Assets		537,103	542,296	479,197	485,021
Current Assets					
Assets classified as held for sale	9	379	379	539	539
Inventories	10	2,563	2,563	2,407	2,407
Trade and other receivables	12	19,008	19,037	22,079	21,735
Other current assets	12	798	798	1,517	1,517
Intangible current assets	12	0	0	0	0
Financial assets	7	0	0	0	0
Cash and cash equivalents	11	1,999	2,132	1,457	1,720
Total Current Assets		24,747	24,909	27,999	27,918
Total Assets		561,850	567,205	507,196	512,939
Current Liabilities					
Trade and other payables	13	(66,548)	(66,568)	(53,283)	(53,344)
Other liabilities	13	0	0	0	0
Intangible current liabilities	13	0	0	0	0
Provisions	15	(22,465)	(22,465)	(13,808)	(13,808)
Total Current Liabilities		(89,013)	(89,033)	(67,091)	(67,152)
Non Current Assets plus/less Net Current Assets / Liabilities		472,837	478,172	440,105	445,787
Non Current Liabilities					
Provisions	15	(19,594)	(19,594)	(25,231)	(25,231)
Other payables > 1 yr	13	0	0	0	0
Financial liabilities	7	0	0	0	0
Total Non Current Liabilities		(19,594)	(19,594)	(25,231)	(25,231)
Total Assets less Total Liabilities		453,243	458,578	414,874	420,556
Taxpayers' Equity and Other Reserves					
Revaluation reserve		88,730	88,730	68,587	68,587
SoCNE reserve		364,513	364,513	346,287	346,287
Other reserves - charitable fund			5,335		5,682
Total equity		453,243	458,578	414,874	420,556

The financial statements on pages 79 to 82 were approved by the Board on xx June 2016 and were signed on behalf by:-

Signed:



Chairman

Date:

8/06/16

Signed:



Chief Executive

Date:

8/06/2016

The notes on pages 83 to 123 form part of these Accounts.

Annual Accounts - Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31 March 2016

The Statement of Cash Flows shows the changes in cash and cash equivalents of the SEHSCT during the reporting period. The statement shows how the SEHSCT 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 SEHSCT. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the SEHSCT future public service delivery.

	NOTE	2016 £000s	2015 £000s
Cash flows from operating activities			
Net expenditure after interest		(563,163)	(561,985)
Adjustments for non cash costs		24,440	52,682
(Increase)/decrease in trade and other receivables		3,417	(2,544)
<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			
Movements in receivables relating to the sale of intangibles			
Movements in receivables relating to finance leases			
Movements in receivables relating to PFI and other service concession arrangement contracts		0	0
(Increase)/decrease in inventories		(156)	(87)
Increase/(decrease) in trade payables		13,224	5,811
<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		2,659	5,178
Movements in payables relating to the purchase of intangibles		77	179
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	(6,135)	(7,722)
Net cash outflow from operating activities		(525,637)	(508,488)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	(55,545)	(55,270)
(Purchase of intangible assets)	6		(4,975)
Proceeds of disposal of property, plant & equipment		138	894
Proceeds on disposal of intangibles			0
Proceeds on disposal of assets held for resale			21
Drawdown from investment fund		500	1,500
Share of income reinvested		(144)	(157)
Net cash outflow from investing activities		(55,051)	(57,987)
Cash flows from financing activities			
Grant in aid		581,100	565,700
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements			
Net financing		581,100	565,700
Net increase (decrease) in cash & cash equivalents in the period		412	(775)
Cash & cash equivalents at the beginning of the period	11	1,720	2,495
Cash & cash equivalents at the end of the period	11	2,132	1,720

The notes on pages 83 to 123 form part of these accounts.

Annual Accounts - Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY For the year ended 31 March 2016

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

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
Balance at 31 March 2014		341,458	47,845	6,385	395,688
Changes in accounting policy		0	0	0	0
Restated balance at 1 April 2014		341,458	47,845	6,385	395,688
Changes in Taxpayers Equity 2014-15					
Grant from DHSSPS		565,700	0	0	565,700
Transfers between reserves		(10)	10	0	0
(Comprehensive expenditure for the year)		(560,918)	20,732	(703)	(540,889)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	3	57	0	0	57
Movement - other		0	0	0	0
Balance at 31 March 2015		346,287	68,587	5,682	420,556
Changes in Taxpayers Equity 2015-16					
Grant from DHSSPS		581,100	0	0	581,100
Transfers between reserves		158	(158)	0	0
(Comprehensive expenditure for the year)		(563,091)	20,301	(347)	(543,137)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	3	59	0	0	59
Balance at 31 March 2016		364,513	88,730	5,335	458,578

The notes on pages 83 to 123 form part of these accounts.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

1. Authority

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

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to the Trust. 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, unless otherwise stated, in dealing with items considered material in relation to the accounts.

1.1 Accounting Convention

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

1.2 Currency and Rounding

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

1.3 Property, Plant and Equipment

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

Recognition

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000 (or less if so desired);
- Collectively, a number of items have a cost of at least £5,000 (or less if so desired) and individually have a cost of more than £1,000 (or less if so desired), where the assets are functionally interdependent, they had broadly simultaneous

Annual Accounts - Notes to the Accounts

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 are measured at cost including any expenditure such as installation, directly attributable to bringing them 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 Surveyors (Statement of Asset Valuation Practice) Appraisal and Valuation 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 an independent executive body within the Department of Finance and Personnel. The valuers are qualified to meet the ‘Member of Royal Institution of Chartered Surveyors’ (MRICS) standard.

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

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

Fair values are determined as follows:

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

Modern Equivalent Asset

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

Annual Accounts - Notes to the Accounts

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees as allowed by IAS 23 for assets held at fair value. 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 “non-current 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 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. The following asset lives have been used.

Asset Type	Asset Life
Freehold Buildings	25 – 60 years
Leasehold property	Remaining period of lease
IT Assets	3 – 10 years
Intangible assets	3 – 10 years
Other Equipment	3 – 25 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. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.6 Subsequent Expenditure

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

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

1.7 Intangible Assets

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

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

Recognition

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

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

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

1.8 Donated Assets

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

1.9 Non-current Assets Held For Sale

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

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount. The profit from sale of land which is a non-depreciating asset is recognised within income. The profit from sale of a depreciating asset is shown as a reduced expense. The loss from sale of land or profit/loss from sale of 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.

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

1.10 Inventories

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

1.11 Income

Operating 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 Reserves.

1.12 Investments

The Trust does not have any investments.

1.13 Other Expenses

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

1.14 Cash and Cash Equivalents

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

1.15 Leases

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

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the

Annual Accounts - Notes to the Accounts

lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

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

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

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

The Trust as lessor

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

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

1.16 Private Finance Initiative (PFI) Transactions.

The South Eastern Health and Social Care Trust had no PFI transactions during the year.

1.17 Financial Instruments

- Financial Assets

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

Financial assets are initially recognised at fair value.

- Financial Liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been

Annual Accounts - Notes to the Accounts

received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

- Financial Risk Management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within 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 too little credit, liquidity or market risk.

- Currency Risk

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

- Interest Rate Risk

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

- Credit Risk

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

- Liquidity Risk

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

1.18 Provisions

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

Annual Accounts - Notes to the Accounts

rate. The rates for General Provision (covering provisions such as clinical negligence) are:

- short term (up to and including 5 years) (minus) - 1.50%
- medium term (after 5 and up to 10 years) (minus) – 1.05%
- long term (10 years and over) Plus +2.20%

The other main discount factor, which is only for Unfunded Public Service Pension Schemes and Early Departure Costs, is + 1.30% in real terms (previous year was + 1.80%).

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 affect 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 ongoing activities of the entity.

1.19 Contingencies

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

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

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



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present value.

1.20 Employee Benefits

Short-term Employee Benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using average staff numbers and costs applied to the average untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2014. It is not anticipated that the level of untaken leave will vary significantly from year to year. Untaken flexi leave is estimated to be immaterial to the Trust and has not been included.

Retirement Benefit Costs

Past and present employees are covered by the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the Trust and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSC Superannuation Scheme can be found in the HSC Superannuation 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 is used in the 2014/15 accounts.

1.21 Reserves

Statement of Comprehensive Net Expenditure Reserve

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

Revaluation Reserve

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

1.22 Value Added Tax

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

1.23 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 24 to the accounts.

1.24 Government Grants

DFP issued new guidance effective from 1 April 2011. Government grant reserves are no longer permitted. Income is generally recognised when it is received. In exceptional cases where there are conditions attached to the use of the grant, which, if not met, would mean the grant is repayable, the income should be deferred and released when obligations are met. The note to the financial statements distinguishes between grants from UK government entities and grants from European Union.

1.25 Losses and Special Payments

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

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

1.26 Charitable Trust Account Consolidation

From 2013-14 the FReM consolidation accounting policy requires the HSC Trusts and ALBs financial statements to consolidate the financial performance and accounts of controlled charitable organisations and funds held on trust. The HSC Trusts and ALBs has accounted for these transfers using merger accounting as required by the FReM. It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

All funds have been used by South Eastern Health and Social Care Trust as intended by the benefactor. It is for the Gifts and Endowments/Charitable Trust

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

All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor. Charitable Trust Funds Accounts continue to be prepared and laid separately before the Assembly.

1.27 Accounting Standards That Have Been Issued But Have Not Yet Been 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, but a decision has yet to be made by the Executive. Should the Executive agree to the recommendations, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12 'Disclosure of Interests in other Entities'.

The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need assessing.

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

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 ANALYSIS OF NET EXPENDITURE BY SEGMENT

NOTE 2

The Trust is managed by the 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.

All expenditure figures should be negatives e.g. non cash expenditure/total expenditure/net expenditure and then the final surplus/deficit figures would be the addition of the negative Net Spend figure and the positive Revenue Resource limit figure thereby arriving at 53k surplus this year and (50k) deficit last year.

<u>Directorate</u>	Staff Costs £000s	2016 Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	2015 Other Expenditure £000s	Total Expenditure £000s
Hospital Services	(149,185)	(46,559)	(195,744)	(144,723)	(47,629)	(192,352)
Adult Services	(43,411)	(44,833)	(88,244)	(42,641)	(40,978)	(83,619)
Children's Services & Social Work	(37,584)	(22,176)	(59,760)	(36,346)	(21,092)	(57,438)
Primary & Elederly Services	(68,339)	(91,302)	(159,641)	(67,666)	(88,306)	(155,972)
Support Services & Other Trust Directorates	(38,434)	(20,995)	(59,429)	(37,542)	(19,301)	(56,843)
Unallocated Expenditure	(13,682)	(1,797)	(15,479)	(1,796)	(905)	(2,701)
			0			0
Expenditure for Reportable Segments net of Non Cash Expenditure	(350,635)	(227,662)	(578,297)	(330,714)	(218,211)	(548,925)
Non Cash Expenditure			(24,440)			(52,682)
Total Expenditure per Net Expenditure Account			(602,737)			(601,607)
Income Note 4			39,646			40,689
Net Expenditure			(563,091)			(560,918)
Revenue Resource Limit			563,144			560,868
Surplus / (Deficit) against RRL			53			(50)



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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 3 OPERATING EXPENSES

Operating Expenses

3.1 Staff Costs

	2016			2015
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	285,707	11,919	297,626	284,295
Social security costs	18,977	0	18,977	19,506
Other pension costs	34,510	0	34,510	28,379
Sub-Total	339,194	11,919	351,113	332,180
Capitalised staff costs	478		478	1,466
Total staff costs reported in Statement of Comprehensive Expenditure	338,716	11,919	350,635	330,714
Less recoveries in respect of outward secondments			(3,762)	(4,518)
Total net costs			346,873	326,196
Total Net costs of which:			£000s	£000s
South Eastern HSC Trust			350,635	330,714
Charitable Trust Fund			0	0
Consolidation Adjustments			(129)	(270)
Total			350,506	330,444

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 3 OPERATING EXPENSES

3.2 Operating Expenses are as follows:-

	2016		2015	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Operating Expenses are as follows:-				
Purchase of care from non-HPSS bodies	117,980	117,980	113,247	113,247
Revenue grants to voluntary organisations	11,723	11,723	10,831	10,831
Capital grants to voluntary organisations	0	0	0	0
Personal social services	9,684	9,684	8,391	8,391
Recharges from other HSC organisations	7,629	7,629	7,343	7,343
Supplies and services - Clinical	35,891	35,891	35,212	35,212
Supplies and services - General	5,651	5,651	5,954	5,954
Establishment	8,058	8,058	8,716	8,716
Transport	1,736	1,736	1,840	1,840
Premises	15,608	15,608	14,942	14,942
Bad debts	342	342	347	347
Rentals under operating leases	1,225	1,225	1,306	1,306
Rentals under finance leases	0	0	0	0
Finance cost of finance leases	0	0	0	0
Interest charges	0	0	0	0
PFI and other service concession arrangements service charges	0	0	0	0
Research & development expenditure	0	0	0	0
Clinical negligence - other expenditure	0	0	0	0
BSO services	3,973	3,973	3,082	3,082
Training	831	831	365	365
Professional fees	0	0	0	0
Patients travelling expenses	141	141	114	114
Costs of exit packages provided for	879	879	526	526
Elective care	0	0	0	0
Other charitable expenditure	0	549	0	1,490
Miscellaneous expenditure	6,311	6,311	5,995	5,995
Non cash items				
Depreciation	21,078	21,078	21,354	21,354
Amortisation	1,888	1,888	960	960
Impairments	(7,784)	(7,784)	17,559	17,559
(Profit) on disposal of property, plant & equipment (excluding profit on land)	44	44	(104)	(104)
(Profit) on disposal of intangibles	0	0	0	0
Loss on disposal of property, plant & equipment (including land)	0	0	0	0
Loss on disposal of intangibles	0	0	0	0
Provisions provided for in year	9,657	9,657	13,261	13,261
Cost of borrowing of provisions (unwinding of discount on provisions)	(502)	(502)	(405)	(405)
Auditors remuneration	59	64	57	63
Add back of notional charitable expenditure	0	(5)	0	(6)
Total	252,102	252,651	270,893	272,383

During the year the Trust purchased no services in respect of NFI from its external auditor.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 4 INCOME

4.1 Income from Activities	2016		2015	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
GB/Republic of Ireland Health Authorities	0	0	0	0
HSC Trusts	11	11	43	43
Non-HSC:- Private patients	304	304	259	259
Non-HSC:- Other	722	722	1,914	1,914
Clients contributions	28,168	28,168	27,031	27,031
Total	29,205	29,205	29,247	29,247

4.2 Other Operating Income	2016		2015	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Other income from non-patient services	6,598	6,598	6,925	6,925
Seconded staff	3,762	3,633	4,518	4,248
Charitable and other contributions to expenditure by core trust	5	5	(1)	(1)
Donations / Government grant / Lottery funding for non current assets	76	76	0	0
Charitable income received by charitable trust fund	0	333	0	266
Investment income	0	144	0	157
Profit on disposal of land	0	0	0	0
Interest receivable	0	0	0	0
Total	10,441	10,789	11,442	11,595

4.3 Deferred income	2016		2015	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Income released from conditional grants	0	0	0	0
Total	0	0	0	0
TOTAL INCOME	39,646	39,994	40,689	40,842

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 5.1 Consolidated Property, Plant & Equipment - year ended 31 March 2016

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2015	42,490	283,855	33,554	73,463	58,065	5,113	32,774	4,511	533,825
Indexation	287	17,836	2,518	0	696	31	0	23	21,391
Additions	0	1,731	646	45,120	1,264	638	1,896	19	51,314
Donations / Government grant / Lottery funding	0	0	0	0	76	0	0	0	76
Reclassifications	0	1,852	(1,698)	(156)	0	0	0	0	0
Transfers	0	673	(67)	(3,670)	3,114	0	0	2	0
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	(50)	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	(872)	0	0	(663)	0	0	0	(1,535)
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	1,826	7,401	329	0	0	0	0	0	9,556
Disposals	0	0	0	0	(1,323)	(49)	0	0	(1,372)
At 31 March 2016	44,603	312,476	35,282	114,757	61,229	5,733	34,670	4,505	613,255
Depreciation									
At 1 April 2015	0	2,142	405	0	33,570	1,791	21,412	2,870	62,190
Indexation	0	544	83	0	433	14	0	16	1,090
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	0	226	11	0	0	0	0	0	237
Disposals	0	8,986	899	0	(1,305)	(45)	0	0	(1,350)
Provided during the year	0	0	0	0	6,130	656	4,071	336	21,078
At 31 March 2016	0	11,898	1,398	0	38,828	2,416	25,483	3,222	83,245
Carrying Amount									
At 31 March 2016	44,603	300,578	33,884	114,757	22,401	3,317	9,187	1,283	530,010
At 31 March 2015	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Asset financing									
Owned	44,603	300,578	33,884	114,757	22,401	3,317	9,187	1,283	530,010
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2016	44,603	300,578	33,884	114,757	22,401	3,317	9,187	1,283	530,010

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

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

	2016 £000s	2015 £000s
Donations	76	0
Government grant	0	0

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

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016
NOTE 5.2 Consolidated Property, Plant & Equipment - year ended 31 March 2015

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
Cost or Valuation									
At 1 April 2014	47,694	319,242	36,271	38,923	54,130	4,469	31,164	4,361	536,254
Indexation	0	0	0	0	0	0	0	0	931
Additions	0	5,595	258	38,522	3,004	952	1,610	150	50,091
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	253	130	(383)	(17)	17	0	0	0
Transfers	(380)	3,599	0	(3,599)	0	0	0	0	(380)
Revaluation exercise accumulated depreciation adjustment	0	(50,940)	(4,596)	0	0	0	0	0	(55,536)
Revaluation	1,533	22,070	5,388	0	18	0	0	0	29,009
Impairment charged to the SocNE	(8,777)	(11,617)	(2,836)	0	(1)	0	0	0	(23,231)
Impairment charged to the revaluation reserve	(5)	(6,959)	(1,699)	0	(1)	0	0	0	(8,661)
Reversal of impairments (indexn)	2,423	2,612	638	0	0	0	0	0	5,673
Disposals	0	0	0	0	0	(325)	0	0	(325)
At 31 March 2015	42,490	283,855	33,554	73,463	58,065	5,113	32,774	4,511	533,825
Depreciation									
At 1 April 2014	0	41,500	3,888	0	29,129	1,570	17,569	2,494	96,150
Indexation	0	0	0	0	547	0	0	0	547
Reclassifications	0	0	0	0	(11)	11	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation exercise accumulated depreciation adjustment	0	(50,940)	(4,596)	0	0	0	0	0	(55,536)
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SocNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	0	0	0	0	0	(325)	0	0	(325)
Disposals	0	11,582	1,113	0	3,905	535	3,843	376	21,354
Provided during the year	0	2,142	405	0	33,570	1,791	21,412	2,870	62,190
At 31 March 2015	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Carrying Amount	47,694	277,742	32,383	38,923	25,001	2,899	13,595	1,867	440,104
At 1 April 2014	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Owned	0	0	0	0	0	0	0	0	0
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
At 31 March 2015	47,694	277,742	32,383	38,923	25,001	2,899	13,595	1,867	440,104
Owned	0	0	0	0	0	0	0	0	0
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount	47,694	277,742	32,383	38,923	25,001	2,899	13,595	1,867	440,104
At 1 April 2014	44,503	300,578	33,884	114,757	22,401	3,317	9,187	1,283	529,910
Charitable Trust Fund at 31 March 2016	100	0	0	0	0	0	0	0	100
Charitable Trust Fund at 31 March 2015	44,603	300,578	33,884	114,757	22,401	3,317	9,187	1,283	530,010
Trust at 31 March 2015	42,390	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,535
Charitable Trust Fund at 31 March 2015	100	0	0	0	0	0	0	0	100
At 31 March 2014	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Trust at 31 March 2014	47,594	277,742	32,383	38,923	25,001	2,899	13,595	1,867	440,004
Charitable Trust Fund at 31 March 2014	100	0	0	0	0	0	0	0	100
At 31 March 2015	47,694	277,742	32,383	38,923	25,001	2,899	13,595	1,867	440,104

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 6.1 Consolidated Intangible Assets - year ended 31 March 2016

	Software Licences £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
Cost or Valuation									
At 1 April 2015	9,784	0	0	0	0	0	0	0	9,784
Indexation	0	0	0	0	0	0	0	0	0
Additions	1,419	0	0	0	0	0	0	0	1,419
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Provided during the year	1,888	0	0	0	0	0	0	0	1,888
At 31 March 2016	11,203	0	0	0	0	0	0	0	11,203
Amortisation									
At 1 April 2015	2,122	0	0	0	0	0	0	0	2,122
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Provided during the year	1,888	0	0	0	0	0	0	0	1,888
At 31 March 2016	4,010	0	0	0	0	0	0	0	4,010
Carrying Amount									
At 31 March 2016	7,193	0	0	0	0	0	0	0	7,193
At 31 March 2015	7,662	0	0	0	0	0	0	0	7,662
Asset financing									
Owned	7,193	0	0	0	0	0	0	0	7,193
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2016	7,193	0	0	0	0	0	0	0	7,193

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

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

SOUTHEASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 NOTE 6.2 Consolidated Intangibles Assets - year ended 31 March 2015

	Software Licenses £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
Cost or Valuation									
At 1 April 2014	4,988	0	0	0	0	0	0	0	4,988
Indexation	0	0	0	0	0	0	0	0	0
Additions	4,796	0	0	0	0	0	0	0	4,796
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
	960	0	0	0	0	0	0	0	960
At 31 March 2015	9,784	0	0	0	0	0	0	0	9,784
Amortisation									
At 1 April 2014	1,162	0	0	0	0	0	0	0	1,162
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Provided during the year	960	0	0	0	0	0	0	0	960
At 31 March 2015	2,122	0	0	0	0	0	0	0	2,122
Carrying Amount									
At 31 March 2015	7,662	0	0	0	0	0	0	0	7,662
At 1 April 2014	3,826	0	0	0	0	0	0	0	3,826
Asset financing									
Owned	7,662	0	0	0	0	0	0	0	7,662
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 31 March 2015	7,662	0	0	0	0	0	0	0	7,662
At 1 April 2014	3,826	0	0	0	0	0	0	0	3,826
Owned	3,826	0	0	0	0	0	0	0	3,826
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount									
At 1 April 2014	3,826	0	0	0	0	0	0	0	3,826
Carrying amount comprises:									
Trust at 31 March 2016	7,193	0	0	0	0	0	0	0	7,193
Charitable Trust Fund at 31 March 2016	0	0	0	0	0	0	0	0	0
	7,193	0	0	0	0	0	0	0	7,193
Trust at 31 March 2015	7,662	0	0	0	0	0	0	0	7,662
Charitable Trust Fund at 31 March 2015	0	0	0	0	0	0	0	0	0
	7,662	0	0	0	0	0	0	0	7,662
Trust at 31 March 2014	3,826	0	0	0	0	0	0	0	3,826
Charitable Trust Fund at 31 March 2014	0	0	0	0	0	0	0	0	0
	3,826	0	0	0	0	0	0	0	3,826

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 7 FINANCIAL INSTRUMENTS

NOTE 7 Financial Instruments

The Trust does not have any financial instruments, apart from note 11 Cash Balances, note 12 Trade Receivables and note 13 Trade Payables.

	Investments £000s	2016 Assets £000s	Liabilities £000s	Investments £000s	2015 Assets £000s	Liabilities £000s
Balance at 1 April	5,724	0	0	6,703	0	0
Net cash inflow/(outflow)	(500)	0	0	(1,500)	0	0
Share of income	144	0	0	157	0	0
Share of realised gains/(losses)	(41)	0	0	66	0	0
Share of unrealised gains/(losses)	(234)	0	0	298	0	0
Balance at 31 March	<u>5,093</u>	<u>0</u>	<u>0</u>	<u>5,724</u>	<u>0</u>	<u>0</u>
Trust	0	0	0	0	0	0
Charitable trust fund	5,093	0	0	5,724	0	0
	<u>5,093</u>	<u>0</u>	<u>0</u>	<u>5,724</u>	<u>0</u>	<u>0</u>

NOTE 7.1 Market value of investments as at 31 March 2016

	Held in UK £000s	Held outside UK £000s	2016 Total £000s	2015 Total £000s
Investment properties	0	0	0	0
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF	5,093	0	5,093	5,724
Investments in a Common Deposit Fund or Investment Fund	0	0	0	0
Unlisted securities	0	0	0	0
Cash held as part of the investment	0	0	0	0
Investments in connected bodies	0	0	0	0
Other investments	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total market value of fixed asset investments	<u>5,093</u>	<u>0</u>	<u>5,093</u>	<u>5,724</u>

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 8 IMPAIRMENTS

	2016		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	1,535	0	1,535
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	0	0	0
Reversal of impairment	(9,319)	0	(9,319)
Reversal of impairment into revaluation reserve	0	0	0
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	(7,784)	0	(7,784)
	2015		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	31,892	0	31,892
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	(8,660)	0	(8,660)
Reversal of impairment	(5,673)	0	(5,673)
Reversal of impairment into revaluation reserve	0	0	0
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	17,559	0	17,559

The net reversal of impairment of £9,319k for 2015/16 relates to indexation increases applied to land 4.98% and buildings 8.82%. This is per guidance from the Department of Health, Social Services and Public Safety. Indices are provided by Land and Property Services (LPS) as detailed in Note 1.3.

Impairment of £1,535k relates to the cost impairment of two projects following LPS valuations. Decentralisation of Boilers Ulster Hospital Dundonald was impaired by £872k and Lagan Valley GP out of Hours was impaired by £663k.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2016 £000s	2015 £000s	2016 £000s	2015 £000s	2016 £000s	2015 £000s
Cost						
At 1 April	415	827	124	143	539	970
Transfers in	0	380	0	0	0	380
Transfers out	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0
(Disposals)	(35)	(792)	(125)	(19)	(160)	(811)
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	380	415	(1)	124	379	539
Depreciation						
At 1 April	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0
(Disposals)	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	0	0	0	0	0	0
Carrying amount at 31 March	380	415	(1)	124	379	539

Non-current assets held for sale comprise those assets that are held for sale rather than for continuing use within the business. At 31 March 2016 non-current assets held for resale comprise:

Fields 21, 22, 23 & 24, Ardglass Road, Downpatrick (37-38 acres), and Seymour House Dunmurry Belfast

Disposal during the year:

70 Hillsborough Road Lisburn

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 10 INVENTORIES

Classification	2016 £000s		2015 £000s	
	Trust	Consolidated	Trust	Consolidated
Pharmacy supplies	1,449	1,449	1,277	1,277
Theatre equipment	606	606	616	616
Building & engineering supplies	73	73	73	73
Fuel	122	122	163	163
Community care appliances	0	0	0	0
Laboratory materials	178	178	160	160
Stationery	0	0	0	0
Laundry	32	32	23	23
X-Ray	83	83	78	78
Stock held for resale	6	6	8	8
Orthopaedic equipment	14	14	9	9
Heat, light and power	0	0	0	0
Other	0	0	0	0
Total	2,563	2,563	2,407	2,407



Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 11 CASH AND CASH EQUIVALENTS

	2016 £000s		2015 £000s	
	Core Trust	Consolidated	Core Trust	Consolidated
Balance at 1st April	1,457	1,720	2,130	2,495
Net change in cash and cash equivalents	542	412	(673)	(775)
Balance at 31st March	1,999	2,132	1,457	1,720

The following balances at 31 March were held at	2016 £000s		2015 £000s	
	Core Trust	Consolidated	Core Trust	Consolidated
Commercial banks and cash in hand	1,999	2,132	1,457	1,720
Balance at 31st March	1,999	2,132	1,457	1,720

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2016		2015	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Amounts falling due within one year				
Trade receivables	1,364	1,364	2,376	2,376
Deposits and advances	7	7	0	0
VAT receivable	4,555	4,566	5,244	5,244
Other receivables - not relating to fixed assets	13,082	13,100	14,459	14,115
Other receivables - relating to property plant and equipment	0	0	0	0
Other receivables - relating to intangibles	0	0	0	0
Trade and other receivables	19,008	19,037	22,079	21,735
Prepayments and accrued income	798	798	1,517	1,517
Current part of PFI and other service concession arrangements prepayment	0	0	0	0
Other current assets	798	798	1,517	1,517
Carbon reduction commitment	0	0	0	0
Intangible current assets	0	0	0	0
Amounts falling due after more than one year				
Trade receivables	0	0	0	0
Deposits and advances	0	0	0	0
Other receivables	0	0	0	0
Trade and other receivables	0	0	0	0
Prepayments and accrued income	0	0	0	0
Other current assets falling due after more than one year	0	0	0	0
TOTAL TRADE AND OTHER RECEIVABLES	19,008	19,037	22,079	21,735
TOTAL OTHER CURRENT ASSETS	798	798	1,517	1,517
TOTAL INTANGIBLE CURRENT ASSETS	0	0	0	0
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	19,806	19,835	23,596	23,252

The balances are net of a provision for bad debts of £1,793k (2015 £1,451k)

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2016 £000s		2015 £000s	
	Trust	Consolidated	Trust	Consolidated
Amounts falling due within one year				
Other taxation and social security	11,459	11,459	11,497	11,497
VAT payable	0	0	0	0
Bank overdraft	0	0	0	0
Trade capital payables - property, plant and equipment	9,091	9,091	11,750	11,750
Trade capital payables - intangibles	0	0	77	77
Trade revenue payables	15,859	15,859	9,117	9,117
Payroll payables	4,168	4,168	3,797	3,797
Clinical negligence payables	760	760	0	0
RPA payables	749	749	0	0
BSO payables	2,974	2,974	8,162	8,162
Other payables	4,814	4,834	5,152	5,213
Accruals and deferred income	16,674	16,674	3,731	3,731
Accruals and deferred income - relating to property, plant and equipment	0	0	0	0
Accruals and deferred income - relating to intangibles	0	0	0	0
Trade and other payables	66,548	66,568	53,283	53,344
Current part of finance leases	0	0	0	0
Current part of long term loans	0	0	0	0
Current part of imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0
Other current liabilities	0	0	0	0
Carbon reduction commitment	0	0	0	0
Intangible current liabilities	0	0	0	0
Total payables falling due within one year	66,548	66,568	53,283	53,344
Amounts falling due after more than one year				
Other payables, accruals and deferred income	0	0	0	0
Trade and other payables	0	0	0	0
Clinical negligence payables	0	0	0	0
Finance leases	0	0	0	0
Imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0
Long term loans	0	0	0	0
Total non current other payables	0	0	0	0
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	66,548	66,568	53,283	53,344



Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

NOTE 13.2 LOANS

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

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 14 PROMPT PAYMENT POLICY

14.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that Trust pay their non HSC trade creditors in accordance with the Better Payments Practice Code and Government Accounting Rules. The Trust's payment policy is consistent with the Better Payments Practice code and Government Accounting rules and its measure of compliance is:

	2016 Number	2016 Value £000s	2015 Number	2015 Value £000s
Total bills paid	220,544	308,590	146,008	212,764
Total bills paid within 30 day target or under agreed payment terms	202,253	289,477	117,825	190,218
% of bills paid within 30 day target or under agreed payment terms	91.7%	93.8%	80.7%	89.4%
Total bills paid within 30 days of receipt of an undisputed invoice*	202,253	289,477		
% of bills paid within 30 days of receipt of an undisputed invoice	91.7%	93.8%		
Total bills paid within 10 day target	179,952	268,396	90,604	167,957
% of bills paid within 10 day target	81.6%	87.0%	62.1%	78.9%

14.2 The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	0
Amount of interest paid for payment(s) being late	105
Total	105

This is also reflected as a fruitless payment in Annual Report Losses and Special Payments.

The payments function transferred to BSO Shared Services during 2014-15.

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

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2016

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2016 £000s
Balance at 1 April 2015	0	6,645	30,781	0	1,613	39,039
Provided in year	0	197	11,337	0	946	12,480
(Provisions not required written back)	0	(314)	(2,114)	0	(395)	(2,823)
(Provisions utilised in the year)	0	(371)	(5,472)	0	(292)	(6,135)
Cost of borrowing (unwinding of discount)	0	84	(558)	0	(28)	(502)
At 31 March 2016	0	6,241	33,974	0	1,844	42,059

CSR £000s

CSR utilised costs include the following:

	£0
Pension costs for early retirement reflecting the single lump sum to buy over the full liability	0
Redundancy costs	0
	<u>0</u>

Comprehensive Net Expenditure Account charges

	2016 £000s	2015 £'000
Arising during the year	12,480	19,218
Reversed unused	(2,823)	(5,957)
Cost of borrowing (unwinding of discount)	(502)	(405)
Total charge within Operating expenses	9,155	12,856

Analysis of expected timing of discounted flows

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2016 £000s
Not later than one year	0	0	22,465	0	0	22,465
Later than one year and not later than five years	0	1,704	6,475	0	1,843	10,022
Later than five years	0	4,537	5,035	0	0	9,572
At 31 March 2016	0	6,241	33,975	0	1,843	42,059

Provisions have been made of 6 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Early Retirement, Injury Benefit, Employment Law and Restructuring (CSR). The provision for Early Retirement and Injury Benefit relates to the future liabilities for the Trust based on information provided by the HSC Superannuation Branch. For Clinical Negligence, Employer's and Occupier's claims and Employment Law the Trust has estimated an appropriate level of provision based on professional legal advice.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2015

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2015 £000s
Balance at 1 April 2014	0	6,733	25,529	0	1,643	33,905
Provided in year	0	572	17,859	0	787	19,218
(Provisions not required written back)	0	(405)	(5,109)	0	(443)	(5,957)
(Provisions utilised in the year)	0	(340)	(7,031)	0	(351)	(7,722)
Cost of borrowing (unwinding of discount)	0	85	(467)	0	(23)	(405)
At 31 March 2015	0	6,645	30,781	0	1,613	39,039

Analysis of expected timing of discounted flows

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2015 £000s
Not later than one year	0	340	13,415	0	53	13,808
Later than one year and not later than five years	0	1,359	9,518	0	1,560	12,437
Later than five years	0	4,946	7,848	0	0	12,794
At 31 March 2015	0	6,645	30,781	0	1,613	39,039

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 16 CAPITAL COMMITMENTS

	2016	2015
	£000s	£000s
Contracted capital commitments at 31 March not otherwise included in these financial statements		
Property, plant & equipment	110,475	45,546
Intangible assets	0	0
	<u>110,475</u>	<u>45,546</u>

The Capital Commitments relate to the Generic and Acute Ward Blocks currently being built at Ulster Hospital Dundonald.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 17 COMMITMENTS UNDER LEASES

17.1 Operating Leases

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

	2016 £000s	2015 £000s
Obligations under operating leases comprise		
Land		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	0	0
Buildings		
Not later than 1 year	181	128
Later than 1 year and not later than 5 years	195	40
Later than 5 years	1	1
	377	169
Other		
Not later than 1 year	937	993
Later than 1 year and not later than 5 years	1,572	2,509
Later than 5 years	0	0
	2,509	3,502

17.2 Finance Leases

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

17.3 Operating Leases

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

	2016 £000s	2015 £000s
Obligations under operating leases issued by the Trust comprise		
Land & Buildings		
Not later than 1 year	52	111
Later than 1 year and not later than 5 years	55	92
Later than 5 years	0	0
	107	203
Other		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	0	0

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 18 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

18.1 Off balance sheet (SoFP) PFI and other service concession arrangements schemes

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

18.2 On balance sheet (SoFP) PFI Schemes

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

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 19 OTHER FINANCIAL COMMITMENTS

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



Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 20 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

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

The Trust does not have any financial instruments apart from note 11 Cash Balances, note 12 Trade Receivables, and note 13 Trade Payables.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 21 CONTINGENT LIABILITIES

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

	2016	2015
	£000s	£000s
Clinical negligence	3,335	2,662
Public liability	0	0
Employers' liability	21	24
Accrued leave	0	0
Injury benefit	0	0
Other	0	0
Total	<u><u>3,356</u></u>	<u><u>2,686</u></u>



Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 22 Related Party Transactions

The South Eastern Health and Social Care Trust is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related Party and the ultimate controlling parent with which the Trust has had various material transactions during the year. The Trust has received income during the year of £578 million (£549million 2014/15). During the year the Trust has had a number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent. These entities include the Health and Social Care Board, the other five HSC Trusts and the Business Services Organisation.

The Trust is required to disclose details of material transactions with individuals who are regarded as related parties consistent with the requirements of IAS 24 Related Party Disclosures. This disclosure is recorded in the Trust's Register of Interests which is maintained by the Office of the Chief Executive and is available for inspection by members of the public.

During the year, none of the board members, members of the key management staff or other related parties has undertaken any material transactions with the South Eastern Health and Social Care Trust.

Mr Neil Guckian, Director of Finance and Estates, is the brother of the Chairman of the Western Health and Social Care Trust. During the 2015/16 financial year the Trust entered into £58k (£222k 2014/15) of material transactions for goods and services received from the Western Trust. The Trust also entered into £44k (£10k 2014/15) of material transactions for goods and services provided to the Western Trust. At 31 March 2016, the Trust owed £18k (£9k 2014/15) to the Western Health and Social Care Trust and was owed £5k (£71k 2014/15) by the same Trust.

NOTE 23 THIRD PARTY ASSETS

The Trust held £ 3,779,491 cash at bank and in hand at 31/3/16 (page 128) 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.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 24 FINANCIAL PERFORMANCE TARGETS

24.1 Revenue Resource Limit

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

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

	2016 Total £000s	2015 Total £000s
HSCB	526,686	496,627
PHA	3,861	3,539
SUMDE & NIMDTA	7,330	7,147
DHSSPS (excludes non cash)	903	873
Other Government Departments	0	0
Non cash RRL (from DHSSPS)	24,440	52,682
Total agreed RRL	563,220	560,868
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	(76)	0
Adjustment for PFI and other service concession arrangements/IFRIC 12 *	0	0
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	563,144	560,868

24.2 Capital Resource Limit

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

	2016 Total £000s	2015 Total £000s
Gross capital expenditure	52,809	54,887
Prepayment for Capital Scheme	(833)	833
Less charitable trust fund capital expenditure	(76)	0
Less IFRIC 12/PFI and other service concession arrangements spend *	0	0
adjustment to CRL from sale of fixed assets	(181)	(790)
Net capital expenditure	51,719	54,930
Capital Resource Limit	51,722	54,911
Overspend/(Underspend) against CRL	(3)	19

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTE 24.3 Financial Performance Targets

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

	2015/16 £000s	2014/15 £000s
Net Expenditure	(563,091)	(560,918)
RRL	563,144	560,868
Surplus / (Deficit) against RRL	53	(50)
Break Even cumulative position(opening)	(3,776)	(3,726)
Break Even cumulative position (closing)	<u>(3,723)</u>	<u>(3,776)</u>

Materiality Test:

	2015/16 %	2014/15 %
Break Even in year position as % of RRL	<u>0.01%</u>	<u>-0.01%</u>
Break Even cumulative position as % of RRL	<u>-0.66%</u>	<u>-0.67%</u>

The Trust has met its breakeven target for 2015-16, with a small surplus of £53k. This result is in line with the actions identified in the Trust's Financial Strategy and Deliver Plan. A key feature of 2015-16 was a consistent forecast of a small deficit which reduced in the final months of the year.

Annual Accounts - Notes to the Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016 **NOTE 25 POST BALANCE SHEET EVENTS**

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

NOTE 26 DATE AUTHORISED FOR ISSUE

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

Annual Accounts - Patient & Resident Monies Accounts

**SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST
PATIENTS'/ RESIDENTS MONIES ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

Annual Accounts - Patient & Resident Monies Accounts

STATEMENT OF TRUSTS RESPONSIBILITIES IN RELATION TO PATIENTS/RESIDENTS MONIES

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

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

Annual Accounts - Patient & Resident Monies Accounts

SOUTH EASTERN 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 South Eastern Health and Social Care Trust’s account of Patients’ and Residents’ Monies for the year ended 31 March 2016 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

Respective responsibilities of the Trust and auditor

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

Scope of the audit of the account

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

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

Opinion on regularity

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

Opinion on account

In my opinion:

- the account properly presents the receipts and payments of the monies held on behalf of the patients and residents of South Eastern Health and Social Care Trust for the year ended 31 March 2016 and balances held at that date; and

Annual Accounts - Patient & Resident Monies Accounts

- 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 (formerly Department of Health Social Services and Public Safety) directions issued thereunder.

Matters on which I report by exception

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

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

Report

I have no observations to make on this account.

KJ Donnelly

KJ Donnelly

Comptroller and Auditor General

Northern Ireland Audit Office

106 University Street

Belfast

BT7 1EU

15th June 2016

Annual Accounts - Patient & Resident Monies Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

PATIENTS'/ RESIDENTS MONIES ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

Previous Year	RECEIPTS		
£			£
	<u>Balance at 1 April 2015</u>		
916,305	1. Investments (at cost)	918,739	
1,996,358	2. Cash at Bank	2,514,690	
2,000	3. Cash in Hand	2,000	3,435,429
3,872,025	Amounts Received in the Year		4,164,698
2,434	Interest Received		661
6,789,122	TOTAL		7,600,788
	PAYMENTS		
3,353,693	Amounts Paid to or on behalf of Patients/Residents		3,821,297
	<u>Balance at 31 March 2016</u>		
918,739	1. Investments (at cost)		
2,514,690	2. Cash at Bank	3,777,491	
2,000	3. Cash in Hand	2,000	3,779,491
6,789,122	TOTAL		7,600,788
Schedule of investments held at 31 March 2016			
	Investment	Nominal Value £	Cost Price £
918,739		661	-

Cost Price £	Schedule investements held at March 2016	Nominal value £	Cost Price £
918,739	Investment	661	-

Investment accounts were closed in August 2015 and funds transferred to the Bank of Ireland current account to be in line with current banking contract.

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

Neil J

8th June 2016

Director of Finance

Date

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

16/06/16

Chief Executive

Date

8/06/2016

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Designed by Communications Department