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ANNUAL REPORT AND ACCOUNTS

2020-2021

Southern Health and Social Care Trust

Quality Care - for you, with you

Southern Health And Social Care Trust

Annual Report and Accounts

For year ended 31 March 2021

Laid before the Northern Ireland Assembly under Article 90(5) of the Health and Personal Social Services (NI) Order 1972 (as amended by the Audit and Accountability Order 2003)
by the Department of Health

on

6 July 2021

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COMMENTS

If you have any comments about this report or would like extra copies please telephone 028 3756 3983.

DIFFERENT FORMATS

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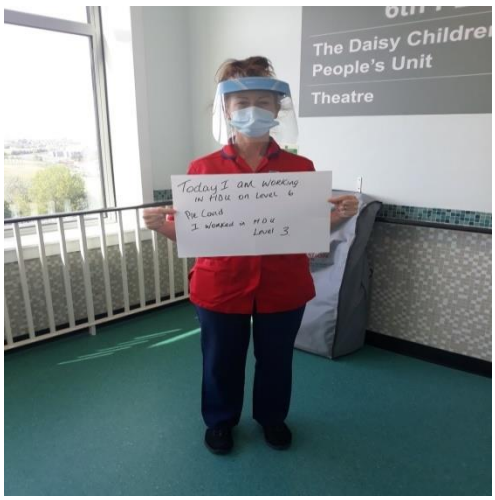
Message from Our Chair

Ms Eileen Mullan, MBE
Chair

Hello and welcome to the 2020-21 annual report from the Southern Health and Social Care Trust.

This is my first 'Message from the Chair', having taken up post on 1st December 2020. I took over the post from Roberta Brownlee MBE, who was in the Chair's seat for the last nine years. An amazing achievement, where Roberta led the Southern HSC Trust (the Trust) through many challenges, but also a period of huge change and progress within health and social care. Her commitment to staff and to everyone who uses our services was personal and compassionate and we all wish her well in the future.

I took on this role while we were in the middle of a global pandemic. I don't think any of us quite imagined what 2020 would be like – for health and social services this has been the year like no other – in all of our planning, modelling, I'm not sure anything would have prepared us for what this Trust has encountered during this last year.

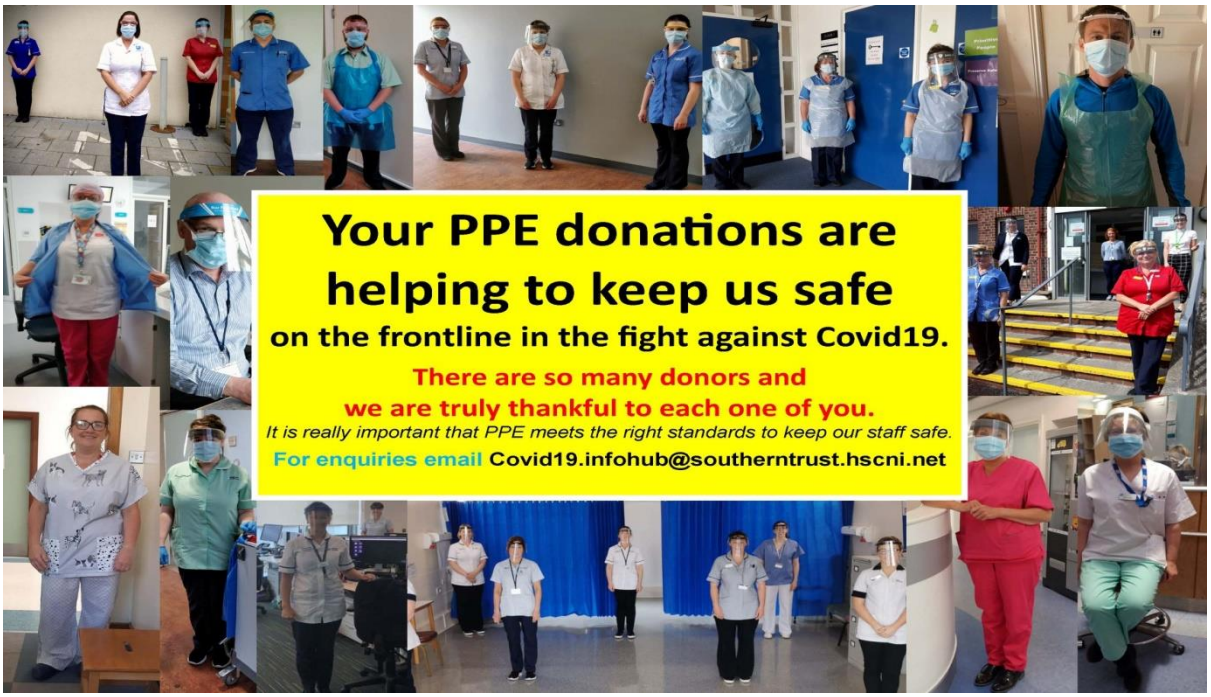


Through the darkest of days, we have seen the very best of our staff – keeping going when it just felt so tough and never-ending, doing their best, for their patients and clients, for each other, for their families and communities.

We can try and explain how hard this last year has been – but I do not think that anything I say will ever do justice to our staff

– sitting with dying patients when no family could be present, finding ways to treat and manage a devastating illness, taking on duties and jobs that were new and different, but doing it because that was what we needed to do. When we do eventually have time to reflect on this last year, the fear, the sadness, the unrelenting pressure – the thing that will always stay with me will be the compassion, the teamwork, the support and the 'can do' attitude – the very best of us, at the very worst of times.

We talk about a health and social care Trust that serves our local community – this year I think we need to change that view. It has been so clear to me that we don't serve our community – we are all part of one community, and when we come together as we have done over this last year, it is an amazing thing.



From the very first day, our community got behind us. Donations just appeared – scrubs, food, water, PPE, sanitiser – just an amazing community response. As this terrible pandemic walked through our community, our community stood up and said; "What can we do to help?" The support that our staff have had has been

phenomenal. From a simple thank-you and picture of a rainbow, to major businesses stepping up to help – it has been the very best of us and I don't know how we can ever thank you all enough.

The early months of 2021 have probably been the hardest of this last year – when we were all already tired, fed-up, anxious – the pandemic tested us in ways we couldn't have imagined. The numbers of patients in our hospitals was over four times the number we had during the first surge. Those were dark and difficult days – but we asked our local community again to help and again they responded magnificently.

The vaccination roll out has brought a much needed renewal of hope and we know the vaccination is only one part of how we as a society will need to live and work with Covid-19. The year ahead will bring many challenges for our Health and Social Care sector as we try to address the impact of the last year. However we are very mindful the impact the last year has had right across our society and the need for recovery.

I believe in better days ahead – we have learnt so much in this last year that will help us to drive change and improvement in health and social care. I look forward to working alongside our community, our partners, colleagues and the brilliant staff of the Trust.

Eileen Mullan, MBE

Chair

Message from Our Chief Executive

Mr Shane Devlin
Chief Executive

It would be impossible for me to do a report for the last year without starting back in December 2019. A new type of coronavirus called novel coronavirus (2019-nCoV, or COVID-19) was identified in Wuhan, China. Within three months, it had spread to Europe, and by March we had our first case in the Southern HSC Trust (the Trust).

The events of those three months in 2020 are the background to this year's Annual Report. It is hard to explain the devastating impact this virus has had on our community – but through this Report we will give a snap shot of our last year, the tragedy of so many deaths, the amazing work of our staff, the major changes across all our sites to keep our services running, and the challenge we face moving forward in a global pandemic.

It was clear early in January that we would need to be preparing for the worst. We stood up our Incident Response team, and planned our response to this new Virus that was causing serious respiratory illness.

These were difficult and urgent conversations. We made decisions to stand down services so we could train staff to look after seriously ill patients on our designated Covid-19 ward on the Craigavon Hospital site.

We made an early decision to consolidate our Covid-19 patients on one site – to concentrate respiratory expertise in one place, and provide resilience as inevitably staff became unable to work because of Covid-19. We had to stand down elective care, community services, day care – and temporarily closed down Daisy Hill Emergency Department, and transferred the service to the Craigavon site. For the

next 6 months, we ran two EDs – respiratory and non-respiratory – so as far as possible we could separate Covid and non-Covid patients.

The supply and management of PPE became a priority for the Trust – working with our regional colleagues to develop a distribution system for millions of items a week.

A staff well-being village was constructed initially on the Craigavon site, replicated in Daisy Hill. Staff psychological services were set up, a staff Covid-19 testing programme implemented and a massive programme of digital support for staff to work from home was set up. People heeded advice, stayed at home and helped keep the pressure off our services.

During June and July, lockdown was relaxed, and we slowly and cautiously started to rebuild our services.

Unfortunately Covid-19 was continuing to spread through our local community and in August outbreaks were identified in both Craigavon and Daisy Hill Hospitals.

Cases in our communities, and subsequently in our hospitals, continued to rise through the Autumn.

Even with a brief lockdown, numbers continued to rise and by December 26th, Northern Ireland was back in a full lockdown.

The first three months of 2021 have challenged all of us. Admissions to our hospitals – Craigavon, Daisy Hill, South Tyrone and Lurgan – were more than 4 times higher than during the first surge. The prevalent strain in the Trust was identified as the Kent variant, that has increased transmissibility, which drove case numbers and admissions to hospital.

Despite nine months of unrelenting pressure, our staff once again stepped up. No matter how busy we were, staff kept going, doing what was needed in the most difficult times. Our services were stretched as never before – a heart-breaking time for staff, patients and families, but also stories of survival, teamwork and resilience that will stay with me forever.

The pandemic isn't over and we still face many challenges but there are so many positive developments for health and social care that we need to use going forward. Our digital capacity to support patients and users has been a huge plus this year – we can keep in touch with patients without them needing to be in a hospital or clinic. More convenient, safer and accessible. Some key services need to be face-to-face – doing that safely presents challenges.

We need to make good decisions for our populations – how do we provide the best service for everyone. Health and social care in NI was fragile before Covid-19. Those pressures we were managing in 2019 haven't gone away – but going forward will require more collaboration across all areas of the service, sharing expertise, breaking down barriers – looking at the whole system and pooling our resources to the benefit of most people.

Covid-19 will be with us from now on – we have to learn to live with it and the impact it has on our services. Staff testing, patient and client testing will be our new normal; social distancing dictates our space and capacity; good hand hygiene is imperative – but I hope that next year I will be reporting on a year of rebuilding and progress, as we all re-adjust to our new 'normal'.

Thank you

Shane Devlin

Chief Executive

Trust Purpose and Activities

The Southern Health and Social Care Trust (The Trust) is an integrated health and social care Trust with an annual revenue budget of £934m employing 14,887 (11,872 whole time equivalent) staff and managing an estate worth £297m.

The Southern HSC Trust provides health and social care services to the council areas of Armagh, Banbridge and Craigavon; Mid-Ulster; and Newry, Mourne and Down.

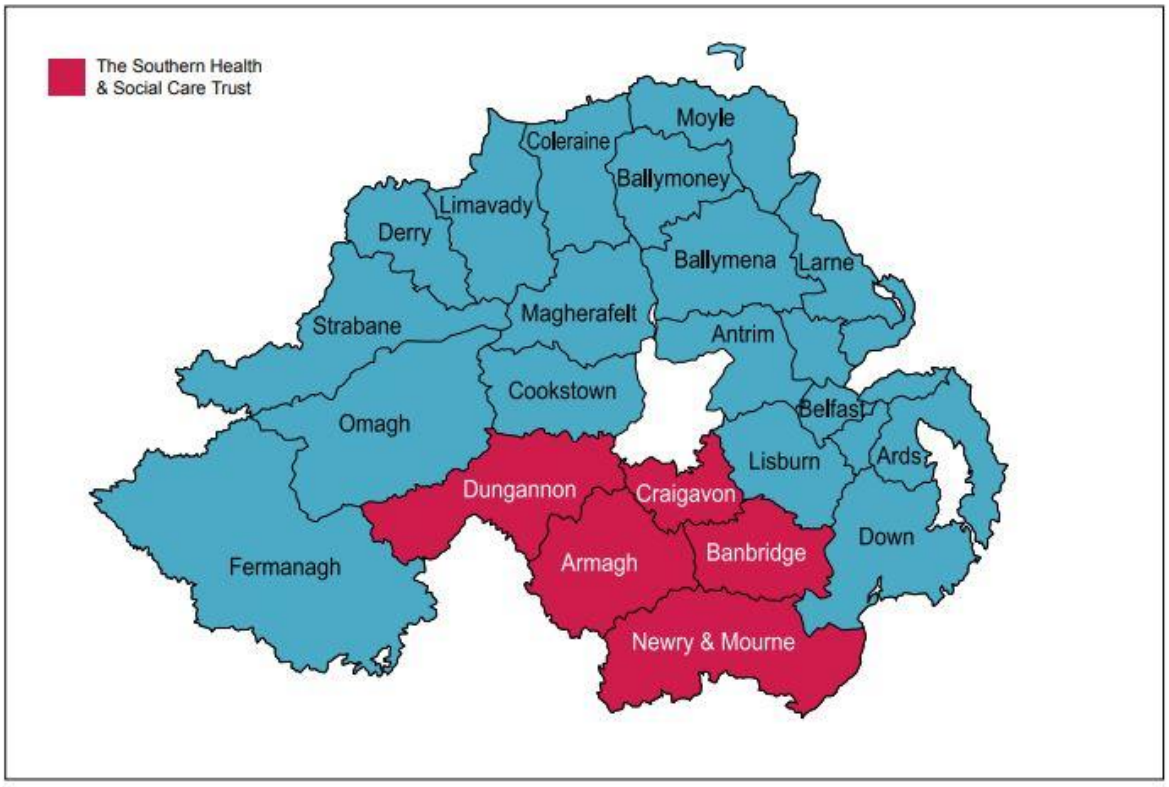


Figure 1: Map of the Southern Health and Social Care Trust

The population* we serve is 383,541.

**Mid-2018 population estimates for Northern Ireland published on 26 June 2019*.
https://www.nisra.gov.uk/publications/2018-mid-year-population-estimates-northern-ireland

The services we provide include a wide range of hospital, community and primary care services. Main in-patient hospital services are located at Craigavon Area Hospital and Daisy Hill Hospital. Working in collaboration with GPs and other agencies, staff deliver locally based services in Trust premises, in people's own homes and in the community. The Trust purchases some services including domiciliary, residential and nursing care from independent and community/voluntary agencies.

The Southern HSC Trust Vision is 'to deliver safe, high quality health and social care services, respecting the dignity and individuality of all who use them'. This vision encompasses our core commitment to deliver safe, high quality care that is co-produced and co-designed in partnership with service users and staff who deliver our services. This vision is underpinned by the Trust's values which shape what we do and how we do it. The Trust is committed to its values in all our interactions with each other including colleagues, patients, carers, and service users.

Our Trust core values are:

Our Objectives are:

- Promoting safe high quality care;
- Supporting people to live long, healthy, active lives;
- Improving our services;
- Making the best use of our resources;
- Being a great place to work – supporting, developing and valuing our staff; and
- Working in partnership.

The following report provides an overview on how we have delivered these objectives in 2020-21.

2

Performance Analysis

Ministerial Priorities 2020-21

In 2020-21 performance was defined in very different terms due to the health and social care system's Covid-19 pandemic response.

- The Minister did not set out new objectives and goals for improvement, via an updated Commissioning Plan Direction (CPD), and the Trust was not required to make a response or assessment of how it would perform in an annual Trust Delivery Plan.
- The Minister did however set out arrangements that asked Trusts to develop plans for rebuilding core services, recognising that many parts of our services had to be ceased, or significantly reduced, during the pandemic management.
- Part of this rebuilding process included submissions of monthly activity projections across elective care, mental health and disability and community services.

How we performed

- Challenges reported in previous years remain – these relate to capacity available for elective and unscheduled services, including the availability of key workforce, finance and infrastructure.
- These challenges have been further impacted in 2020-21 by the Covid-19 pandemic, with elective capacity reduced significantly as resources (staff, beds and critical care services) were redirected to respond to the increased pressures on hospital services and unscheduled care capacity reshaped to meet the needs presented in managing Covid-19.
- It is anticipated that these challenges will continue when services resume as capacity continues to be restricted associated with the requirements for social distance and infection control standards.
- New service demands presented in:
    - the safe management of Covid-19 admissions alongside non Covid-19 demand;
    - to support client and families requiring adult social care;
    - managing increased severity of illness in those presenting to mental health services;
    - increased social and emotional challenges of lockdown on child and family services;
    - inability to maintain core services which inevitably has resulted in a backlog of unmet need.

- Performance against existing objectives is reported monthly via our Corporate Scorecard for the Trust Board, and published on the Trust website at www.southerntrust.hscni.net.
- Performance issues are presented quarterly at the Trust Performance Committee (a sub-committee of the Trust Board).

Key challenges

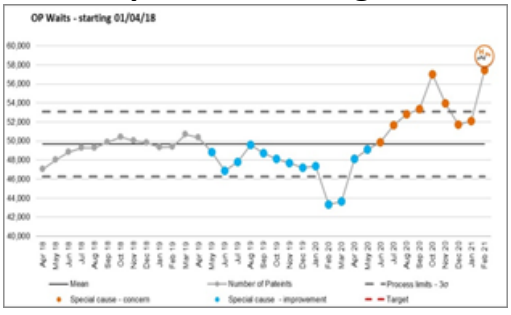
Rebuild Plans

- The Trust submitted phased plans to the Department of Health (DOH) for rebuilding core services. Phase 2 plans, for the July - September 2020 period, aimed to rebuild health services in the wake of the first wave of the pandemic, and the Trust performed well against these.
- Plans were also submitted for Phase 3 (October – December 2020) and Phase 4 (January – March 2021).
- These latter plans were impacted by the more serious second and third waves of the pandemic and the Trust performed less positively.

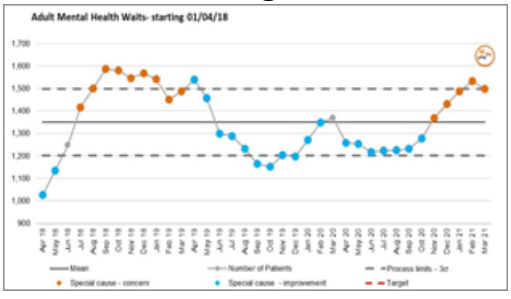
Elective Services

- In 2020-21 the Trust has again been unable to achieve the performance targets previously set for waiting times for elective services.
- For the majority of elective target areas, including first outpatient assessment, diagnostic tests, inpatient and day case surgery, allied health professional and adult mental health services, both the number of patients waiting increased (as below) and the length of time that patients have to wait extended, resulting in unacceptably long wait time for many.

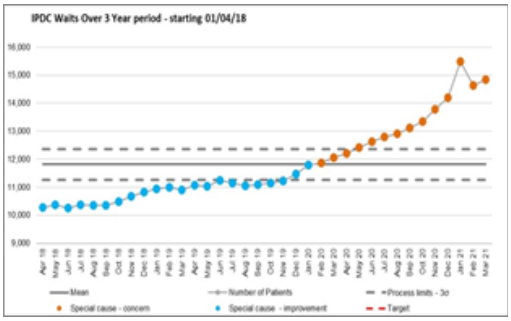
General Consultant – led Outpatient Waiting lists



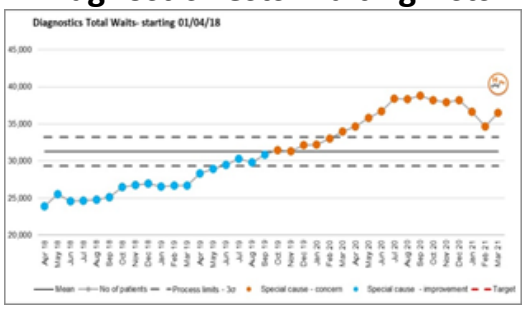
Adult Mental Health Outpatient Waiting Lists



Inpatient /Day patient Waiting lists



Diagnostic Tests Waiting Lists



A snapshot of the increase in routine wait time for inpatient and day case treatments over the last year is below:

INPATIENTS/DAYCASES Longest Waits	**Feb-20**	**Feb-21**	**Increase in Wait Time**
Breast Surgery	133 weeks	185 weeks	
Cardiology Medicine	53 weeks	103 weeks	
Dermatology	73 weeks	125 weeks	
Ear, Nose & Throat (ENT)	152 weeks	205 weeks	
General Surgery	223 weeks	275 weeks	
Gynaecology	98 weeks	150 weeks	
Orthopaedics	205 weeks	256 weeks	
Paediatric	70 weeks	133 weeks	
Pain Management	153 weeks	188 weeks	
Urology	304 weeks	356 weeks	

Cancer Services

The impact on routine waits has been previously noted however more significant is the impact on the wait times for urgent and red flag (suspected cancer) services, including outpatient, diagnostics and treatment.

- The number of people who are actively waiting on our cancer pathways has increased by approximately 100%. This is associated with reduced capacity, and a volume of patients, who were fearful of attending for diagnostic and treatment services during the Covid pandemic, remain to be seen.
- The number of patients who have attended and been diagnosed with Cancer (at December 2020) is some 400 less than that in the same period last year.

- The Trust is working with regional colleagues to ensure surgical capacity is targeted to those most at need via the Regional Prioritisation Oversight Group (RPOG). Over 200 patients from the Trust have had surgery in other private and NHS hospitals this year.
- Continued reliance on additional regional and independent sector capacity is anticipated for the foreseeable future.

31-day Cancer Pathway Performance

93.1% of patients diagnosed with cancer commenced treatment within 31 days of decision to treat in 2020/2021 (Apr – Feb) and as at February 2021, the figure is 82.4%

By comparison; in 2019/2020, 98.2% of patients commenced treatment within 31 days (Apr- Mar) and as at March 2020, the figure was 96.9%

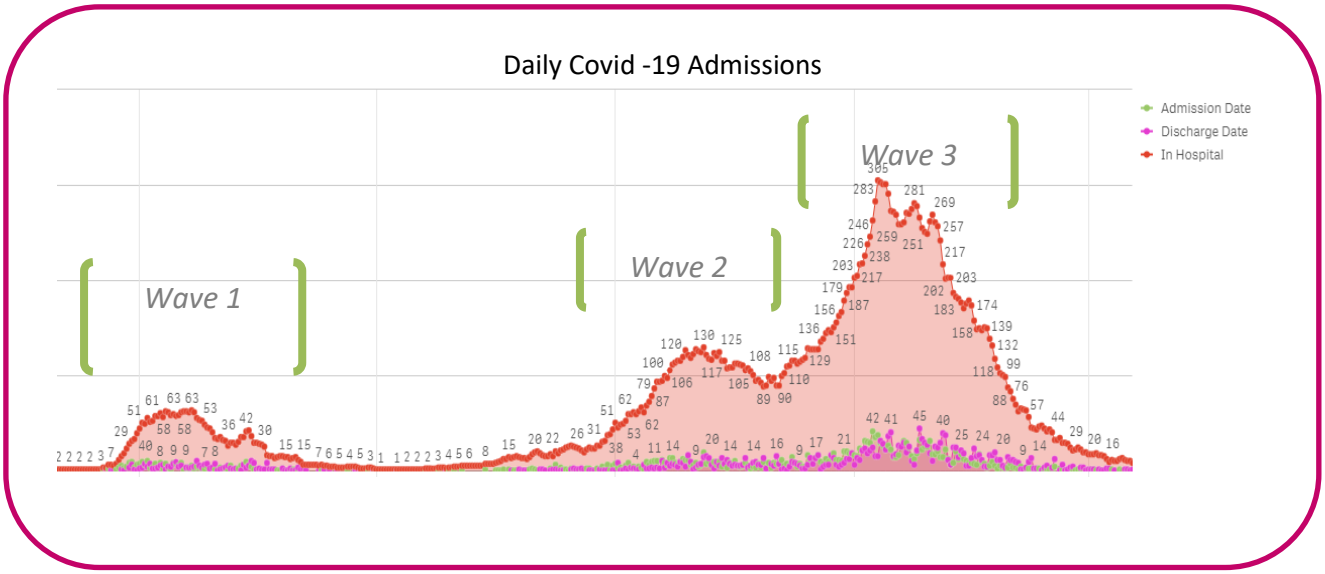
62-day Cancer Pathway Performance

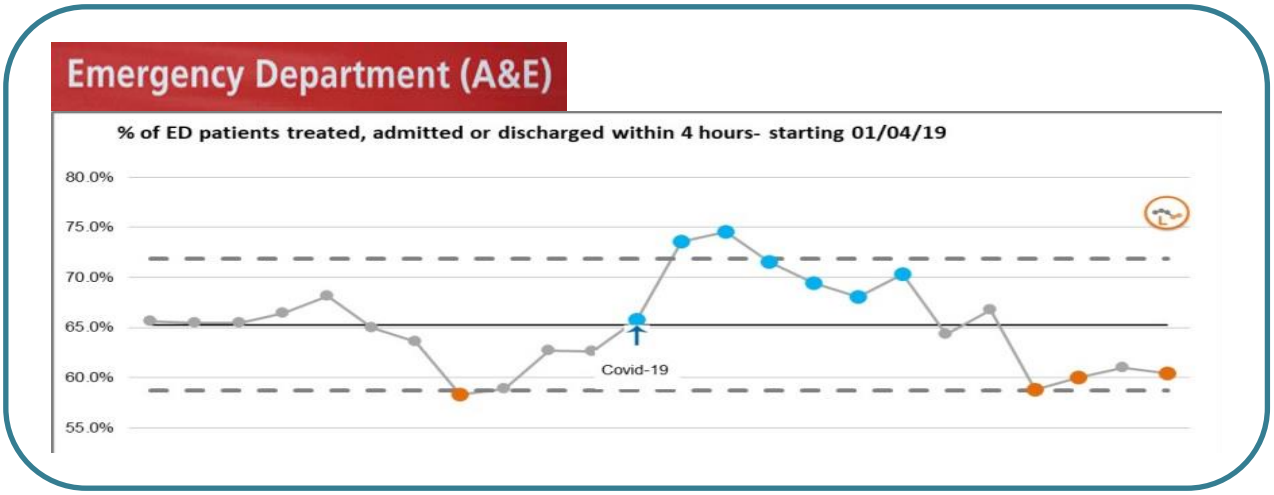
60.8% of patients referred with suspect cancer began first definitive treatment within 62 days of decision to treat in 2020/2021 (Apr – Feb) and as at February 2021, the figure is 45.7%

By comparison; in 2019/2020, 65.5% patients began treatment within 62 days of decision to treat (Apr- Mar) and as at March 2020, the figure was 58.7%

Unscheduled Care

In 2020-21 the Trust has again been unable to achieve the performance targets previously set for the management of waits in Emergency Departments and flow to discharge through our hospital system.





The Trust implemented a number of recommendations from the regional No More Silos emergency care action plan including:

- Establishment of a Phone First and Urgent Care Centre;
- Expansion of our Acute Care At Home Services for frail older people;
- Re-establishment of our ED services on the Daisy Hill Site;
- Introduction of a priority telephone number for our GPs to seek advice.

Factors impacting Performance

The impact of the pandemic on our community, on core services and on staff has been significant. Waiting lists for services, challenging pre Covid-19, have further grown and it is anticipated that the impact of Covid-19, and the impact on the population of the prolonged periods of lock down, will have a significant impact on the presentation of demand, on longer term health outcomes and the way we work over the next year.

Performance and Service Impacts

Infection Prevention and Control (IPC)

Running and maintaining health and social care services in a pandemic has tested our systems and processes and meant we quickly had to develop new ways of working to protect our staff and patients.

The World Health Organisation (WHO) declared a global pandemic on March 112020, and the DoH immediately enacted emergency response plans across the NI Health Sector.

There is a UK-wide co-ordinated approach guided by the scientific and medical advice from Chief Medical Officers and Chief Scientific Officers and informed by national and international evidence.

We continue to follow evidence-based UK-wide policies and guidelines, supported by Public Health Agency local guidance and continually updated advice.

The pandemic has had an extensive impact on the health of our population, all health services and the way we deliver care. Protecting the population, particularly the most vulnerable, ensuring that health and social care services are not overwhelmed, saving lives through mitigating the impact of the pandemic and patient and staff safety has remained at the forefront of the Trust's emergency response.

- Our specialist staff spent time preparing for the pandemic and during the pandemic surges **providing training and support, producing training materials in the form of videos, posters and podcasts**. A PPE and zoning strategy was implemented and on-going advice and guidance on the implementation of IPC processes and practices was provided

- The Trust **supported the independent care homes and domiciliary care sector** with the provision of infection prevention and control (IPC) advice and support, as well as the provision of PPE. Our teams provided an immediate response to newly notified outbreaks in Care Homes, with visits to care homes and onsite assessment of the homes IPC practice as well as arrangements for training or onsite support.

- **Visiting was restricted** across our facilities in line with regional guidance, one of the many difficult decisions taken to keep our facilities as safe as possible. Protection against Covid-19 is now an integral part of our service provision, for staff and patients. We have had to quickly develop many new ways of working, and accessing our services, to do everything we can to limit the transmission of Covid-19 in our community.

- Throughout this time we continue to manage **non Covid-19 hospital** acquired infections and fewer cases where reported this year than last.

MRSA Infections
@ 31 March 2021

Performance 3 Cases
(Target of 4 Cases achieved;
(Improvement on 4 cases in 2019/2020)

Clostridium Difficile Infections
@ 31 March 2021

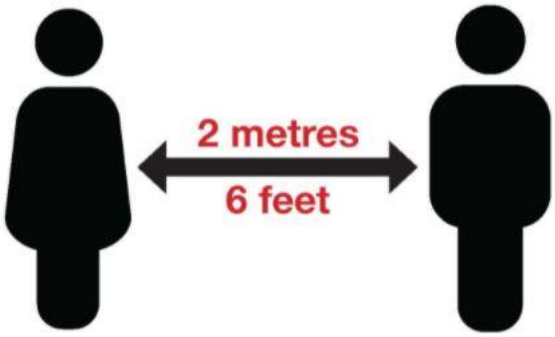
Performance 49 Cases
(Target of 50 cases achieved:
(Improvement on 67 cases in 2019/2020)

- **Infrastructure and estates** has been a **major challenge** during the pandemic – our services are designed for contact and interaction. We have had to introduce many innovative ways of keeping our staff and users safe.

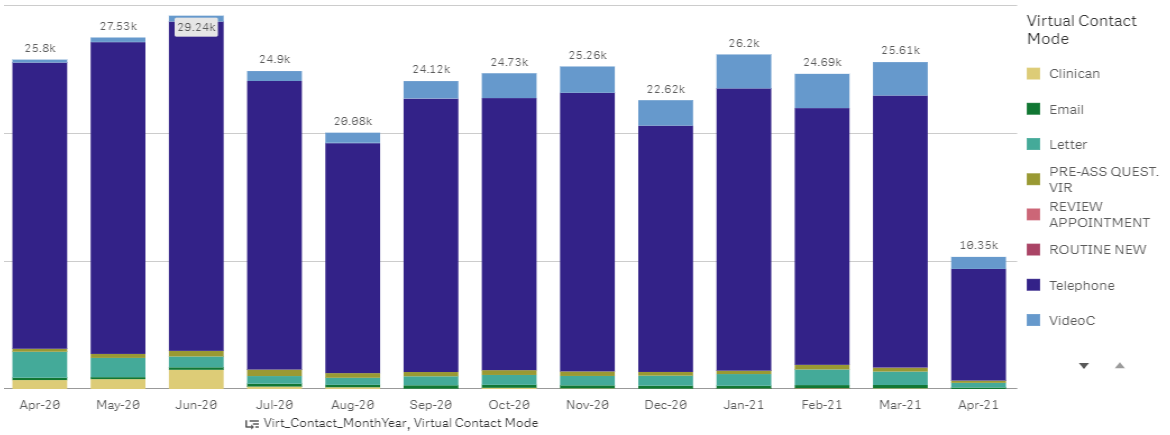
- Many groups of staff, who previously had no experience wearing PPE had to be able to wear **high levels of PPE** to enable them to carry out their duties. **Domestic, portering, administrative staff**, all vital to the running of our services, were required to wear PPE to safely carry out their duties.

- We developed a **'green pathway'** for elective patients. When patients are scheduled for a procedure, they are given advice on self-isolation and booked in for a pre-procedure Covid-19 screen.

- **Social distancing** meant we had to reduce numbers in our Outpatient departments. We introduced virtual consultations and kept in touch with over 300,000 patients virtually, mostly via telephone and video in some instances.



300,000 + Virtual Appointments April 2020 – March 2021



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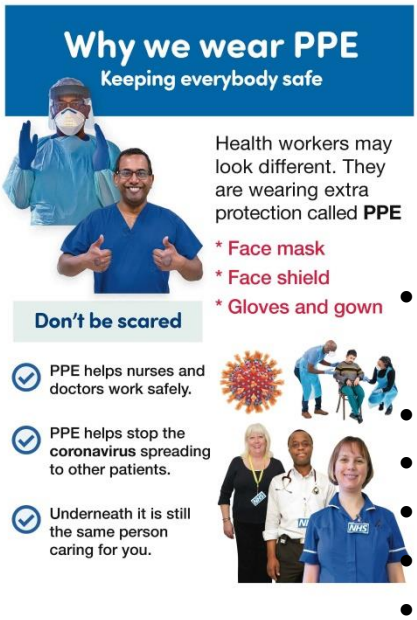
Virtual Visiting

- **Virtual visiting** has been developed and supported in our facilities to keep patients in touch with their families.

Between May 2020 and March 2021, there were 4,255 virtual visits.

- In Disability Day care, we produced a video to **demonstrate infection control precautions for service users.**



- We **created easy read material** for people who have communication support needs to help them understand the importance of infection control.

- We developed **'amber' spaces** in our mental health facility so we could safely provide face to face assessment and treatment for patients who most needed support.

- During the first lockdown, Daisy Hill Hospital Emergency Department was **temporarily re-located** to the Craigavon Hospital site.
  This allowed the Trust to run a respiratory and non-respiratory Emergency service, consolidating specialist services on one site.

Returning the ED service to Daisy Hill was a major infrastructure challenge – creating a safe patient area that separated Covid-19 and non-Covid-19 patients was very challenging, but with all our teams **working together,** the DHH ED was re-opened in October.

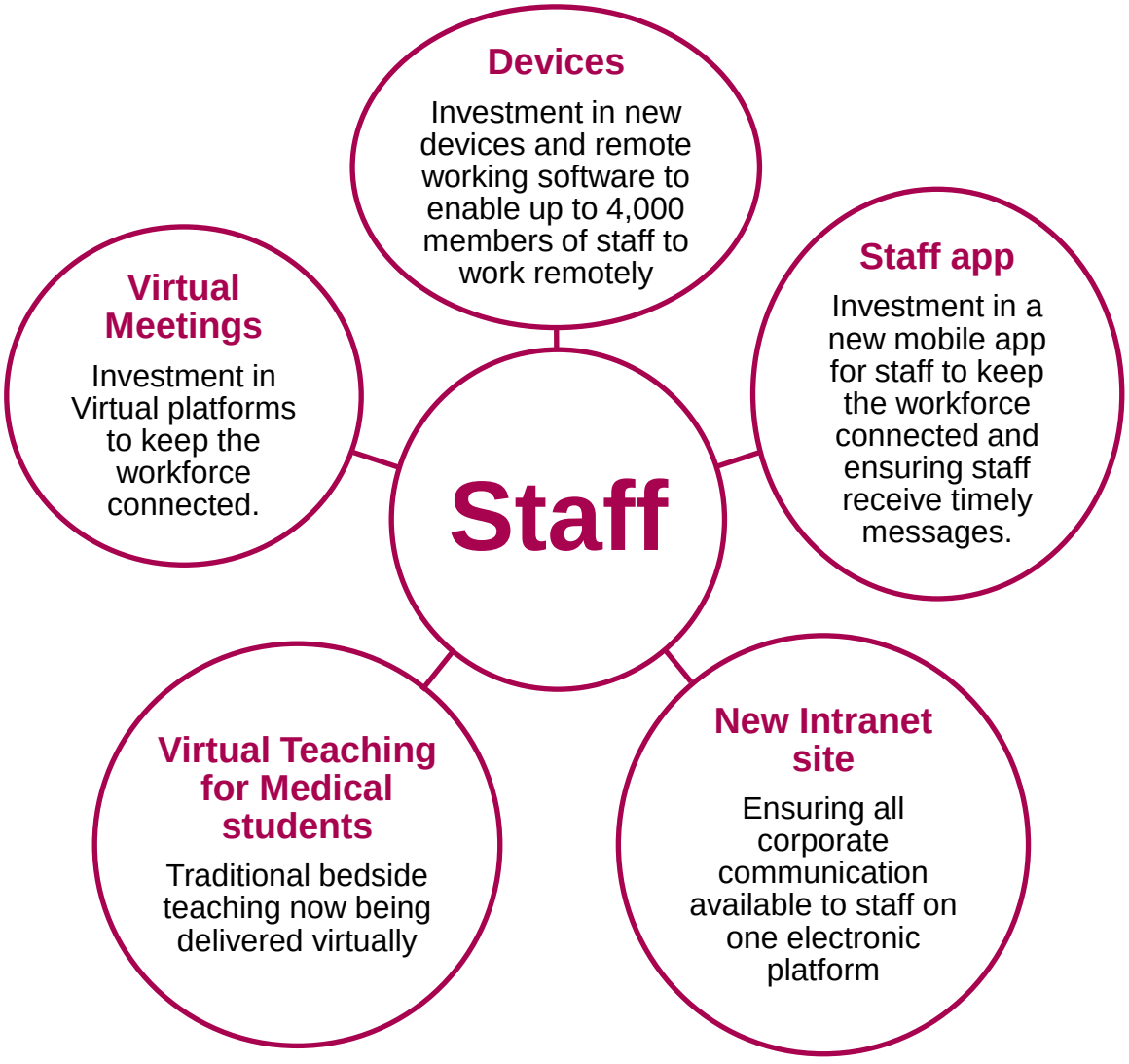
- Day Care for older people has been working on reduced capacity due to social distancing rules. The Trust developed contact services as a resource for information to support clients and their families. We were able to **provide activity packs based** on individual interests to maintain mental and cognitive functions. It has helped our service users stay socially connected.

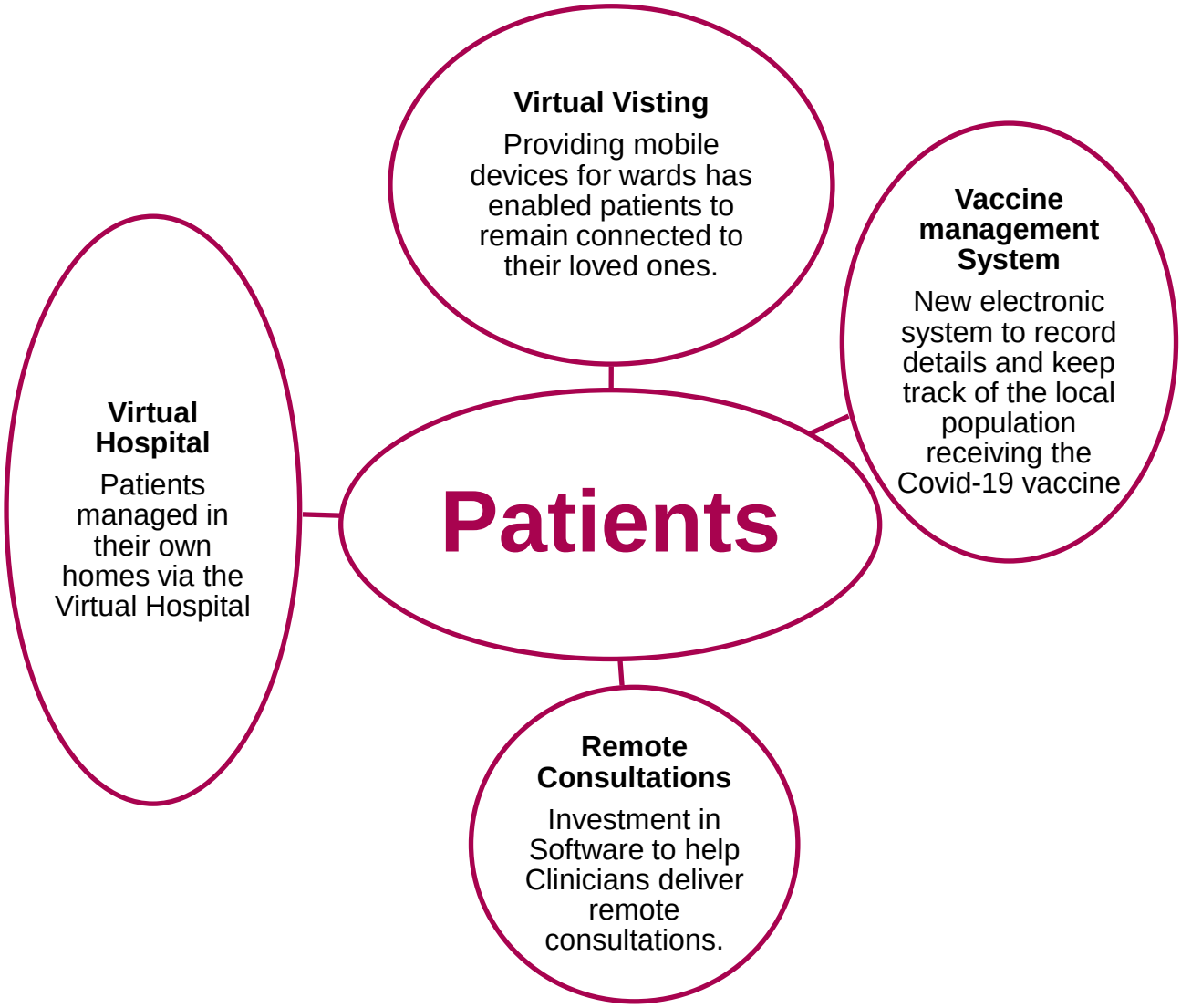
- **Providing domiciliary care** during the pandemic has been **challenging**. Staff are required to wear PPE, and when undertaking multiple calls a day this places extra pressure on staff. We supported staff through a range of specifically developed training materials including podcasts and videos.

Technology

The **importance and reliance** on technology throughout the world has **never been so apparent.** In response to the Covid-19 pandemic the Trust has had to rapidly change and embrace new technologies in order to continue to deliver services.

Technology has enabled the workforce to **remain connected**, allowed families to remain connected to their loved ones and has allowed our staff to continue to deliver essential services to our Patients/Clients.





- During Covid-19, specialties have accelerated the implementation of **electronic triage**. This has been useful in maximising the opportunity for patients to be managed through virtual assessment and also for immediate referral to key diagnostics.

- Day opportunities and forensic respite services have delivered **inclusive services via Zoom** supported by service users and families who were concerned about the transmissibility Covid-19. The forensic service initially had to suspend therapeutic interventions which were previously delivered in face to face group settings, however have since adapted sessions to Zoom and have linked with Maghaberry prison to enable attendance. This is an **innovative new approach** and has empowered participants.

- **The Diabetes Prevention Programme (DPP) supports those with Pre-Diabetes to reduce their risk of developing Type 2 Diabetes through a 9 month behavioural change programme but face to face delivery of this programme was stood down. Using a combination of Zoom sessions and phone calls, 22 group programmes were completed with participants between July and October 2020.**

- Assessment and interventions for communication and swallow difficulties have been provided through **video conferencing** over the past year. Clients with fluency problems have been able to access therapy sessions remotely and from their home. We have been able to continue remote face to face sessions to people in their own homes to ensure communication intervention has been provided during difficult times.

The continence team were able to offer 1095 telephone assessments and reviews, the Parkinson's service 523 between 1st April 2020 and 22nd March 2021

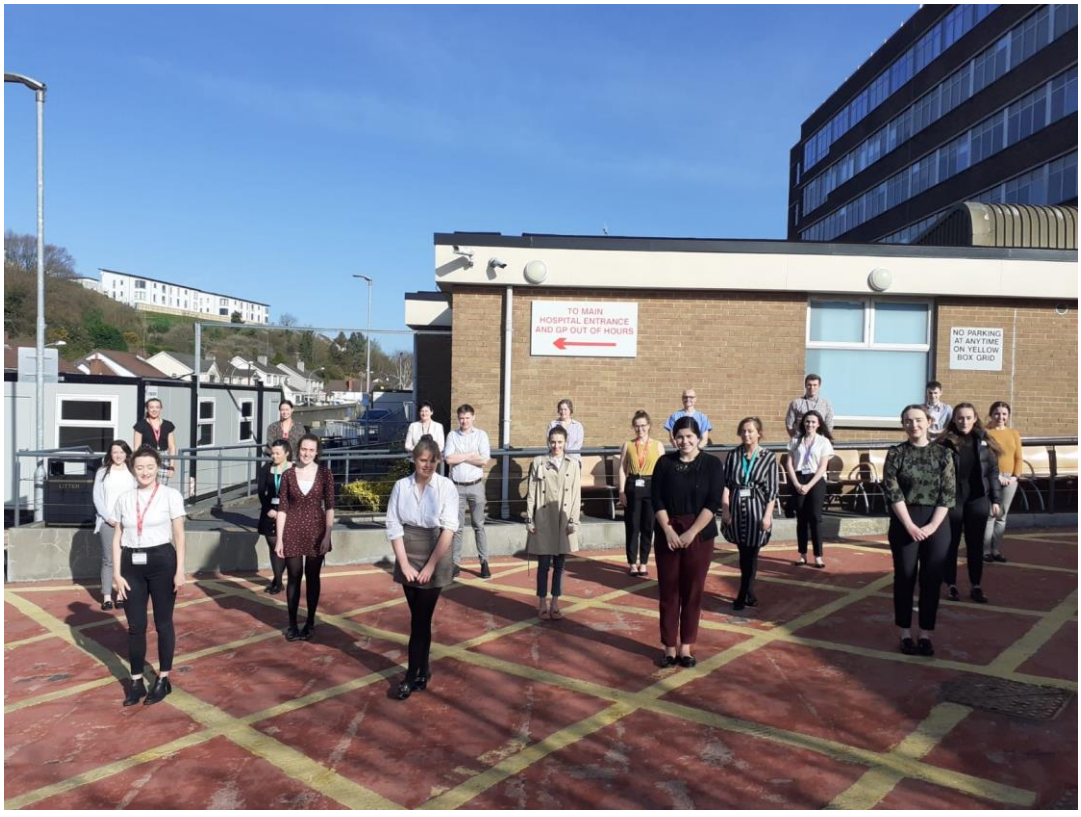
- Telephone assessment and review has become normal practice across specialist primary care teams. This approach responded to limited availability of face to face clinical consultation space, enabling those who must have face to face consultations being facilitated whilst addressing new referrals and **maintaining review commitments** to those who may otherwise not have benefited from access to this service.

- Respiratory patients have been supported through the introduction of **virtual pulmonary rehab programmes** using Zoom technology. This high risk group were no longer able to attend clinic settings, nor benefit from the evidence-based outcomes of pulmonary rehab (previously delivered in group classes). The Zoom group and 1:1 rehab sessions facilitated maintenance of their structured rehabilitation and social interaction for many who would otherwise have been isolated during this period.

Workforce Response to the Pandemic

The Covid-19 pandemic has been the single most significant and challenging experience for Health and Social Care staff. Our staff responded remarkably to the greatest health crisis in a generation – worked from home, were redeployed, lived away from their families, developed endless new ways of working, task on new roles, learned new skills, learned how to work with PPE – in short they have done whatever they could to get us through this last year. Our staff are amazing.

- A regional HSC Workforce Appeal was launched to boost numbers across all staff groups. There were almost **5,000 applications** to the Appeal, and during the year we appointed in excess of **900 applicants**, including over 300 Nursing Assistants on to our Nurse Bank. We will remain prepared for future waves, closely monitoring service needs in critical and priority areas and refreshing our talent pipelines as necessary.

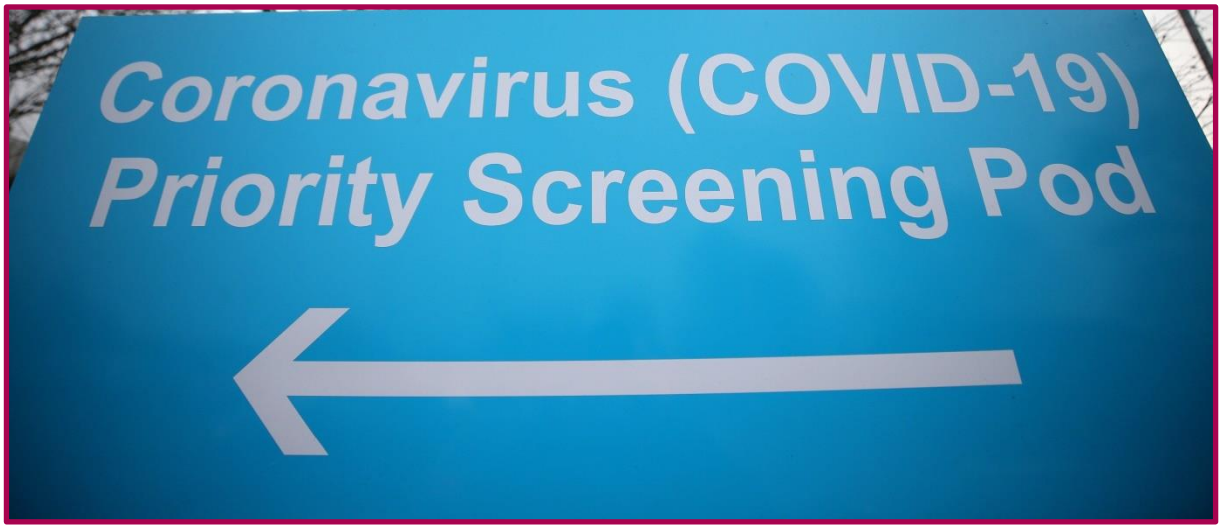


- We established a **new opportunity** for medical/dental/physician associate students to join employment as Student Technicians. This was a great success with our students providing invaluable support across many services during the last year. We currently have **147** students who remain on our 'bank' today and continue to provide additional support, as and when required.

- In March 2020 in response to the Covid-19 Occupational Health and Wellbeing Service (OH&WS) commenced a **7 day Covid-19 helpline** for Trust staff and managers.
The team were assisted with the running of this helpline with redeployed and bank staff.
From March 2020 – March 2021 the OH helpline has received and responded to 15,290 calls and 11,007 staff and family members have been referred for testing. They have also provided **advice to managers** regarding self-isolation requirements and fitness for work.

15,290 calls

11,007 staff and family members



- In an **urgent response** to the pandemic the Covid-19 testing team was set up at Craigavon Area Hospital screening POD. This 7-day screening service supports the screening of pre-operative surgical patients, staff and the implementation of the national SIREN (SarsCoV2 Immunity & Re-infection Evaluation) study in the Southern Health and Social Care Trust. This study has **surpassed** the 250 participants target and Trust is the first Trust in Northern Ireland to do so.

26,855 PCR swabs carried out in the screening pod at Craigavon since March 2020

- A **staff contact tracing team** has also been set up as an extension to the staff Covid-19 testing team. This is a temporary service set up to meet the unprecedented need identified during the Covid-19 pandemic and currently operates 8.30am-11pm, 7 days per week. From March 2020 to date the contact tracing team have followed up on approximately **2000 positive staff** from the Trust and Private Care Homes.

COVID-19 vaccination

- From November 2020 the Trust was preparing for the roll out of the Covid-19 vaccination programme. In December 2020 the **mass vaccination centre** was set up at South Lake Leisure Centre.

This service is offered over seven days from 8am to 8pm, vaccinating priority groups, with the first group to be vaccinated being HSC staff. As part of the wider vaccination programme by February 2021 the Trust had vaccinated **all staff and residents in care homes and supported living facilities** in the area.

As at March 2021, approximately 90,027 Covid-19 vaccinations have been administered, including to staff and residents of 64 Care Home and 34 Supported Living Facilities.

- A Staff Psychological In-Reach Support Service was provided across 7 days along with the introduction of a variety of helplines to **support our workforce**, some of which included; a Psychology Support Line, Occupational Health Advice Line, HR Advice Line, Chaplaincy Support, Pregnancy Helpline and Bereavement Helpline.

Covid-19 Vaccination
@ 19 March 2021 –
11,859 staff vaccinated: (67% one dose, 32% two doses)

Annual Flu Vaccine
@ 31 March 2021
(Performance: Front line health care worker 51%; Target of 75% not achieved
Improvement on 40% in 2019-20)

Sickness Absence
2020-21
(Includes staff absent due to Covid-19 but excluded those self-isolating)

Performance: Actual absence hours for 20-21 were 1,296,444, which was an increase of 36.7% compared to 19-20

The target of 3.5% reduction on 19-20 was missed by 348,609 hours

Delivery of Services

Our staff had to quickly adapt services to find a way of working during a pandemic. During the first surge, and the first UK lockdown, many services were stood down, as we started to understand the consequence of the virus, and the impact it would have on all our services. As we moved out of the first surge, through our rebuild process, we planned how to deliver services, but within a socially distanced environment, and infrastructure that simply was not designed to keep patients and staff 2 metres apart. As guidance changed, our services had to change with it. This last year has been a challenge on two fronts – caring for patients with Covid-19, and learning to provide our vast range of other services in a Covid-19 environment. While we have tried to keep things as 'normal' as possible, the challenges have been immense, and will impact on all areas of our services for years to come.

- In our catering service, patient and staff menus had to be **adjusted** to respond to food supply and demand issues, and access to wards. Main staff catering service at Craigavon was **relocated** to a marquee, as staff could not access food on the wards.

- We worked closely with our **community and voluntary partners** to ensure vital support was being provided to support people at home.

- Our staff **supported the Care Home sector** with infection control advice and support: PPE, training and education.

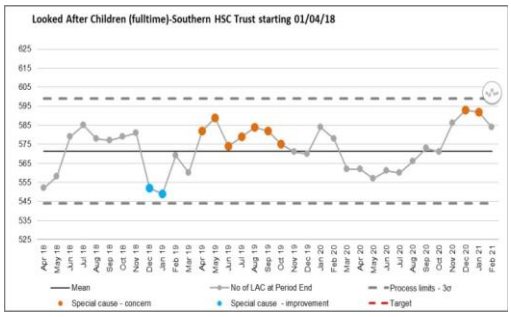
- **Covid-19 Primary Care Centres were set up** in March 2020. This was planned and implemented by the Health and Social Care Board, GP Federation and the Trust. They opened in Dungannon and Banbridge and were for the assessment of patients with Covid-19 symptoms. Over 4,700 patients were referred.

Dungannon Covid-19 Centre:
3,280 contacts
177 home visits

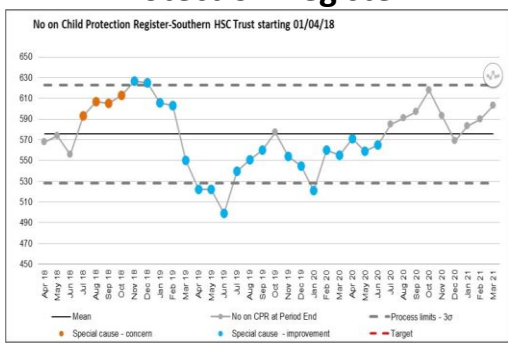
Banbridge Covid-19 Centre:
1,272 contacts
142 home visits

- During Covid-19 the Trust Early Support Partnership was **established** in response to concerns regarding support to children and families at risk of domestic abuse. The number of children and young people the Trust Looked After and maintained on it Children Protection Register increased.

Number of Looked After Children



Number of Children on the Child Protection Register



- All families notified to the Gateway Service due to a domestic incident which did not require statutory social work services were **proactively targeted** with an early help service to access preventative services due to increased stress, isolation, family breakdown, parental support, behaviour management, trauma awareness, relationships problems and domestic violence.

  The partnership included SHSCT Children's Gateway Service, three locality Family Support Hubs, (FSH), Outreach Service via the Community and Voluntary Sector

(Barnardo's, Niacro and SPACENI), Family Group Conference Service, Family Centres and Armagh Down Women's Aid, (WA). The aim was to optimise the supports available to families and to encourage and support families to avail of support in the community to prevent an escalation of risk.

During Mar – Jun 2020, **58 families** were offered support via the pilot project. Following the three month pilot period all key stakeholders agreed to **continue to implement** the early intervention service provision.

- During the pandemic the Trust received **excellent support** from the Voluntary and Community sector in working to provide families of children with disabilities with bespoke packages of care.

- The Trust introduced a **new way** for patients to access emergency Support and asked people to 'Phone First' before attending the Emergency Department. This provided **access to triage and discussion** with clinical staff after which patients were directed to the most appropriate service for their needs.

Over 1500 patients have received a telephone consultation with a General Practitioner, a Nurse or a Physiotherapist after phoning.

Living with Covid-19

A year on from the declaration of the Covid-19 pandemic, we are learning to live with the virus. We know this will continue to circulate in our communities and we will need to keep practising good hygiene to keep ourselves and our patients and clients safe. We will continue to wear a mask, wash our hands, socially distance for the next year at least. And this will continue to impact on how and where we can deliver services. This last year has been a huge learning curve, we've had to be agile and inventive, embrace a digital age much quicker than we had anticipated, make really difficult decisions about what we could safely deliver, and support our staff who not only were delivering care in the most difficult of circumstances, but were managing their own family lives, with all the anxiety that this last year has caused. So this year will certainly be a time of rebuilding our services, but taking many things we've learned that work and using this to improve the patient experience. We have a long road to travel, but we also have opportunities to make things better and we want to work with our local community on our journey.

- Virtual meetings, advanced e-triage, telephone clinics will be **part of our service** going forward.

- **Managing reduced capacity** for face-to-face interactions – day care and day opportunities will have significantly limited capacity due to social distancing.

- Demands on mental health services are anticipated to **increase significantly.** This is due to services being reduced to support critical and immediate mental health services, and the impact of the pandemic on our community.

- Acute Care at Home has been **much busier** during this last year. The service was stepped up to a **full 7 day service**, and it has helped hundreds of older people be cared for in their home setting, without the need for admission to hospital. Keeping

people out of hospital and cared for in their own familiar surroundings will be a priority this year.

- We will continue to operate with **increased use of IT** to support Trust events. For example, foster care recruitment and promotion has moved to virtual platforms, as opposed to running in-person promotion events. We have been able to retain good levels of recruitment, so this will be part of our engagement strategy in future.

- A new community Covid-19 Screening team has been **established** and is available to swab care home residents when:
    - A resident needs screened before admission to another facility
    - A resident develops symptoms/or there is a suspected outbreak in the facility.

FINANCIAL PERFORMANCE 2020-21

Financial Position

As predicted at the outset of the financial year, 2020-21 has been yet another financially challenging year for the entire Health & Social Care System. However, what could not have predicted was the added pressures directly associated with our need to respond to Covid-19.

In order to deliver a balanced financial plan across the HSC it was necessary for Trusts to develop savings plans to deliver their share of a total of £58m of savings in 2020-21; the Trust's share of this target was £5.04m, £4m of which was directly linked to a regional cash releasing efficiency target, with the balance of £1.04m the SHSCT's share of a regional medicines optimisation target.

The Trust's Financial Strategy was built upon using all of our resources wisely to meet the health and social care needs of the residents of the Southern Area. We continually aim to identify all available opportunities in seeking to manage a challenging financial position, whilst also securing delivery of reform and transformation. Resources are prioritised to deliver the Trust's strategic objectives, with the aim of improving the health and social well-being of, and reducing the health inequalities between, those for whom we provide, or may provide health and social care.

The Trust has achieved financial balance in 2020-21. This is against a backdrop of a number of pressures during the year, most particularly as a direct result of our need to respond rapidly to the impact of Covid-19. This break-even achievement has only been made possible through a combination of staff dedication, commitment and strong corporate governance. The Trust has worked hard to balance high quality, safe patient care together with increasing demands for our services.

Financial Environment

The Trust's approach to financial planning for any financial year commences as early as possible during the preceding year. The aim is to ensure financial break-even with less income in real terms and at the same time securing delivery of the modernisation and reform agenda. Planned expenditure is considered on a programme of care basis and includes a detailed review of both existing baselines and incremental changes applicable to the financial year in question.

The Trust has consistently delivered efficiency savings over a number of financial years and as a direct result savings are becoming more difficult to achieve on a recurrent basis.

Notwithstanding the enormity of the challenge the Trust achieved financial balance in 2020-21.

Financial Targets

The Trust is required to operate within revenue and capital budgets delegated to it by the Department of Health (DoH) and the Health and Social Care Board (HSCB).

This has been achieved through the successful implementation of the Trust's financial strategy for the year and the continued efficient use of resources.

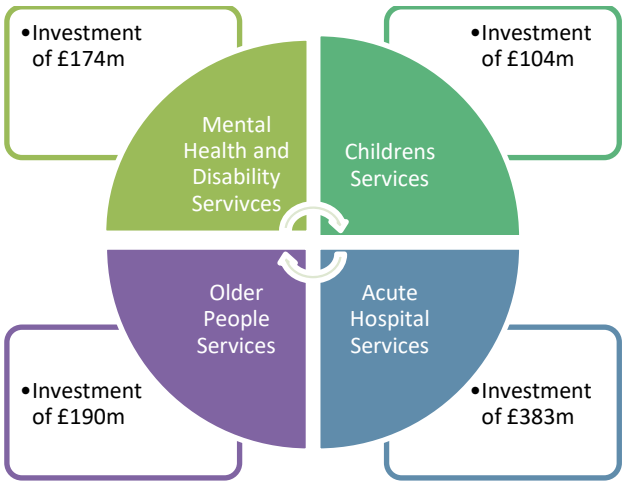
Financial Governance

At the beginning of each financial year, the Trust prepares a detailed financial strategy which is approved by Trust Board. This strategy forms the basis of how our budgets are to be allocated across all Directorates. Financial performance is monitored and reviewed monthly with all Directors and detailed financial reports and year-end forecasts are produced monthly for both Trust Board and the Trust's Senior Management Team.

Income and Expenditure in 2020-21

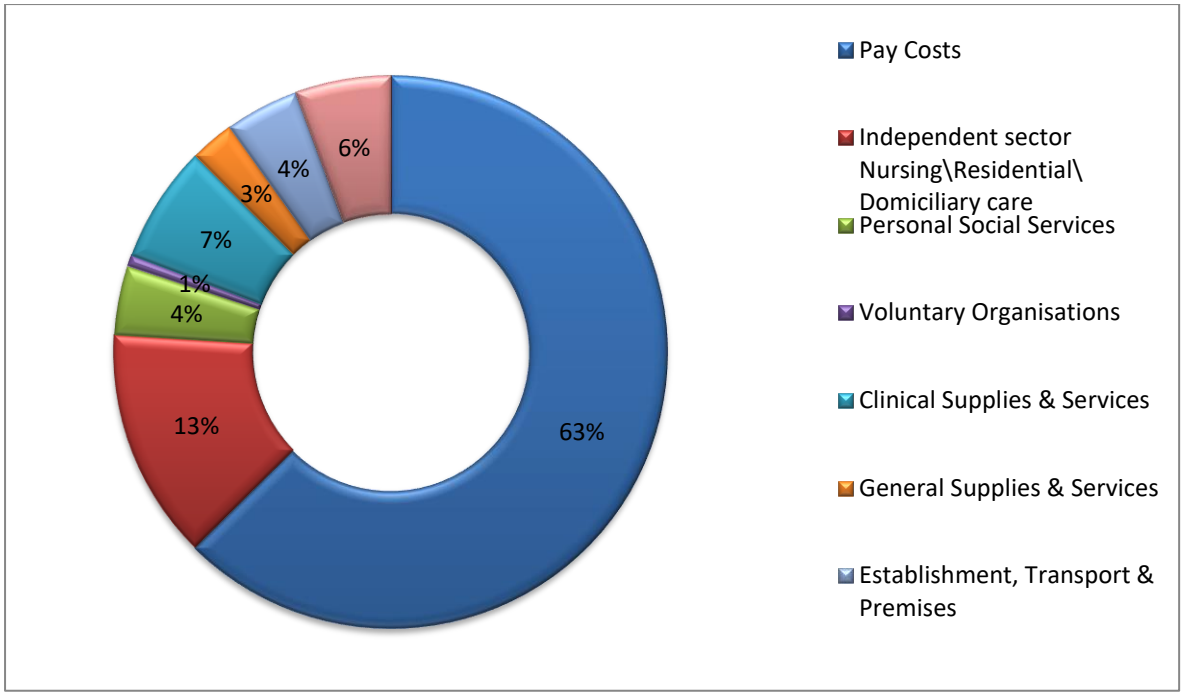
The Trust receives the vast majority of its income, 90%, from the DoH, through the HSCB. In addition the Trust is provided with an allocation for medical education. The largest single remaining funding stream is the income received from clients in residential and nursing homes.

The Trust's total expenditure in year was £937m. The chart below demonstrates how the majority of this was invested across a range of services during 2020-21.

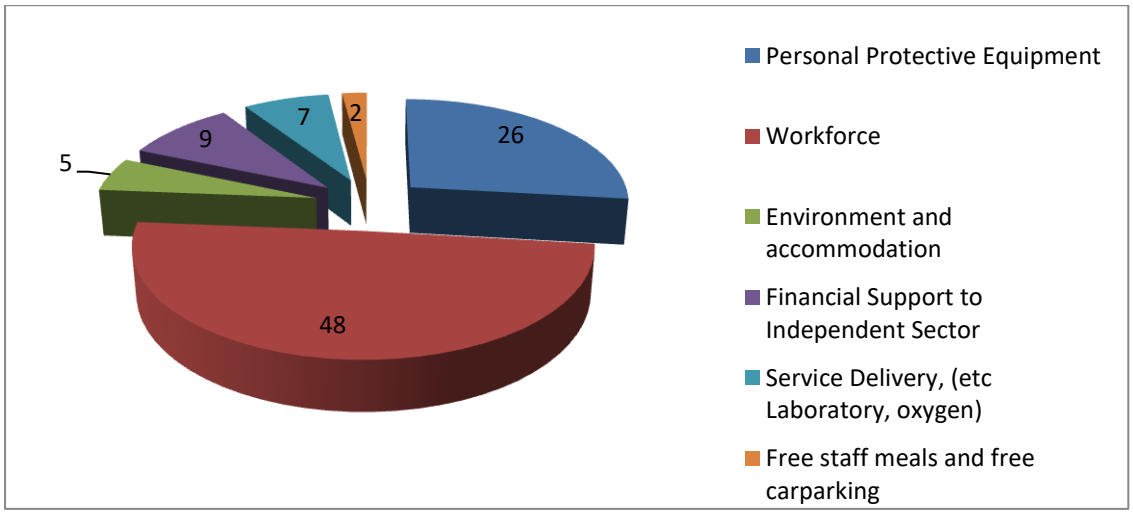


In addition there are a range of supporting directorates which cost £45m in 2020-21.

Our staff costs are consistently the largest component of expenditure accounting for 63% of operating expenses. In 2020-21 we spent a total of £937m, £583m on pay costs with the balance of £350m on non-pay. The chart below summaries the split of our total expenditure during 2020-21:-



Included within our total expenditure was the cost of our response to Covid-19. In total we spent £97m, with the most significant elements of this expenditure highlighted below. This expenditure received full funding support from DOH. Of note, £9m was used to provide financial support to the independent sector, including nursing and residential homes, domiciliary care, supported living schemes and the community and voluntary sector.



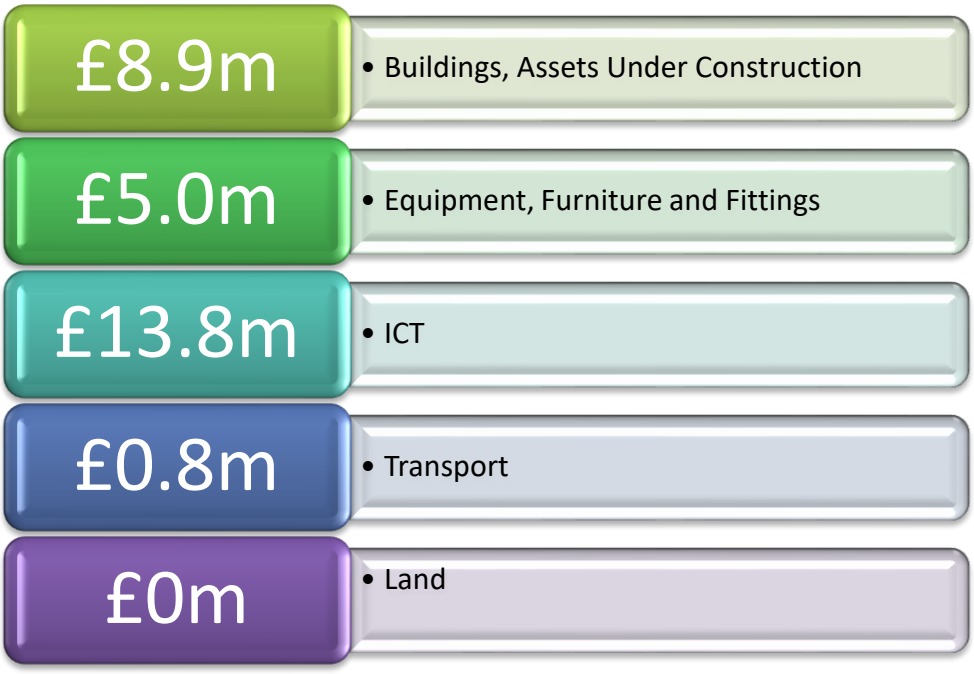
Expenditure remained within the Revenue Resource Limit (RRL) of £894.6m by £31k.

Capital Investment

The Trust receives an annual capital allocation to help support the expenditure required to develop and maintain the infrastructure required to provide the facilities necessary for the provision of services to all our patients and clients.

The Trust had a capital allocation of £28.5m, for 2020-21, £10.9m for Information Technology, £1.2m for invest to save projects, £5.8m Covid-19 capital, £0.4m for an additional CT scanner on Craigavon Site and £6m for general capital requirements. The Trust also secured additional capital investment to support a range of backlog maintenance schemes.

The Chart below summaries how we invested our capital resource during 2020-21 over 5 main headings.



The Trust was successful in investing in full its Capital Resource Limit.

Going Concern

The Trust is beginning the 2021-22 financial year with a substantial underlying funding gap. A budget settlement for 2021-22 has been agreed for DoH, however, at this stage there is no formally agreed budget for the Trust for the coming financial year.

The cost of providing services is increasing, with estimates suggesting 6.5% annually. This is due to an increasing ageing population with greater and more complex needs, increasing costs for pay, goods and services, and growing expertise and innovation which mean a more extensive range of services are available, supporting improvement in the health of our population. All of these factors combine to impose an upward pressure on the funding required just to stand still.

The 2021-22 budget settlement announced for the DoH is £6,597.6m, whilst this represents an increase of 5.7% when compared to the end of 2020-21 it is recognised that the overall system will continue to experience financial pressure.

Extensive budget planning work to support the 2021-22 position is ongoing between the Trust, HSCB and DoH. As a Trust we must ensure that our limited resources are used to maintain safe services and to achieve the best outcome for our population. It also means that we must continue to embrace and pursue the transformation agenda to safeguard vital services for the future.

There is no doubt that 2021-22 will be yet another exceptionally difficult year for the entire Health and Social Care System but as with other financial years the Trust remains committed to achieving financial break-even.

This financial risk has been outlined in the Governance statement on page 88.

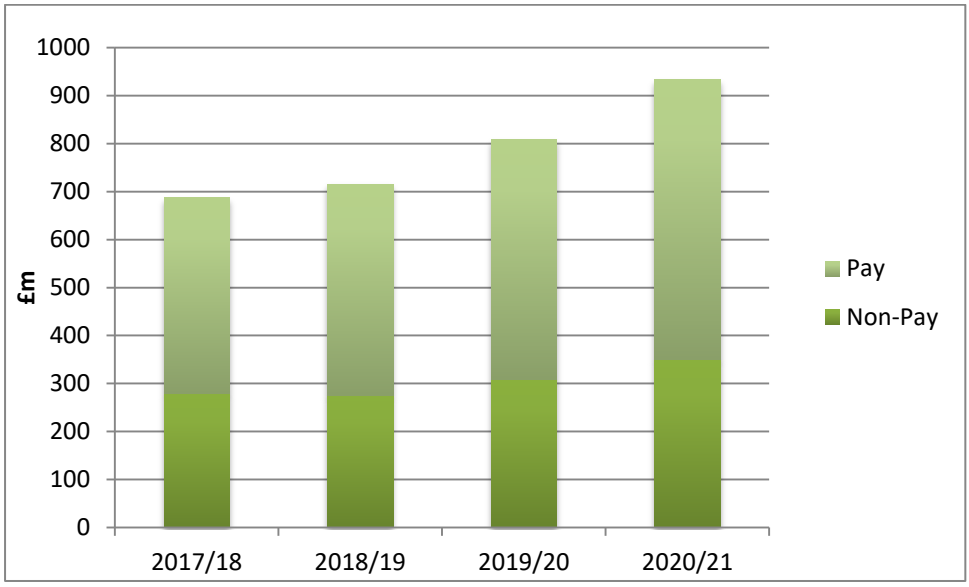
Long term Expenditure Trends and Plans

Revenue

The Trust is constrained by the level of funding available to it by the NI Assembly. The Northern Ireland Executive invests almost 46% of its entire budget, in providing health and social care services for the people of Northern Ireland. It is estimated that as a system a 6.5% budget increase is required annually simply to stand still. This is clearly not sustainable given the requirements of all public services.

In the Minister's "Health and Wellbeing 2016 – Delivering Together" it is recognised that significant work is needed to develop, design and deliver the building blocks that will enable a sustained improvement. Significant investment will be required in tandem with continual improvements to secure further efficiencies in service delivery.

The table below shows the actual revenue expenditure, broken down by pay and non-pay categories, incurred by the Trust from 2017-18 to 2020-21.



Capital

The amount of capital investment afforded to the Trust is directly influenced by the overall economic environment.

As part of a 10 year review of capital priorities, the Trust has identified a need for investment in excess of some £400m, this includes redevelopment of Craigavon Area Hospital together with much needed infrastructure and backlog maintenance requirements.

It is difficult to envisage a situation where the Trust will have access to the absolute full investment required and as such the Trust will be required to continue to ensure that funding is utilised in a manner that provides stability for its core services.

Compliance with Prompt Payment Policy

The Trust's objective is to pay 95% of invoices within 30 days of receipt of an undisputed invoice. The Trust has seen a significant increase in its performance despite being faced with a very challenging year, achieving 94.28% 2020-21 compared to 88.5% 2019-20. In May 2020 a regional review of the categories included in the prompt payment compliance measurement was carried out. The primary change was that Petty Cash payments, which had been part of the prompt payment calculation, would be removed from future reporting. This has had a negligible impact. Performance in 2020-21 showed an improvement primarily due to a decrease in the usage and therefore volumes of medical and non-medical agency

invoices during the first surge of the pandemic. The total volume of bills paid by the Trust in 2020-21 decreased by 9.4%.

We continue to work closely with BSO to ensure that all efforts are made to improve prompt payment compliance in the future.

Public Sector Payment Policy – Measure of Compliance

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

	2021 Number	2021 Value £000s	2020 Number	2020 Value £000s
Total bills paid	253,035	370,654	279,247	366,234
Total bills paid within 30 days of receipt of an undisputed invoice or under agreed payment terms	238,551	345,141	247,257	328,453
% of bills paid within 30 days of receipt of an undisputed invoice or under agreed payment terms	**94.28%**	**93.12%**	**88.5%**	**89.7%**
Total bills paid within 10 day target	199,095	288,174	204,093	270,981
% of bills paid within 10 day target	**78.68%**	**77.75%**	**73.1%**	**74.0%**

The Late Payment of Commercial Debts Regulations 2013

	£
Amount of compensation paid for payment(s) being late	-
Amount of interest paid for payment(s) being late	3,767
Total	**3,767**

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

During the current year, the Trust incurred charges of £3.8k in respect of late payment of commercial debt invoices. This comprised payments to one supplier.

This charge is reflected in the Statement of Losses and Special payments in the Annual Report on pages 116.

Donations and Fundraising

Charitable donations help us to improve the quality of care we provide to our patients and clients across the Trust.

2020-21 has been an unprecedented year in terms of the public's generosity of response to the global pandemic with donations and legacies of £3.436m. In 2020-21, the Trust received £161k from the NHS Charities Together Covid-19 Urgent Appeal (includes Captain Sir Tom Moore's fundraising), £61k in donations specifically to assist with the Trust's Covid-19 response, non-cash donations of £13k, as well as normal giving. In addition, the DoH, under Ministerial Direction, has made a donation of £3m to be used for supporting staff, split £2m for general support and £1m for support to nursing.

As a direct result of these monies, the Trust has been able to make the following contributions to the Covid-19 response and service improvements during 2020-21:

- Staff specialist training – including allergy care courses, online CT interpretation and paediatric health training – this is staff education over and above that which would normally be provided;
- Sensory Garden at St Luke's Hospital
- Dummies for airway training
- Digital Information screens for ED and MIU
- Amoena Bras for patient comfort
- Staff accommodation during Covid-19 surges
- iPads
- Staff well-being packs
- Improvements in psychological support services for staff

Plans to utilise the significant donation made by DoH are being developed and will be agreed and approved by the Endowments and Gifts Committee in conjunction with the wider Trust in 2021-22.

If you would like to make a donation to the Southern HSC Trust to help us continue to enhance the experiences of patients and clients in our care, please email us at donations@southerntrust.hscni.net

Research and Development

Research Studies

Covid-19 has had a significant impact on Research and Development during the past year but opportunity was taken to participate in nine Priority Covid-19 Studies accorded that status by the Chief Medical Officers of England, Scotland, Wales and Northern Ireland.

In excess of 1,000 Covid-19 positive in-patients were recruited to Priority Covid-19 Studies which included:-

- RECOVERY (Respiratory)
- PRIEST (Children's)
- PRIEST (Adults – Emergency Department)
- MERMAIDS-ARI (Respiratory)
- Neonatal complications of Coronavirus Disease
- Pregnancy and Neonatal Outcomes in Covid-19
- Clinical Characterisation Protocol for Severe Emerging Infection (ISARIC) (Respiratory)
- GenOMICC (Critical Care)
- SIREN (Healthcare staff)

The Trust was the first to achieve the 250 target recruitment set by the Chief Medical Officer and Chief Nursing Officer for the Priority Covid-19 Study SIREN for healthcare staff.

BBC Newsline approached Trust Communications about the successful recruitment to the RECOVERY Priority Covid-19 Trial and broadcast an interview with Dr Rory Convery, Principal Investigator and Dr Peter Sharpe on 5 January 2021. The recruitment of 290 participants (and still on-going) was the highest in Northern Ireland.

Sustainability Report

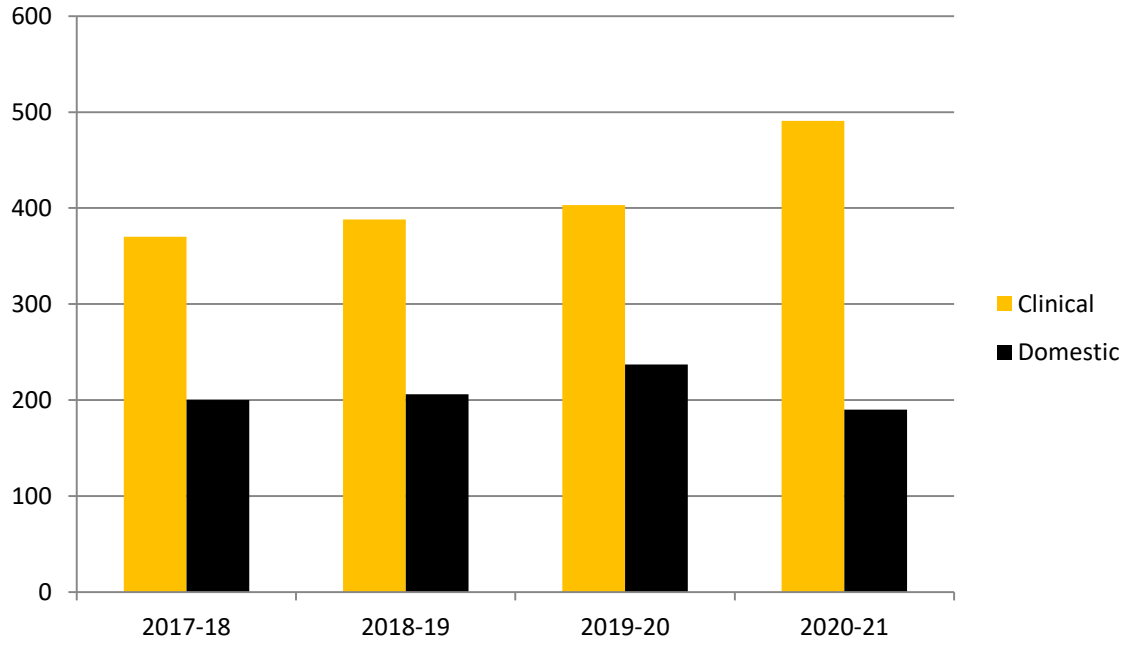
Sustainability

For the Trust sustainability means working within the available environmental and social resources to protect and improve health, now and for future generations. In practice this requires us to reduce our carbon footprint, minimise waste and pollution, make the best use of scare resources and build resilience to a changing climate, while providing uninterrupted healthcare and wellbeing services to the local community.

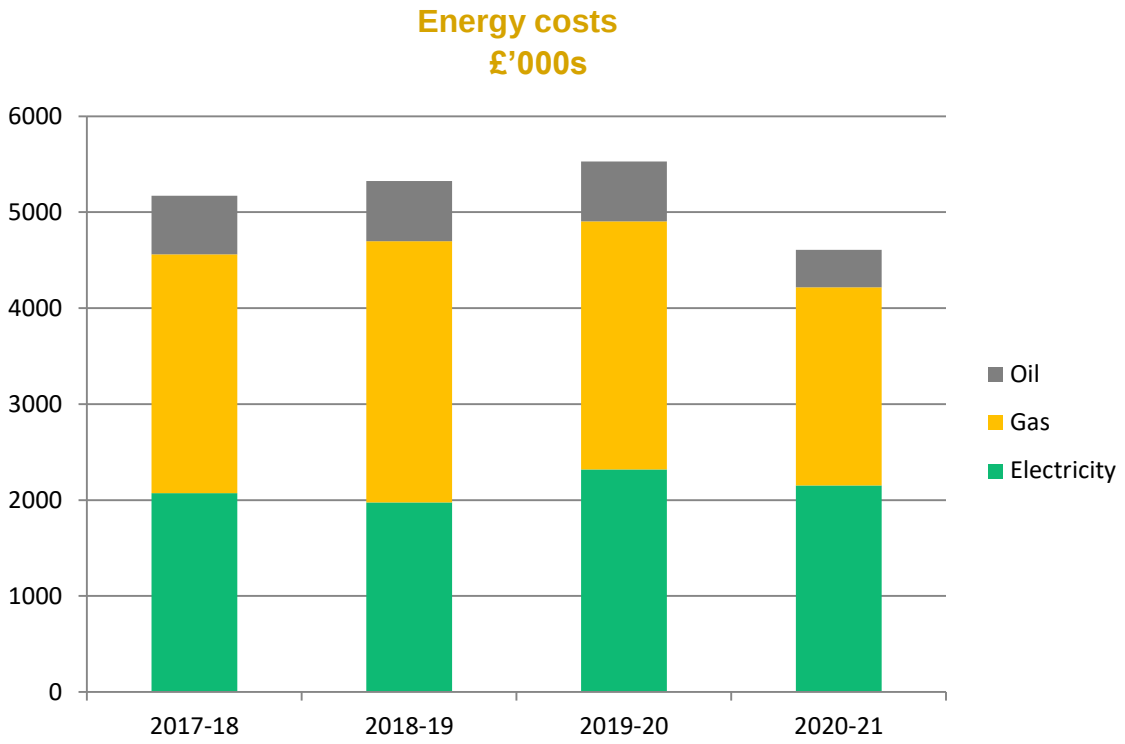
The key focus in recent years has been improvements in waste management and how we procure and save energy to reduce our carbon footprint. The following tables illustrate our recent and current position regarding waste management and utilities management.

Waste Produced	Trends 2017-2021	2019-20	2020-21	Comments
		Tonnes		
General 		1389	1109	*General waste that cannot be recycled; the trend is downward. Waste is diverted from landfill and used as Refuse Derived Fuel*
Recycled 		319	340	*Recycling has increased by 6.5% even with the difficulties caused by the Covid-19 pandemic*
Clinical 		844	1106	*During the Covid-19 pandemic clinic waste increased significantly as a direct result of more personal protective equipment.*
Waste is segregated at source into waste streams to comply with statutory requirements, improve recycling and reduce costs. Other waste streams include electronic and electrical equipment, confidential documents, hazardous materials and batteries.				

Waste disposal costs for Clinical and Domestic waste £'000s



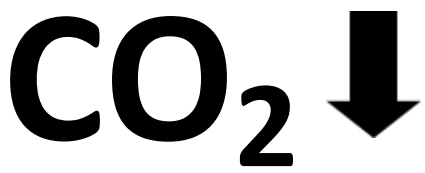
Utilities/ emissions	Trend 2017-2021	2019-20	2020-21	Comments
Energy usage (mWh)		112089	109958	*Whilst our energy usage has decreased we are still consuming the equivalent energy of over 12,700 households*
Carbon emissions (Tonnes)		24706	23996	*We have reduced our carbon emissions by 710 tonnes when compared to prior year. A 'typical' tree during its full lifespan will absorb about 1 tonne of CO^2*
Water (Million litres)		308	295	*Our water consumption is equivalent to filling around 118 Olympic swimming pools.*



Building and services infrastructure sustainability improvements 2020-21

Installation of over 5000 LED light fittings over 13 sites giving a carbon emissions saving of 168 tonnes each year whilst saving money and improving lighting levels

Investing £120K to upgrade Building Management Systems and heating controls with anticipated financial savings of 27% each year



4 work schemes to convert oil fired heating burners to gas- this will reduce carbon emissions by 40% and provide future financial savings with schemes having a payback in less than 4 years

Going forward

A 5 year strategy and action plan is being developed to build on the work already done and to provide a more holistic approach to sustainability. There will be a focus on green spaces, biodiversity, sustainable procurement and transport. Specific actions include improved automatic monitoring of heating systems, the development and implementation of strategies for thermal comfort in facilities, electric vehicle charging, green spaces and biodiversity and identifying sustainability improvements in our procurement processes.

On behalf of the Southern HSC Trust, I approve the Performance Report encompassing the following sections:

- Performance overview
- Performance analysis

Signed:

Shane Devlin
Accounting Officer **Date: 17 June 2021**

3

Accountability Report

Overview

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

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

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

The Accountability and Audit Report brings together some key financial accountability documents within the annual accounts. This report includes a statement of compliance with regularity of expenditure guidance, a statement of losses and special payments recognised in the year and the external auditor's certificate and audit opinion on the financial statements.

Governance Report
Directors' Report

The Board of Directors during the year was as follows:

Eileen Mullan, MBE

Chair
(from 1st December 2020)

Non Executive Director
(up to 30th November 2020)

(Chair of Governance Committee)

Tel: 028 3756 0142
Eileen.Mullan@southerntrust.hscni.net

Roberta Brownlee, MBE

Chair
(up to 30th November 2020)
Tel: 028 3756 0142
Roberta.Brownlee@southerntrust.hscni.net

Executive Directors

Shane Devlin

Chief Executive

Tel: 028 3756 0143
Shane.Devlin@southerntrust.hscni.net

Helen O'Neill

Director of Finance, Procurement and Estates

Tel: 028 3756 0131
Helen.ONeill@southerntrust.hscni.net

Paul Morgan

Director of Children and Young People's Services / Executive Director for Social Work

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Dr Maria O'Kane

Medical Director

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Heather Trouton

Executive Director of Nursing, Midwifery and AHPs

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Directors

Aldrina Magwood

Director of Performance and Reform

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Vivienne Toal

Director of Human Resources and Organisational Development

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Esther Gishkori

Director of Acute Services
(up to 30th April 2020)

Tel: 028 3756 1335
Esther.gishkori@southerntrust.hscni.net

Melanie McClements

Interim Director of Acute Services
(up to 4th October 2020)

Director of Acute Services
(from 5th October 2020)

Tel: 028 3756 1335
Melanie.mcclements@southerntrust.hscni.net

Brian Beattie

Interim Director of Older People & Primary Care Services
(June 2019 - Present)

Tel: 028 3756 0115
Brian.beattie@southerntrust.hscni.net

Barney McNeany
(up to 31st March 2021)

Director of Mental Health & Disability Services

Tel: 028 3883 3222
Barney.McNeany@southerntrust.hscni.net

Non-Executive Directors

Siobhan Rooney

(Chair of Endowments and Gifts Committee)
(Chair of Performance Committee)
(up to 31st August 2020)

Hilary McCartan

(Chair of Audit Committee)

John Wilkinson, OBE

(Chair of the Patient & Client Experience Committee)

Geraldine Donaghy

(Chair of the Endowments and Gifts Committee)
(from September 2020)

Martin McDonald, MBE

Pauline Leeson, CBE
(Chair of the Performance Committee)
(from September 2020)

Audit

The Chief Executive and Directors of the Trust have responsibility for the preparation of the annual report and accounts. The accounts and supporting notes relating to the Trust's activities for the year ended 31 March 2021 have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance's Financial Reporting Manual (FReM). They have been audited by the Northern Ireland Audit Office who appointed ASM Chartered Accountants to carry out the detailed audit work to support the report of the Comptroller and Auditor General which is included on pages 118 to 122.

The Chief Executive and each Director has taken all the steps that he/she ought to have taken as Chief Executive/Director to make him/her aware of any relevant audit information and to establish that the Trust's auditor is aware of that information. So far as the Chief Executive and each Director is aware, there is no relevant audit information of which the Trust's auditor is unaware.

The notional cost of the audit of the accounts for the year ended 31 March 2021 which pertained solely to the audit of the Public Funds accounts is £64k. The notional cost of the audit of the Charitable Trust Funds accounts is £6k. This is reflected within miscellaneous expenditure within note 3 to the accounts. In 2021 the Trust paid Northern Ireland Audit Office £1,655 in respect of the National Fraud Initiative.

Information Governance

The Trust works with the Information Commissioners Office (ICO) to resolve any complaints received by them into how the Trust handles data. In 2020-21 there were four data breach incidents reported to the ICO.

STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003)

The Department of Health has directed the Southern 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 accounts are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Southern Health and Social Care Trust and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department of Health, including the 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 accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Permanent Secretary of the Department of Health as Principal Accounting Officer for Health and Social Care Resources in Northern Ireland has designated Mr Shane Devlin of Southern Health and Social Care Trust as the Accounting Officer for the Southern Health and Social Care Trust. The responsibilities of an Accounting Officer, including responsibility for the regularity and propriety of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Southern Health and Social Care Trust's assets, are set out in the formal letter of appointment of the Accounting Officer issued by the Department of Health, Chapter 3 of Managing Public Money Northern Ireland (MPMNI) and the HM Treasury Handbook: Regularity and Propriety.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Non-Executive Directors' Report

Ms Eileen Mullan, MBE

Chair

As Non-Executive Directors, our role is to provide support, challenge and an independent voice, at corporate level, across all the work of the Trust.

The Non-Executive Director membership of the Trust Board changed during the period 2020-21. Two Non Executives concluded their tenure during the year (including the Trust Board Chair). Three Non-Executive Directors commenced their second term to 31st December 2024. In addition, I was appointed Chair of the Trust Board effective from 1st December 2020.

Trust Board

Trust Board is made up of Non-Executive Directors and Executive Directors who work collectively on the common goal of the health and wellbeing of the population across the Southern HSC Trust who we are here to serve.

Oversight of the impact of the Covid-19 Pandemic has been the focus of the Trust Board and meetings continued to be held virtually throughout 2020-21, thus enabling Non-Executive Directors to exercise their role in terms of support and challenge. Ten formal public meetings were held when strategic, financial performance and patient safety and quality of care items affecting the whole Trust were also considered.

From April 2020, the Non-Executive Directors and the Chief Executive also met on a weekly basis in relation to the key operational issues facing the Trust as a consequence of Covid-19 and the Trust's response. This gave the Chief Executive a regular opportunity to share the impact across the Trust of Covid-19 along with updates on Rebuild Plans, the regional Management Board workings and the specific challenges faced within the Trust area as a result of its demography.

Non-Executive Directors have been humbled by the work and dedication of our Executive Colleagues and their teams during the Pandemic, recognising the impact

on them and their families in doing all they could to save lives and support those in need.

Workshops

The Board participated in a training workshop during the year on patient and safety data. As part of a whole Board development programme, this was dedicated time to assist Board members in their scrutiny function and improving the overall effectiveness of the Board.

Committees

Trust Board is supported by six Committees all of which are chaired by a Non-Executive Director. Due to the tenure period of two Non-Executive Directors coming to an end, Committee membership was changed during the year to support the work and ensure Committees were quorate We also had a change of Committee Chairs with Mrs Pauline Leeson, Ms Geraldine Donaghy and I taking over as the Chairs of the Performance, Endowments and Gifts and Remuneration Committees respectively.

Full information on membership and roles of Trust Board Committees can be found in the Governance Statement.

Each Committee Chair presents a report to Trust Board to provide feedback on the work of their respective Committee and raise any issues of concern.

Looking Ahead

As the Trust and our community moves out of the third surge of Covid-19, we take comfort in the significant roll out of the vaccination programme and the careful easement of restrictions. Covid-19 has impacted the health and wellbeing of our population through loss, illness, isolation and everyone has had to adapt their lives and work differently. The impact of Covid-19 will remain a part of our work as a Trust in the coming years.

We will continue to work in partnership with our community, our staff and the health and social care family to embrace new ways of working to support our population.

As a Trust, we are very clear on the challenges ahead in meeting the increasing demand, recovery from Covid-19, the length of waiting lists, the shortfall in staff and absence of longer term recurring budgets to support transformation and delivery.

Non-Executive Directors look forward to working with Executive colleagues in driving the health and social care agenda in the coming months.

Eileen Mullan, MBE

Chair

Governance Statement for the Year ended 31 March 2021

1. Introduction/Scope of Responsibility

The Board of the Southern HSC Trust (the Trust) is accountable for internal control. As Accounting Officer and Chief Executive of the Trust, 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 (DoH).

In delivering these responsibilities, I am accountable for the Trust's performance to the Health and Social Care Board (HSCB) and DoH and report through agreed performance management arrangements established for the 2020-21 year including those actions put in place to respond to and subsequently to recover/rebuild from Covid-19 pandemic surge(s).

This has entailed regular performance management meetings at a senior level with the HSCB and both scheduled and ad hoc meetings between Trust lead officers and the Performance Management Service Improvement Directorate within the HSCB, the Public Health Agency (PHA) and the regional 'cells' established as part of emergency planning responses to the Covid-19 pandemic.

In order to improve the quality, safety, effectiveness and efficiency of services, the Trust works in partnership with the HSCB, PHA, other public sector partners and the independent sector. A range of processes are in place to facilitate and enable this partnership working, with examples including:

- meetings with Trust, HSCB, Local Commissioning Group (LCG) and PHA senior teams collectively and on issue specific basis;
- monthly meetings between Trust and HSCB Chief Executives;
- regional and local Transformation Programme Boards to work together to implement aims of Programme for Government, HSC Ministerial vision, and the aims of the DOH's Strategic Framework for Rebuilding Health and Social Care Services (June 2020), Trust representation on a range of regional groups established as part of the HSC response to the Covid-19 pandemic;
- engagement with local GPs through locality forums and senior Trust attendance at Local Medical Committee (LMC) services development committee and specific local GP engagement as part of the Trust's established "SMT Bronze" 3 times weekly meetings in response to the Covid-19 pandemic;
- forums such as the regional children's service planning project board that include HSC partners, community/voluntary sector and other statutory agencies such as Education;

- promoting health and wellbeing processes involving a range of partners focussed on ensuring effective collaboration to address the specific and individual needs of local communities; and
- Senior Leadership and partnership working with councils in support of local Community Plans.

With respect to the Trust's inter-relationship with the DoH, the framework within which the Trust is required to operate is defined and agreed in the Management Statement (MS) and Financial Memorandum (FM). This model MS/FM for executive Non-Departmental Public Bodies (NDPBs) is intended to provide departments with a document that sets out a clear framework of strategic control for each of their executive NDPBs. The framework covers the operations, financing, accountability and control of the NDPB and the conditions under which any government funds are provided to the body.

2. Compliance with Corporate Governance Best Practice

The Trust applies the principles of good practice in Corporate Governance and throughout 2020-21 has continued to further strengthen its' corporate governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance best practice by having in place various measures which include the following:

Standing Orders, Scheme of Delegation and Standing Financial Instructions

The Standing Orders, Scheme of Delegation and Standing Financial Instructions are the key governance documents for the Trust and are in place to provide the regulatory framework for the business conduct of the Trust and define its ways of working. In line with good governance, the Standing Orders, Scheme of Delegation and Standing Financial Instructions are constantly kept under review. In light of Covid-19, temporary provision was required within the Standing Orders to the Board's governance arrangements and the Standing Orders were subsequently amended and approved by Trust Board.

Register of interests

A Register of Interests for Board members and staff is in place and updated annually and where relevant, throughout the year.

Self-Assessment

In line with good governance best practice, the Board completes the Board Governance Self-Assessment Tool on an annual basis. The completed tool in respect of the 2019-20 financial year was approved by Trust Board in August 2020 and provided assurance in relation to various leading indicators of Board

governance. This included a Board Impact Case Study on Covid-19. The Board will complete the Self-Assessment Tool in respect of the 2020-21 financial year and present for formal approval at the Trust Board meeting in September 2021.

Governance Framework

In my role as Accounting Officer, I am supported by the Trust Board.

The Board exercises strategic control over the organisation through a system of corporate governance which includes:

- Management Statement and Financial Memorandum;
- Standing orders including powers reserved to the Board and powers delegated to its Committees and standing financial instructions (as referred to above);
- An Audit Committee;
- A Governance Committee;
- An Endowments and Gifts Committee;
- A Remuneration Committee;
- A Patient and Client Experience Committee; and
- A Performance Committee.

The Trust adopts an integrated approach to governance and risk management and has an Integrated Governance Framework in place which covers all domains of governance associated with the delivery of health and social care services.

Committee structures are in place to reflect this integrated approach and to support the Trust Board. The following describes in more detail the role of the Trust Board, its Committee structure and attendance during the reporting period.

The Trust Board

The Trust Board currently comprises a Non-Executive Chair, five Non-Executive Directors, a Chief Executive and four Executive members. Five members of the Senior Management Team also attend Trust Board meetings. There were a number of changes to the Board during the period. Mrs Roberta Brownlee's tenure as Chair ended on 30 November 2020 and Ms Eileen Mullan (A Non-Executive Director within the Trust), was appointed Chair with effect from 1 December 2020. The tenure of one Non-Executive Director ended at the end of August 2020 and three Non-Executive Directors commenced their second term to December 2024. The Director of Mental Health and Disability Services retired at the end of March 2021.

The Trust Board is the corporate decision-making body. It has corporate responsibility for ensuring that the organisation fulfils the aims and objectives set by the Department/Minister and for promoting the efficient, economic and effective use of staff and other resources. It has a key role in overseeing sound financial

management and corporate governance of the Trust. Governance arrangements were further enhanced during Covid-19 through the establishment of a weekly meeting whereby the Chief Executive updated the Chair and Non-Executive Directors on the key operational issues and the Trust's response.

Training sessions at Board workshops are arranged as necessary to enhance Board members' knowledge and skills. During the year, members received training on mortality and patient safety data.

In the 2020-21 year, the Trust Board continued to meet virtually and held ten formal Board meetings and, in accordance with Standing Orders, were quorate for each meeting. In April 2020, during the initial surge period of Covid-19, quorum arrangements were amended to absent Directors (Voting and Non-Voting) from attending Trust Board with only the Chief Executive and Executive Director of Finance required to attend. This was reviewed in June 2020 when collective responsibility for decisions by the full Trust Board was re-instated.

The table below details members' attendance.

Name of Board member	Attendance
Non-Executive	
Mrs R Brownlee, Chair (to 30 November 2020)	6/6
Ms E Mullan, Chair (from 1 December 2020)	10/10
Ms G Donaghy	10/10
Mrs P Leeson	8/10
Mrs H McCartan	8/10
Mr M McDonald*	6/10
Mrs S Rooney (to 31 August 2020)	2/3
Mr J Wilkinson	10/10
Executive Director (Voting)	
Mr S Devlin, Chief Executive	10/10
Mr P Morgan, (Social Work)	9/9
Dr M O'Kane, (Medical)	7/9
Ms H O'Neill, (Finance)	9/10
Mrs H Trouton, (Nursing, Midwifery and AHPs)	6/9
Director (Non-Voting)	
Mr B Beattie, (Interim Older People and Primary Care Services)	9/9
Mrs A Magwood, (Performance and Reform)	7/9
Mr B McNeany, (Mental Health and Disability Services)	7/9
Mrs M McClements, (Interim Director of Acute Services to 4 October 2020/Director of Acute Services from 5 October 2020)	8/9
Mrs V Toal, (Human Resources and Organisational Development)	9/9

** reduced attendance due to bereavement*

As stated above, changes in membership of the Board/Committees have taken place during 2020-21. At times this resulted in Non-Executive Directors being co-opted onto Committees. The attendance figures below reflect the attendance of the

previous Trust Chair and Mrs S Rooney, Non-Executive Director, who remained in their term of office on the date of the meeting.

Committee	Number of virtual meetings	% Attendance
Audit	**4**	**92**
Governance	**4**	**94**
Endowments & Gifts	**4**	**95**
Remuneration	**2**	**100**
Patient and Client Experience	**4**	**91**
Performance	**4**	**100**

Committee structure

All Trust Board Committees are chaired by a Non-Executive Director and have clear terms of reference and lines of reporting and accountability which are reviewed and agreed by the Trust Board on an annual basis. These Committees review, scrutinise and challenge the information they receive in order to assure the Board that Trust processes are delivering outcomes to the required standards. Minutes of the Sub Committees are presented at Trust Board meetings in a timely manner and each Committee Chair presents a report to Trust Board to provide feedback on the work of their respective Committee and raise any issues of concern. Attendance records of each Committee are maintained and included in the each Committee's annual report to Trust Board.

The functions of each Committee are outlined below.

Audit Committee

The Audit Committee supports the Trust Board and my role as Accounting Officer with regard to our responsibilities for issues of risk, internal control and governance and provides associated assurance through a process of constructive challenge. The Audit Committee operates in accordance with the Audit Risk and Assurance Committee Handbook (NI) 2018.

In carrying out its work, the Committee used the findings of Internal Audit, External Audit, assurance functions, financial reporting and Value for Money activities. It approved the Internal Audit programme of work (adjusted in light of Covid-19) and reviewed progress on implementing internal and external audit recommendations. It considered reports from Internal Audit at each meeting and overall accepted the

findings and recommendations of Internal Audit in its reports for 2020-21, with Directors attending virtually as required. Fraud is a standing item on the Committee's agenda and there is on-going reporting to the Committee in respect of compliance with Departmental directions/circulars.

Also on an annual basis, the Committee reviews the findings of the External Auditor concerning the Trust's Annual Accounts, including the Governance Statement.

The Chair of the Audit Committee provides the Board with an Annual Report on the work of the Audit Committee. The Audit Committee completed the 2019-20 National Audit Office self-assessment checklist in June 2020 and the results demonstrated that the Audit Committee is operating effectively and complying with Audit Committee best practice. There were no issues raised.

Governance Committee

The Governance Committee is the committee responsible for providing assurance to the Board on all aspects of the governance agenda across the Trust (except internal financial control). The Committee comprises all Non-Executive Directors who are independent of Trust management. The Chief Executive, members of the Senior Management Team, the Director of Pharmacy and the Assistant Director of Clinical and Social Care Governance are in attendance at all meetings.

The Committee has an active role in providing assurance to the Board on the management of risk across the Trust. Members scrutinised and approved the Corporate Risk Register at each of its meetings. During the year, the Senior Management Team reviewed the Corporate Risk Register in the context of the current operational demands facing the Trust, and the key outcomes of this work was presented and discussed by the Committee. This remains work in progress.

The Chair of the Governance Committee provides the Board with an Annual Report on the work of the Committee. This includes an evaluation of the performance of the Committee during the year and I confirm that there were no issues raised.

Endowments and Gifts Committee

The Endowments and Gifts Committee is the committee responsible for providing assurance to the Board on all aspects of the stewardship and management of funds donated or bequeathed to the Trust.

The membership of the Endowments and Gifts Committee comprises three Non-Executive Directors, the Director of Acute Services and the Director of Human Resources and Organisational Development. The Director of Finance is in attendance.

At each meeting, the Committee monitored the use and rationalisation of funds and sought assurance that funds were not unduly or unnecessarily accumulated. The Committee acknowledged during 2020-21 the additional cash and non-cash donations being received due to the Covid-19 pandemic and were proactive in seeking to promote use of Trust Funds.

The Chair of the Endowments and Gifts Committee provides the Board with an Annual Report on the work of the Committee. This includes an evaluation of the performance of the Committee during the year and there were no issues raised.

Remuneration Committee

The Remuneration Committee makes recommendations to the Trust Board on all aspects of remuneration and terms and conditions of employment of the Chief Executive and other senior executives.

The committee comprises the Trust Chair and two Non-Executive Directors, who are independent of Trust management. The Director of Human Resources and Organisational Development is in attendance.

Patient and Client Experience Committee

The Patient and Client Committee provides assurance to the Trust Board that the Trust's services, systems and processes provide effective measures of patient, service user and carer experience and involvement. The Committee provides corporate oversight to matters relating to Personal and Public Involvement (PPI) and the patient and client experience and ensures strong linkages between PPI, patient and client experience, Quality Improvement and Compliments and Complaints with a view to identifying opportunities to deliver on-going improvements.

Despite the challenges faced by Covid-19 restrictions, the implementation of Care Opinion within the Trust continued successfully with progress reviewed by the Committee. Regionally, the previously planned 10,000 more voices workplan was put on hold and replaced with three Covid-19 focussed surveys all of which have been completed. Progress on the recommendations will be reported to the Patient and Client Experience Committee.

Membership currently comprises 3 Non-Executive Directors (including the Chair) and 3 members of the PPI Panel.

The Chair of the Patient and Client Experience Committee provides the Board with an Annual Report on the work of the Committee. This includes an evaluation of the performance of the Committee during the year and I confirm that there were no issues raised.

Performance Committee

The Performance Committee is responsible for overseeing the delivery of planned results by monitoring performance against objectives and ensuring corrective actions are taken when necessary within agreed timelines.

This Committee has an established work programme of integrated reporting to facilitate comprehensive review and drill down into the issues that impact on performance and take a broader view than is offered by extant Commissioning Plan Direction reporting targets alone. At each meeting, the Committee considers both internal and external reports outlining the Trust's performance against a range of indicators. External reports discussed by the Committee included bespoke reports produced by the NHS Benchmarking Network covering a range of service areas, highlighting the Trust's position against that of its peers.

The membership of the Performance Committee currently comprises 3 Non-Executive Directors (including the Chair).

3. 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 following section provides an overview of the Trust's Business planning process and considers how objectives are identified, managed and reviewed.

The Trusts' **4 Year Corporate Plan 'Improving Together'**, approved by the DoH aims to ensure clarity about the strategic direction for services delivered by the Trust during 2017-18 – 2020-21. It sets out the actions the Trust planned to take in support of each of the corporate objectives to ensure that our local communities know what to expect from us, that all of our staff are aware of their role in delivering on these priorities and that we can demonstrate improvements and progress by the end of the plan.

However, the Trust was unable to progress a number of objectives set out in year 3 and year 4 of the current plan due to the impact of its management response to the Covid-19 pandemic. The Trust secured HSCB agreement to roll forward the existing corporate plan into 2021-22; this will permit time to consider the

arrangements to be brought forward in respect of safe return to services following the initial pandemic response and to establish new local relationships and priorities as part of new HSC planning framework arrangements.

In 2020-21 as a result of the impact of the Covid-19 pandemic, the Minister's Commissioning Plan Direction was not produced and extant Commissioning Plan objectives and goals for improvement were rolled over. The Trust was not required to submit a Trust Delivery Plan for 2020-21.

The targets within the extant Commissioning Plan will continue to be allocated to Directorates. It is the responsibility of Directors and their teams to be aware of the targets relevant to their area, to ensure that issues which may impact upon their successful delivery are highlighted at Divisional and Directorate Team meetings or staff supervision throughout the year and are considered alongside additional requirements emanating from regional oversight and strategic groups established by the DoH emerging as part of new commissioning arrangements.

The Trusts performance management framework defines arrangements for monitoring and review of performance at operational and corporate level. During 2020-21, the Trust agreed Phased Rebuild Plans as part of the HSC performance management arrangements; these replaced the requirement to develop Performance Improvement Trajectories. The Rebuild Plans aim to take account of relevant organisational factors in the context of the ongoing management of the pandemic response arrangements and provide a summary of the arrangements in place to restart services, including projected service activity levels, aligned to principles established by the Regional Management Board.

It is essential that linkages between plans at Corporate and Directorate level are clearly stated, with a clear understanding and connection at all levels between objectives and associated risks. This is evidenced through the business planning and risk management processes in the Trust.

Risk Management

Risk management is an organisation-wide responsibility. Governance structures highlight the responsibility for the management of risk lies within operational directorates and their corresponding governance arrangements, with the corporate overview role being the Medical Director, as the Executive Director with delegated responsibility for risk management. The Trust has an Interim Risk Management Strategy for 2019-2022. This will ensure that the Trust manages all risks using a systematic and consistent approach. Risk Registers are developed at Department, Directorate, and Corporate levels, to record all forms of risk including clinical, operational and financial risks.

Exposure to risks will be kept to a level deemed acceptable by the Trust Board. Risks throughout the organisation are managed within the Trust's risk appetite and,

where this is exceeded, action is taken to reduce the risk. Risk appetite is determined by the nature of the risk to be assumed, the amount of risk to be taken and the desire to balance risk versus reward. The Trust will not accept risks that materially impact on patient safety. The Trust has a greater appetite to take considered risks in terms of their impact on organisational issues.

Handling and managing risk is a combined 'top down' and 'bottom up' approach. The Corporate Risk Register works 'bottom up' and the Senior Management Team act as the filter for risk issues from Directorate Risk Registers for entry of the most significant risks onto the Corporate Risk Register. The Board Assurance Framework is owned by the Board and works 'top down' from the Trust's strategic objectives determining proactively the high level risks that could affect achievement of those objectives and the range and effectiveness of existing assurance reporting. Examples of indicators which may identify risks within the organisation include internal assessments/reporting such as self-assessments, monitoring reports, controls assurance processes, internal audit reports, complaints, incidents, litigation, staff turnover etc. In addition reports from external bodies e.g. RQIA, Accreditation bodies, independent reviews also inform risk. Risks must be graded in accordance with the risk matrix and entered on the appropriate risk register.

Directors are responsible for managing risks within their Directorate, managing Directorate Risk Registers and escalating risk to the corporate risk register in line with the Trust Risk Strategy. One of the risks that the Trust has been managing during 2020-21 has been the implications of the global Covid-19 pandemic which poses unique challenges for Infection Prevention and Control processes. The Trust has undertaken significant work to re-profile our services to ensure our services remain safe and effective. The Trust has initiated a wide range of contingency and business continuity arrangements that consider both risks relating to the impact of Covid-19 in terms of the virus impact for service users and staff and also the impact of the changes to service delivery. The corporate risk register maintains an overview of these risks with each Directorate holding specific items relating to their service areas. These arrangements continue to be reviewed by both SMT and Trust Board to provide an assurance on their validity.

All staff are responsible for managing risks within the scope of their role and responsibilities as employees of the Trust. To support staff through the risk management process, specialist guidance and support has been available along with access to policies and procedures.

There is a structured process in place for incident reporting, analysis and the investigation of serious incidents. The Trust is focusing on strengthening risk management, including adverse incident reporting, complaints handling and is seeking to learn from good and poor practice. An organisational 'Learning from Experience' forum has been established which concentrates on sharing outcomes and learning across the organisation. The Trust continues to develop and review

this forum to ensure robust sharing of learning and service improvement using quality improvement methodology.

4. Information Risk

Safeguarding the information held by the Trust is a critical aspect of supporting the Trust in the delivery of its objectives. Effective management of information risk is a key aspect of this. Arrangements in place to manage this risk include:

- A Trust Information Governance Framework which includes policies and a suite of procedures and guidance;
- A Personal Data Guardian (Medical Director and Executive Director of Social Work) to approve data sharing;
- A Senior Information Risk Owner (SIRO) (Director of Performance and Reform) with overall responsibility for managing information risk across the Trust and is the owner of the Information Asset Register;
- Information Governance Framework: Report on use of personal data forwarded to SIRO and Trust Board annually;
- Freedom of Information and Data Protection Requests summary of compliance reported to Trust Board on a quarterly basis;
- Designated Information Asset Owners (IAOs) are in place across the Trust to reduce the risk to personal information within the Trust and training and advice is provided to ensure they are aware of their responsibilities;
- An information sharing register is in place which records the details of all episodes of sharing of Trust data with other bodies; and
- Privacy Impact Assessment templates have been disseminated to ensure privacy issues are considered prior to implementation of projects.
- Data Protection Impact Assessments are carried out which include the identification of Risks associated with the project or new data processing activities. The risk assessments include an analysis of risk and an assessment where a Public Interest test is required.
- Corporate Risk Management / risk register processes for highlighting/ escalating information risks as appropriate these risks are reviewed on a quarterly basis at the Information Governance Forum.
- Designated Information Asset Owners review their Information Governance Risks and provide assurance on an annual basis, through the Information Governance Questionnaire, to the SIRO and Trust Board. These risks are assessed in line with the Trust's Risk Management Strategy.
- A regular programme of review by Internal Audit is in place. The Internal Audit report received March 2021 provided a Satisfactory level of assurance.
- Information Governance issues are included in weekly corporate governance de-brief meetings for active sharing and learning across all operational areas in the Trust.

In addition, the Trust is taking appropriate steps to continue to ensure compliance with the implementation of the General Data Protection Regulations (GDPR) which came into effect in May 2018. The Information Governance Department participates in the work of the regional Information Governance Network which continues to develop standardised documents and processes to comply with GDPR requirements which are then shared with the Regional Information Governance Advisory Group, chaired by DoH, for approval. Privacy Notices have been reviewed and published and these provide details of the processing of personal data by the Trust. Liaison with the Information Commissioner Office (ICO) continues as guidance on GDPR implementation is released.

The Trust's Information Governance Department continues to work with all staff groups to ensure changes in legislation appropriate to their service areas are implemented e.g. Data Sharing Agreements or Contractual Clauses. Data Protection Impact Assessments have also been implemented in the Trust.

As at 31st December 2020, 76% of Trust staff were trained in Information Governance. This is closely monitored and reminders are sent to Line Managers on a regular basis to encourage uptake of this mandatory training.

Information Governance incidents are reported in accordance with the HSC Risk Management strategy. Internally, information governance incidents are monitored and reviewed at the Information Governance Committee. Where lessons are learned from individual incidents, Heads of Service are responsible for disseminating these within their area. Where there are trends of incidents the lessons learned from these are disseminated throughout the Trust by the SIRO. The Trust's 'SIRO Says' campaign continues in 2020-21 delivering targeted Information Governance themed messages to Trust staff throughout the year.

The Trust is also committed to ensuring the security of information held in electronic form in accordance with its ICT security Policy. The Trust is aware of the international risk of Cyber Security. The Corporate Risk Register includes a high level Cyber Security risk which was added to the register in 2017-18. The Trust continues to work in partnership and requires the support of the Business Services Organisation in respect of system wide cyber security incident response, and in determining data processing activities and relationships to inform ongoing work on social care contracts.

5. Fraud

The Trust takes a zero tolerance approach to fraud in order to protect and support our key public services. We have put in place an Anti-Fraud Policy and Fraud Response Plan to outline our approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud, whether originating internally or externally to the organisation. Our Fraud Liaison Officer

promotes fraud awareness, coordinates investigations in conjunction with the BSO Counter Fraud and Probity Services team and provides advice to personnel on fraud reporting arrangements. Awareness training is delivered, targeted at staff with line management and delegated financial authority responsibilities, in support of the Anti-Fraud Policy and Fraud Response Plan, which are kept under review and updated as appropriate or every 2 years.

In 2020-21, there have been 14 cases of suspected fraud reported by the Trust. All identified actual, suspected and potential frauds are reported to the Audit Committee as a standing agenda item. 9 (64%) of the 2020-21 reported cases involve staff pay and allowances claims. 2 new cases are under investigation by the PSNI, with another case under consideration. There have been 3 cases identified of Trust staff claiming paid sick leave from the Trust but working elsewhere during the period of paid sick leave.

11 cases reported in previous years remain under investigation with the Trust and Counter Fraud, 3 of these are with the PSNI.

The Trust implemented a new Regional HSC Framework on 'Your Right to Raise a Concern – Whistleblowing' in April 2018 along with accompanying Trust's Policy and Procedure. Our 'See something, Say something' campaign was promoted widely across the Trust to raise the profile of 'raising concerns' across the Trust and to demonstrate our commitment to developing a culture where staff feel able and empowered to raise concerns. This has led to a significant rise in concerns being raised and case managed since 2018.

Senior Management Team oversight of each whistleblowing case is in place and a central log of concerns is documented. Each case is managed through oversight reviews with follow up action plans as required.

6. Public Stakeholder Involvement

The Trust recognises that the involvement of service users, carers and other stakeholders in the identification and management of risk is fundamental to its Personal and Public Involvement (PPI), Patient Client Experience (PCE) and Quality Improvement strategic agendas and operational plans.

The Trust remains committed to ensuring that the statutory duty for Personal and Public Involvement (PPI) is embedded into all aspects of its business. A non-Executive Director chairs the Patient Client Experience Committee, a sub-committee of Trust Board.

The Director of Older People and Primary Care Services is the lead Director for PPI and has responsibility for the development of the Trust's PPI strategy and application of practice across the Trust.

Whilst the Trust's PPI team was redeployed to support the local implementation of a regional Covid-19 Community Helpline during the period March-July 2020, they supported the PPI panel and other service user and carer representatives with the following activity in 2020-21.

Public & Personal Involvement (PPI) Panel

The Trust's PPI Panel celebrated 10 years in November 2020. The online event was an opportunity to showcase the breadth of work to champion the personal and public involvement agenda both internally within the Trust and regionally. The event had representatives from within the Trust, the community & voluntary sector, education and colleagues previously associated with the panel.

New members were recruited onto the panel in September 2020. Some outputs for the panel in 2020-21 have included:

- No more Silos local work streams and Local Implementation Group;
- Stormont health committee inquiry into care homes;
- Care partners (with PCC);
- Regional Health & Social Care PPI Involvement Forum;
- Hyponatraemia Report Recommendations (IHRD) Implementation Plan;
- Clinical Social Care Governance;
- RQIA Remit Sub Group (Duty of Quality);
- School of Nursing and Midwifery (QUB) Service Users and Carers Forum.

Further information on the Trust's involvement, patient client experience and quality improvement structures, processes and resources to support staff and service users and carers is available at:

https://southerntrust.hscni.net/involving-you/personal-and-public-involvement/

Training

Whilst a series of co-produced training programmes have been developed in order to expand and utilise service users and/or carers' confidence/competency to become involved with the Trust, these were largely unable to progress during 2020-21 due to the impact of the Covid-19 pandemic on staffing and service user involvement.

Combined PPI, Patient Client Experience, Quality Improvement and Corporate Governance strategy

A collective Patient Experience Strategy development process commenced with a workshop in Jan 2020. The process was paused due to initial Covid-19 surge and response efforts.

In November 2020, a series of 3 engagement workshops were hosted by the Trust to further progress development of the integrated strategy and action plan. Participants included service leads, chief executive and directors, non-executive Directors, patients, service users and carers, Patient Client Council, and CV sector organisations

Further to the series of 3 engagement workshops which were hosted by the Trust in November 2020; a further 3 workshops have been scheduled to take place between February and April 2021 to complete the writing of the strategy document. This will include strategic actions for future engagement and involvement of service user groups across the Trust.

7. Assurance

The Board Assurance Framework is a statutory requirement for the Trust and is an integral part of the Trust's governance arrangements. It describes the relationship between corporate objectives, identified potential risks to their achievement and the key controls through which these risks will be managed, as well as the sources of assurance surrounding the effectiveness of these controls. The Framework has been compiled in conjunction with all Directorates and provides the systematic assurances required by the Board on the effectiveness of the system of internal control. It assists the Board to ensure that all identified strategic risks are focused on and that effective controls are in place thus providing assurance that a robust risk management system underpins the achievement of the Trust's corporate objectives and the delivery of high quality health and social care.

The Board Assurance Framework sits alongside the Corporate Risk Register, the Controls Assurance process and performance reporting to provide structured assurance about how risks are effectively managed to deliver agreed objectives. Where risks are outside the Trust's ability to solely manage, these are escalated to the Trust Board and beyond.

The Trust Board agenda is structured to ensure assurance is provided on key areas such as patient safety and quality and performance in terms of finance.

The quality of information presented to the Trust Board is regularly reviewed by members. A standard template is attached to the front of all Board papers ensuring that the report is aligned to specific corporate objectives and key issues/risks and decisions required are drawn to Board members' immediate attention. Board members regularly discuss and challenge the quality of the information presented to them and collectively reflect on information received.

Members continue to consider further how to develop the searching questions and processes to ensure effective challenge by the Board. The Executive professional

roles (Finance, Medical, Nursing and Social Work) ensure executive challenge as these posts are designed to give independent professional assurance to the Trust Board.

The Trust has a robust process in place for managing Controls Assurance. The Trust Controls Assurance Group met regularly and annual baseline assessments and evidence lists were completed within the agreed timescale. Any significant control divergences, together with an outline of action plans in place to address these divergences, are outlined in the Assurance Statements. Reporting of assurance will be to the Senior Management Team and the Governance Committee with the overall position reported to the Trust Board.

2020-21 baseline assessments have been completed using an agreed RAG model (see below), for the 22 Controls Assurance areas.

Non-Compliant	0 – 44%
In Progress	45 – 74%
Compliant	75% +

18 areas achieved a green rating and 4 achieved an amber rating. Considerable work has been undertaken towards further improvement in those areas rated amber and progress has been achieved during the year as demonstrated below.

Standard	Overall RAG Rating	
	2020/21	2019/20
Emergency Planning		
Environmental Cleanliness		
Fleet & Transport Management		
Environmental Management		
Waste Management		
Buildings, Land and Plant		
Financial Management		
Food Hygiene and Safety		
Governance		
Health and Safety		
Human Resources		
Standard	**Overall RAG Rating**	
	2020/21	**2019/20**
ICT		
Information Management		
Non Pay Commissioning Cycle (Procurement)		
Decontamination of Reusable Medical Devices		
Medicines Management		

Research Governance		
Security Management		
Fire Safety		
Infection, Prevention and Control		
Medical Devices and Equipment Management		
Risk Management		

The Trust process requires that where gaps are identified in the baseline self-assessment, action plans are put in place to control and monitor areas of control divergence. Action plans are already in place for 2021-22 and progress will be monitored via various fora within the Trust and reported to the Controls Assurance Group and SMT.

8. Covid-19

The World Health Organisation (WHO) declared the outbreak of Coronavirus disease (Covid-19) a global pandemic on 11 March 2020, following which the DoH and its ALBs immediately enacted emergency response plans across the NI Health sector. There is a UK-wide coordinated approach guided by the scientific and medical advice from respective Chief Medical Officers and Chief Scientific Advisers informed by the emergent evidence nationally and internationally. Evidence-based UK-wide policies and guidelines continue to be carefully followed in conjunction with the PHA issuing local guidelines and ensuring readily accessible and continually updated advice. The pandemic has had extensive impact on the health of the population, all health services and the way business is conducted across the public sector. Protecting the population, particularly the most vulnerable, ensuring that health and social care services were not overwhelmed, saving lives through mitigating the impact of the pandemic and patient and staff safety has remained at the forefront throughout health's emergency response.

Social distancing measures were implemented in line with The Health Protection (Coronavirus, Restrictions) (Northern Ireland) Regulations 2020 and the health sector played an important part in ensuring the NI population were aware of the need to adhere to the measures to reduce risk of transmission.

Across healthcare, leading on the testing of Covid-19 in NI has and continues to be a key priority with testing centres being set up across the country including mobile testing. The Department's Expert Advisory Group has overseen the strategic approach to testing in NI.

Northern Ireland Contact Tracing Service began contact tracing all confirmed cases of Covid-19 on 18 May 2020.

In Phase 1 preparations for Surge a number of measures were urgently taken to repurpose and temporarily reconfigure the provision of services, and to identify additional capacity including the need to ensure availability of appropriate personal protective equipment (PPE). A personal protective equipment and zoning strategy was implemented.

Within the Trust, these measures included the creation of a single point of non-elective emergency care entry on the Craigavon Hospital site, thus making Daisy Hill Hospital a dedicated medical care hub and the development of a virtual hospital model to support admission avoidance and support service users in their place of residence and support those service users to stay in their place of residence.

In March and April, the Trust was asked to support the independent care homes and domiciliary care sector with the provision of infection prevention and control advice and support, as well as the provision of PPE. In June 2020 the Trust was asked to provide an immediate response to newly notified outbreaks in Care Homes, with visits to care homes and onsite assessment of the homes IPC practice and make arrangements for training or onsite support.

Phase two preparations included the re-establishment of a two site emergency model - CAH and DHH. Along the ongoing and changing needs of the response to Covid-19, there were urgent plans to 'rebuild' wider healthcare services and confidence in the community in line with new Strategic Framework launched on 9th June 2020 aimed at rebuilding services. Contingency arrangements have been in operation including Bronze Senior Management Team (SMT) oversight meetings, to oversee the arrangements to minimise the risk of transmission of Covid-19 and maximise the capacity to maintain essential services.

As community levels of Covid-19 increased, Phase two Surge was complicated by nosocomial transmission of Covid-19. Additional measures including estates works and enhanced infection prevention and control measures were implemented.

9. Sources of Independent Assurance

The Trust obtains Independent Assurance from the following sources:

- ***Internal Audit;***
- ***Northern Ireland Audit Office (NIAO);***
- ***Regulation and Quality Improvement Authority (RQIA);***
- ***Benchmarking;***
- ***Medicines and Healthcare Products Regulatory Agency (MHRA);***
- ***Human Tissue Authority (HTA);***
- ***Human Fertilisation and Embryology Authority (HFEA); and***

- ***General Medical Council (GMC), General Dental Council (GDC), NI Medical and Dental Training Agency (NIMDTA) and various Royal Colleges.***

Internal Audit

The 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.

As a consequence of the pandemic and the changing audit needs, the internal audit plan for 2020-21 was amended, with the following systems being reviewed:

AUDIT ASSIGNMENT	LEVEL OF ASSURANCE
FINANCE AUDITS:	
Payments to Staff	Limited
Non Pay Expenditure	Satisfactory
ICT Procurement and Contract Management	Satisfactory
Management of Community and Voluntary Contracts During Covid-19 (specifically the application of and compliance with regional directions during 2020-21)	Satisfactory
Budgetary Control	Satisfactory
Self-Directed Support (SDS) Payments	Limited
CORPORATE RISK AUDITS	
Adult Safeguarding	Limited
Information Governance	Satisfactory
Management of Medical Locums	Limited
IT Audit - Line of Business Systems	Satisfactory for 2 of 4 sampled LOBs Limited – for 2 of 4 sampled LOBs
GOVERNANCE AUDITS	
Risk Management	Satisfactory
Governance during Covid-19	Satisfactory
Retention of Board /Committee Minutes and Papers	Satisfactory

Consultancy and Other Non-Assurance Assignments

A number of other assignments were undertaken during the year which included:

- Review of a consultant urologist compliance with relevant authorities/guidance in terms of Private Work;
- Governance and management of Revenue Business Cases, focusing on compliance with HSC (F) 32-2019 Guidance on the Completion of Revenue Business Case and Post Project Evaluation Templates;
- Independent Homes Covid-19 Payment validation work;
- Domiciliary Care Covid-19 Payment validation work;
- Development of Trust Fraud Risk Assessment Template for use by HSC; and
- Other Advisory work.

Follow up work

At year end, Internal Audit followed up in respect of the implementation of 471 previous priority one and two Internal Audit recommendations agreed in Internal Audit reports. 99% (468) of these recommendations were fully or partially implemented at the year-end. Of the 1% (3) of recommendations not implemented, there were no priority one recommendations.

The Trust continues to closely and regularly monitor the status of outstanding internal audit recommendations.

Shared Services Audits

As the Trust is a customer of BSO Shared Services, the following audit reports have been shared with the Trust for information. The recommendations in these reports are the responsibility of BSO Governance and Audit Committee to take forward.

Shared Service Audit	Assurance
Payroll Shared Service	**Satisfactory** - Elementary Payroll Processes **Limited** – End to End: Timesheet Processing; Management of Overpayments; Holiday Pay and SAP/HMRC RTI Reconciliation

Recruitment Shared Service	**Satisfactory** - RSSC recruitment processes
Accounts Payable	Satisfactory
Business Services Team	Satisfactory

The Payroll Shared Service audit reflects a similar position to 2019-20 audit outcomes.

Overall Opinion for 2020-21

In her Annual Report, the Head of Internal Audit provides satisfactory assurance on the adequacy and effectiveness of the Trust's framework of governance, risk management and control. It is acknowledged that Covid-19 has shaped and in some ways restricted the 2020-21 audit programme. However, the Head of Internal Audit is content there has been sufficient audit work conducted to provide an annual assurance opinion.

Limited assurance has been provided in a number of areas.

Details of the significant issues identified within the limited assurance reports provided to the Trust are noted below. Management have agreed appropriate timescales for all of these issues to be addressed.

Payments to staff: Limited assurance was provided on the basis that the processing of off-system timesheets is not yet sufficiently robust. Significant issues were identified in relation to the monitoring of electronic timesheet submissions and timesheet processing. In addition delays in issuing and with validation checking of Staff in post listings were noted.

Self-directed support: Limited assurance has arisen as there is no process for monitoring the status of SDS annual reviews in the Trust. In addition, a range of required documentation, including financial monitoring information was not on file/submitted**.**

Adult Safeguarding: Limited has been given as weaknesses in the robustness of Adult Safeguarding services have been identified through 2 independent regional reviews. New regional interim governance / strategy arrangements have recently been introduced, and while the Trust is represented on these fora at director level, work is at a very early stage. There is also underreporting of safeguarding incidents on Datix and confusion amongst safeguarding staff when and who should do this. A review of a sample of case files on the PARIS system also found significant gaps in the completion and sign off of standard safeguarding documentation on PARIS.

Management of Medical Locums: Limited assurance is provided on the basis that there is an insufficient audit trail to demonstrate that contracted agencies were called on first, when requesting locums. There is also limited documentation to evidence justification and approval of enhanced rates. Evidence of Pre-engagement checks (PECs) having been conducted for employed locums was also not available for all appointments sampled.

IT Audit – Two business applications: Limited assurance is provided on the basis that there areas around governance, system and user management, and system support that require strengthening.

The recommendations of the Internal Auditor to address control weaknesses have or will be considered by the Audit Committee.

Northern Ireland Audit Office (External auditor)

The external auditor undertakes an independent examination of the annual financial statements in accordance with auditing standards issued by the Auditing Practices Board.

In addition, the external auditor will provide a Report to those charged with Governance which brings to the attention of the Accounting Officer audit findings and any control weaknesses identified during the course of the external audit. The external auditor reports all of these findings to the Audit Committee. In the course of the external audit for 2020-21, the external auditor has brought to the attention of management no priority one issues.

If the Northern Ireland Office conducts a Health Sector Value for Money study this is presented to the audit committee.

Regulation and Quality Improvement Authority (RQIA)

The RQIA provides independent assurance by conducting a rolling programme of planned clinical and social care governance and thematic reviews across a range of services provided by the Trust or those commissioned from third party providers.

The Trust has a system to track and monitor RQIA thematic reviews and inspections and the Trust responses. Directors are responsible for progressing actions to ensure recommendations within their remit are achieved within their Directorates.

With regard to the Independent Sector Care provision, all inspection reports and Serious Concerns raised by RQIA in relation to contracted social care services are discussed and actioned with relevant Operational Directorates and necessary supporting measures put in place.

In line with Departmental requirements, the Trust reports annually to the DoH on progress against selected RQIA recommendations however due to the impact of Covid-19 this work has been paused regionally in 2020-21.

Benchmarking

The Trust continues to participate in external benchmarking of hospital based data against a UK peer group of like hospitals. A contracted service provider provides analysis and reporting on a range of key performance indicators including efficiency and safety measures providing independent assessment of performance against peers, supporting this function with analysis and support at Directorate level.

We have also expanded our external benchmarking outside hospital services via the NHS Benchmarking Network, the in-house benchmarking service of the NHS. The NHS Benchmarking Network creates custom reports that detail our relative performance against a variety of metrics and compares us to our peers. These reports form the basis of any Directorate Action Plan subsequently developed.

Medicines and Healthcare Products Regulatory Agency (MHRA)

MHRA inspect the Specials Manufacturing License held by Craigavon Area Hospital Pharmacy Department. They operate a risk based inspection programme with the last inspection of the licence being held on 22nd August 2018.

Human Tissue Authority (HTA)

The HTA is a regulatory body set up in 2005 following events that revealed a culture in hospitals of removing and retaining human organs and tissue without consent. The HTA regulate organisations that remove, store and use human tissue for various purposes. The HTA build on the confidence people have in regulation by ensuring that human tissue and organs are used safely and ethically, and with proper consent. The Trust complies with the requirements necessary to hold an HTA license with the last site inspection being April 2019.

The Human Fertilisation and Embryology Authority (HFEA)

The Trust is subject to the HFEA 1990 Act with the license certified every 4 years for the Fertility Clinic and an inspection every 2 years. The HFEA checks for compliance with the legislation and review the required audits and relevant policies and procedures. There was an inspection carried out in February 2020 with a report in June 2020 indicating that no areas of improvement were required.

10. 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 Trust's system of internal governance is informed by the work of the internal auditors, 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 Senior Management Team, Trust Board, Head of Internal Audit, Audit Committee and Governance Committee. I have referred to the Annual Report from the Head of Internal Audit which details the assurance levels provided from reports in 2020-21 and also the Trust's implementation of accepted internal audit recommendations. A plan to address weaknesses and ensure continuous improvement to the system is in place.

11. Internal Governance Divergences

Prior Year Issues – Closed

Fit testing of FFP3 Respirator masks

In June 2020, the Trust was made aware of an issue relating to some fit testing that had been completed in a number of HSC Trusts where the fit testing equipment was calibrated to a setting not applied in Northern Ireland but which was in line with World Health Organisation recommendations. As a precautionary measure, the Trust urgently carried out a detailed review of all fit testing carried out from December 2019 and made contact with all staff whose results were affected. All affected staff, (40 in number), were advised of the issue and arrangements were put in place to reschedule them for retesting. The Trust has successfully implemented a number of additional measures to ensure that this issue cannot reoccur and provided assurance re same to PHA on a regular basis. This issue is now closed.

Progress on Prior Year Issues which continue to be considered as control issues

A number of governance matters arising in prior years are still considered to represent internal governance divergences for 2020-21. These are as follows:

Contract & Procurement Management

Social Care Procurement

In order to minimise the risk of non-compliance with the Public Contract Regulations 2015, all DoH ALBs continue to extend CoPE cover for social and health care services in the Light Touch Regime. This cover is provided by the Social Care Procurement Unit (SCPU) of BSO. The Trust is a member of the Regional Social Care Procurement Board, chaired by HSCB, which has responsibility for oversight of a Regional Social Care Procurement Plan.

The Regional Social Care Procurement Plan, agreed previously by the Regional Procurement Board, remains subject to review in response to adult social care policy development and capacity available.

Resource/ capacity is not available within the plan to undertake all over threshold Trust procurements. As such the approach for the management of these awards is agreed with the SCPU on an individual case by case basis. This includes the Trust undertaking procurement exercises under the influence of the SCPU, where the award of contract is considered operationally critical, is new or where it is required to support strategic change. It may also include the use of a 'direct award of contract' approach until capacity is available regionally to address the full requirements of the plan.

As per the BSO (PaLS) Strategic Sourcing Model for Social Care, the Trust will continue to support the co-ordination of pre-procurement activities of procurement undertaken by the SCPU including preparation of business cases / appraisals, personal and public involvement, equality impact assessment activities, development of specifications and other associated activities.

A Programme Manager and Contract Officer are now in place within the Trust to provide some additional capacity for procurement activities.

In February 2017 the Trust brought forward an approach to the management of the allocation of funding to contracts with a value under the EU threshold to the Trust Procurement Board which was endorsed in principle subject to agreement of a common regional approach. This remains outstanding and the SCPU continues to work to agree a guidance document to support staff undertaking below threshold procurements via a common approach.

A large number of these contracts can be of a low value and it will be a key deliverable to ensure as awards progress that it is both proportionate to the value of the contract and reflects best practice with arrangements to establish value for money achieved. No specific resources are available for the award of contracts 'under threshold' and the Trust will continue to adopt a pragmatic approach in the management of this until a consistent and proportionate regional approach is agreed. In the intervening period, the Trust will continue to be challenged to evidence value for money in this area.

General Contract Management

The Trust continues to assess that it is not fully compliant with HSC (F) 32/2017: Procurement Guidance Note (01/12) Contract Management (as amended) – Procedures and Principles.

In January 2020, the Trust agreed a proposal to strengthen the corporate oversight and monitoring of the existing delegated contract management arrangements. A

Contracts Governance Manager was appointed in 2020-21 to scope existing arrangements and bring forward an improvement plan. An initial baseline assessment of the Trust contract management practices will be undertaken in 2021-22. Future management of this area will continue to be subject to availability of resources. The risks associated with this remain noted on the Trust's Corporate Risk Register.

Trust Estate Risks

The age, condition and nature of the estate continue to pose potential risks and are exacerbated by limited capital investment in major renewal and replacement projects. The estimated investment required for backlog maintenance is £258m. Within our Acute and Non-Acute ward facilities there is limited side room capacity, multi-occupancy bays are small and toilet and shower facilities are limited. This restricts the Trust's potential to respond adequately to transmissible organisms. A number of mitigating measures have been successfully actioned and proposals for further enhancements have been shared with the DoH who has now agreed capital investment of some £8.7m going in to 2021-22.

The Trust previously reported a deterioration of exposed concrete on Daisy Hill Hospital exterior, however, as a direct result of implementing a number of controls to mitigate the risk which included completing interim structural repairs to the concrete heads and lintels as recommended by the structural engineer, this risk can now be removed. The Trust will require further investment of c£2m within the next 7 – 10 years; this will be addressed in the usual manner.

In previous statements the Trust had reported significant risk associated with the Low Voltage, (LV), infrastructure to the main CAH hospital block, whilst this risk remains it has been lowered as a direct result of £1.2m of capital works during the last two financial years. However, additional capital investment of £7.1m is still required and DoH colleagues are in support of this investment.

Clinical and Social Care Risks

Elective Care

As recognised by DoH and HSCB, the Trust has a number of capacity gaps in specialty areas associated with increasing demand; the absence of significant recurrent investment in elective services, the growing impact of competing unscheduled care demands and increasing workforce pressures. These established challenges where further impacted in 2020-21 by the impact of the Covid-19 pandemic which significantly reduced elective capacity as resources (staff, beds and critical care services) were redirected to respond to the increased pressures on hospital services. It is anticipated this impact will continue when services resume as

capacity continues to be restricted associated with the requirements for social distancing and infection control standards.

These factors have resulted in continued growth in the volumes of patients waiting for elective care. The impact on routine waits has been previously noted however more significant is the impact on the wait times for urgent and red flag services, including outpatient, diagnostics and treatment. The Trust requires solutions in line with the regional reform actions established by the DoH to make significant improvement in local waiting times.

In the interim the Trust's focus remains on prioritising the provision of safe services to red flag (confirmed and suspected cancer) and time sensitive conditions. The Trust's ability to achieve elective targets, including cancer pathways, is compromised and radical reform in the way elective care is delivered regionally alongside sustained and substantial investment will be required to return elective care waits to an acceptable standard.

The Trust is working with regional colleagues to ensure surgical capacity is targeted to those most at need via the Regional Prioritisation Oversight Group (RPOG), and similar initiatives are developing in diagnostics areas (imaging and scopes) to allocate additional capacity to those with highest volumes. Continued reliance on additional regional and independent sector capacity is anticipated for the foreseeable future.

Elective capacity challenges also impact upon planned treatments for repeat procedures and for reviews following assessment. The Trust's ability to manage planned and review assessments within clinically indicated timescales has become more challenging.

As reported in 2019-20, the Trust continues to be particularly challenged with the number of nursing staff available to work in theatres. Covid-19 has further exacerbated the situation. Orthopaedic elective theatres continue to be capped whilst a phased restart of general theatre capacity is planned in line with rebuild plans. Regional recruitment initiatives, local review and restructuring plans and ongoing use of the independent sector will seek to improve this position.

Unscheduled Care

The increasing demand for unscheduled care is challenging, evidenced in waits beyond 12 hours for admission and ongoing poor performance against the 4 and 12 hour targets. The pandemic has seen significant changes to emergency department provision. Services merging onto one site in the first wave of the pandemic and returned to a two site provision in the latter part of 2020.

ED infrastructure constraints; lack of alternative flows for patients in avoidance of ED, patient flow and bed capacity, (which restricts the movement of patients from ED into the hospital system), all impact on service provision.

New initiatives implemented in line with the Regional No More Silos 10 key actions, have seen the establishment of the 'Phone First' service and urgent care centre on weekdays with scheduling into minor injury streams as part of the Covid-19 pandemic response. The impact and efficacy of these service changes will be further considered and evaluated in 2021-22 for learning and to inform longer term quality improvement. As a direct result of DoH approved investment the Trust will be upgrading ED infrastructure during 2021-22.

Further progress is required at Trust level on the development of alternatives to ED attendances, particularly for a range of acute services. The Trust is engaged with primary care colleagues in further development of direct assessment and ambulatory services in 2021-22. Plans continue to be reliant upon the ability to secure recurrent funding and the necessary skilled workforce required to support new models of care.

Whilst progressing the transformational agenda, workforce issues continue to be the greatest challenge and constraint. The ability to maintain a robust medical staffing level for the management of medicine and unscheduled care, in the context of ongoing unscheduled care pressures, continues to require significant internal focus with high reliance on locum staffing provision.

The Trust continues to maintain comparably good performance in relation to its bed utilisation with average length of stay and bed turnover high but does not anticipate an improvement in the current level of unscheduled care performance.

The Mental Health Programme has made good progress in year to improve its inpatient staffing challenges which include challenges in supply of nursing workforce, loss of experienced staff and an increasing reliance on a newly qualified workforce. A detailed improvement plan is in place further to recommendations and learning from the Invited Review by the Royal College of Psychiatrists.

Older People's Services have also shown good progress in ability to attract medical staffing to improve on the workforce deficits identified in regional and national benchmarking in the latter part of this year which will facilitate the further roll out of frailty services including new re-designated acute frailty inpatient ward and Acute Care at Home services including supports to the nursing home sector. Further recruitment across key speciality areas with recognised staffing deficits continues to be progressed.

Recruitment

In order to address workforce shortages, the Trust's Resourcing Department launched the 'Inspire, Attract, Recruit' Resourcing Strategy in September 2019. This

set out our 3 year plan to improve recruitment systems and processes, to widen our reach in workforce sectors locally, nationally and internationally, to undertake a programme of early engagement with students to promote HSC as a career option and to improve our applicant experience.

In February 2020, the World Health Organisation declared a global pandemic. Priorities as set out within the 3 year Resourcing Strategy were largely paused. As services restart and rebuild throughout 2021-22, there is much more to be done to address the pre-pandemic workforce shortages across various roles and professional groups.

Throughout the whole of 2020-21 the entire focus of recruitment was supporting the Trust's emergency response to the Covid-19 pandemic. In March 2020 a regional HSC Workforce Appeal was launched with a re-launch in September 2020 to further boost numbers across all staff groups to support critical service during the pandemic. The Workforce Appeal contract has been extended for a further 12 months and work will continue to ensure future workforce supply and annual recruitment is maintained across all professions.

The Trust's Resourcing Department continues to work collaboratively with the Recruitment & Selection Shared Service Centre (RSSC), and HSC partners to ensure recruitment is streamlined and to maintain the shared purpose to simplify the recruitment process, recruit at a pace, and ensure safe robust pre-employment checks, putting the applicant at the heart of the recruitment process. Work is underway to rollout our first streamlined regional HSCNI Adult student nurse recruitment for those qualifying in 2021. Work also continues on the development of a streamlined recruitment approach for Social Workers to be rolled out in 2021-22.

The significant surge in interest in careers in the HSC has been accompanied by wider changes to the labour market that has increased the pool of potential candidates.

Financial Risks

In addition to the financial risks arising from internal audit reviews conducted in 2020-21 as outlined on pages 77-80, the following on-going risks are noted:

Performance of BSO Payroll Shared Services Centre

The Head of Internal Audit has reviewed the shared services functions provided by BSO as noted on page 78-79 during 2020-21. The Payroll Shared Service Centre has again achieved satisfactory assurance in respect of elementary PSC processes, whilst remaining as having limited assurance for end to end timesheet processing,

management of overpayments and holiday pay and SAP/HMRC RTI (Real Time Information) reconciliation. In order to address the significant programme of work which remains for BSO to address, a Payroll Quality Improvement Plan has been established by PSSC with appropriate governance structures, incorporating Trust representatives, to monitor progress in 2021-22 and beyond.

The Trust will continue to monitor progress at Audit Committee.

Budget Position and Financial Outlook

As part of the usual financial planning process the Trust presented a financial strategy and plan in response to the budget announced for 2020-21. This plan clearly identified the Trust's opening deficit of £13.1m to which new inescapable pressures and savings targets were added together with potential non-recurrent easements. The conclusion of this plan was an unresolved gap of some £7m. As the financial year progressed and the full impact of Covid-19 crystallised all Trusts revised their financial plan and that of the Trust presented a break-even position. This was being achieved as a direct consequence of unplanned expenditure gains as a result of Covid-19. The Trust achieved its forecasted break-even position. It is important to note that this reported outturn was following, one off contingency measures, expenditure reductions and planned in year slippage on investments and as previously noted the non-recurrent unplanned expenditure benefits accrued as a direct result of Covid-19. The Trust continues to have underlying recurrent funding pressures, which, coupled with further in-year emergent pressures, to include our ongoing response to Covid-19, will undoubtedly ensure that significant budgetary challenges will continue into 2021-22.

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2020-21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments and their Arms' Length Bodies' access to cash and use of resources for the early months of the 2021-22 financial year. This will be followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete for the remainder of 2021-22 based on the Executive's 2021-22 Final Budget.

On the 1st April 2021, the Minister for Finance announced the 2021-22 budget for Northern Ireland Departments. This budget totals £6,451.9m and secures a 5.7% increase for Health and Social Care when compared to the baseline budget for 2021-22.

Across the HSC sector it is expected that the significant financial challenges faced will continue and extensive budget planning work to support the 2021-22 financial

plan is ongoing between the Trust, HSCB and the DoH. As with other financial years, the Trust remains committed to achieving financial break even.

Failures in supervisory and managerial controls

The scale and number of payroll overpayments have continued to be monitored in 2020-21 with regular monthly reporting to Directors in place. Finance and Human Resources representatives have met with the senior management of Directorates during the year to highlight the importance of supervisory checks and managerial controls. Therefore as further embedding of processes has occurred in 2020-21, this issue is now regarded as closed, and the level of overpayments will continue to be closely monitored.

Domiciliary Care Services

The Trust plans to incorporate the Domiciliary Care Oversight Group function within work streams of the overarching Trust Independent Sector Governance Forum, which is a cross directorate group. The Independent Sector Governance Group Terms of Reference, role, function and structures initial review was placed on hold in 2020-21 while the Trust responded and prioritised its response to the Covid-19 pandemic. This review will now commence during 2021-22.

Most of the recommendations from the Trust Homecare Domiciliary Care Service Audit in 2018-19 and subsequent follow up audit in 2019-20 have all been met. In the absence of progress with the Regional Domiciliary Care Procurement and Live monitoring, the Trust will begin exploring interim arrangements.

The Trust commissioned Internal Audit during 2019-20 to conduct a further audit of an independent domiciliary care provider. Limited assurance was given as the provider invoices were based on commissioned times, and not on actual times delivered by care workers. In order to strengthen the Trust's ability to assure itself that it is receiving all commissioned and paid for time from providers, the Trust introduced a pilot involving monitoring officers during 2019-20. Due to the Trust responding and prioritising it response to the Covid-19 pandemic the validation of the initial findings of this pilot has yet to be completed. The full evaluation of this pilot will be completed during 2021-22.

The Trust will continue to work towards finalising the Regional procurement consultation paper on domiciliary care, completion of the recommendations in the final Oversight Scrutiny Committee (OSC) Domiciliary Care Closure Report issued on the 24th March 2021 and will actively engage in regional work to establish a new regional model for domiciliary care when it recommences.

Waiting List Initiative Payments

Trust management are progressing the internal audit recommendations made following the re-audit of this area in 2018-19 to ensure that all learning and strengthening of processes are embedded in the Trust. At 31 March 2021, 20% of the recommendations remain fully implemented and 80% are partially implemented. These issues include the allocation of work during a 4 hour WLI session and the regular review of job plans. No further progress has occurred in 2020-21.

Cyber Security

Cyber Security is included on the Trust's Corporate Risk Register and updates are provided to the Governance Committee on a bi-monthly basis; a Cyber Task and Finish Group was established and is chaired by the Director of Performance & Reform with representation from all Directorates. A Cyber Security Team has been established within the IT Department. The Trust continues to participate in the Regional Cyber Security Programme Board. Internal Audit continues to review the Trust Cyber Security landscape on a regular basis – subsequent recommendations are being addressed and monitored by Audit Committee.

The Trust continues to progress actions locally and in collaboration with the region across the range of improvement recommendations made.

A Draft Regional Cyber Security Strategy has been completed by external management consultants for sign-off in April 2021 – the Trust will adopt and deliver local Cyber requirements within this strategy as an overarching governance framework.

Report on Inquiry into Hyponatraemia-related Deaths

The Trust's Oversight Group, co-chaired by the Medical Director and the Executive Director of Nursing is continuing to progress work in 2020-21, reporting regularly to the Senior Management Team and Trust Board.

The Trust continues to participate in the DoH programme of work in response to the Inquiry Report's recommendations. Following the 2019-20 Internal Audit of the Management of Children in Adult Wards the Trust received a limited assurance report. The Trust continues to implement and embed the recommendations made.

Trust Contribution to Home Truths Report from the Commissioner for Older People Northern Ireland (COPNI) on Dunmurry Manor Care Home

In respect of the 'Home Truths' Report from the Commissioner for Older People Northern Ireland (COPNI) on Dunmurry Manor Care Home, all Departmental, regional and CPEA facilitated workshops and meetings were stood down in 2020-21

due to the Covid-19 Pandemic. The Trust will continue to actively participate as required.

EU Exit

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding and the UK left the EU. The Northern Ireland Protocol is now in place, but there are significant derogations in place which will last throughout 2021. The Trust will continue to work collaboratively with colleagues during 2021 across the HSC family and wider to ensure we are appropriately prepared for the end of these derogations.

New Control Issues in 2020-21

There are 2 significant internal control divergences which have been identified in 2020-21.

Announcement of a Statutory Public Inquiry regarding the practice of a Trust Consultant Urologist

On the 24th November 2020 the Health Minister Robin Swann ordered a statutory public inquiry in relation to serious concerns about the clinical practice of a urology consultant retired from the Trust in 2020 after being employed for 28 years.

The announcement of the Public Inquiry was following the identification of potential patient safety concerns in 2020. These potential concerns related to delays of treatment of surgery patients who were under the care of the consultant urologist while employed by the Trust. The Trust became aware that 2 out of 10 patients listed for surgery under the care of this consultant were not recorded on the hospital's Patient Administration System at that time.

As a result of these potential patient safety concerns, an initial lookback exercise in relation to the consultant's work was conducted, to ascertain if there were other areas of potential concern. This initial lookback, which considered cases over a 18 month period of the consultant's work in the Trust (from 1st January 2019 – 30th June 2020), concentrated on whether patients had a stent inserted during a particular procedure and if this stent had been removed within the clinically recommended timeframe.

The initial lookback identified concerns with 46 cases within a total of 147 patients who had the particular procedure and were listed as being under the care of the consultant during the period addressed by the initial lookback exercise.

Areas of concern were identified relating to elective and emergency activity; radiology, pathology and cytology results; patients whose cases where considered in Multidisciplinary Team Meetings; oncology and in relation to the safe prescribing of

an anti-androgen drug, outside of established NICE guidance in the management of prostate cancer.

In consultation with the Royal College of Surgeons, the Review Group has looked at the timeframe from 1 January 2019 until 30 June 2020 and during this time there were a total of 2,327 patients under his care. The Trust has identified the most vulnerable group of urology patients within this cohort and has concentrated on these patients initially.

As a result of the Trust's internal review to date, 9 cases have been identified that meet the threshold for a Serious Adverse Incident (SAI) review, these SAI reviews are being led by an independent chair and are due to report final outcomes in early 2021.

As a result of the patient safety concerns the Trust has taken the following actions:

- Immediate restrictions were put in place by the Trust preventing the consultant from undertaking clinical work within the Trust and denying him access to or the ability to process patient information;
- Discussions with the GMC employer liaison service were conducted and as a result the Consultant received an interim suspension of professional registration on the 15th December 2020;
- The Royal College of Surgeons Invited Review Service have been engaged to conduct an assurance review regarding the consultant's practice;
- The Trust established an Internal Review Group to assess the further findings of the initial lookback exercise and to explore the potential need for a further lookback exercise in the context of the concerns emerging;
- The Trust has engaged via the Royal College of Surgeons and British Association of Urologist Surgeons external subject matter expertise support to assist with reviewing of patient records and case reviews; and
- The Trust is liaising fortnightly with the HSCB and DoH to coordinate review and lookback elements to ensure ongoing patient safety.

In addition to their Trust work, the consultant also had a significant amount of private practice. Much of this was carried out in private domestic premises, therefore sitting outside of the regulatory framework which requires registration and external assurance of facilities in the Independent Sector in which clinicians may undertake private practice. Many of these patients may be unknown to the Trust or the wider HSC system. The Trust is working with the HSCB and DoH to identify these patients and offer support and further care where appropriate.

Nosocomial Covid-19 Level 3 Serious Adverse Incident

Between the dates of 16th August and 6th October 2020, the Trust experienced nosocomial outbreaks of Covid-19 in three separate inpatient locations, Haematology and 4 South in Craigavon Area Hospital and Male Medical Ward in

Daisy Hill Hospital. The outbreaks affected 29 patients, with 15 of these patients sadly dying following the outbreak.

All patients and families were offered enhanced support via the Trust's newly established Service User Liaison Officer including access to independent counselling services. This support remains ongoing.

As a result of the Covid-19 outbreaks, in an effort to learn from experience, the Trust along with the PHA jointly commissioned a Level 3 Serious Adverse Incident review. The review which is ongoing is undertaken in line with the regional *Procedure for the Reporting and Follow Up of Serious Adverse Incidents* (2016) and the values of Health and Social Care NI.

The purpose of the review which is ongoing is to:

- Review the management of the Outbreak;
- Identify system wide strengths and weaknesses in the management of the outbreak;
- Use relevant findings to improve the quality and safety of care and to reduce the likelihood of future outbreaks and mitigate their impact; and
- Engage with all affected patients, their families and members of staff who were directly affected by this SAI.

The review is independently chaired by Dr Gopal Rao, Consultant Microbiologist who is supported by a further Consultant Microbiologist, Consultant Haematologist, Care of the Elderly Consultant, Specialist Infection Prevention and Control Nurse, Public Health Representative and a Lay Panel Member.

Following completion of the review, a draft report will be prepared by the review team outlining the chronology, findings and recommendations. The format of the report will contain overarching information about the outbreak management. This report will be supplemented with appendices which will provide relevant analysis of individual affected cases. Owing to the confidential nature of the information, affected patients or staff will not be identifiable in the report. All who participated in the review will have an opportunity to give input to the extracts from the report relevant to them to ensure that they are factually accurate and fair from their perspective.

The report, when finalised, will be presented to the Review Commissioners and Medical Director, who are now responsible for the SAI Report. The Review Commissioners will ensure that the local managers responsible for the service where the incident occurred, implement the recommendations of the review report. Any relevant learning with regional applicability will be shared via the PHA and HSCB.

12. Conclusion

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

As outlined above, the internal audit review of control systems has resulted in a number of limited assurances in the Trust. A number of priority one issues have been raised with management and extensively examined by the Audit Committee. The findings of these reports and others such as those issued by RQIA will be incorporated into action plans aimed to address the weaknesses/gaps in control.

Having considered the accountability framework within the Trust and the range of assurances provided to me, I am content that the Trust has operated a sound system of internal control, risk management and corporate governance during the year 2020-21, including the operation of emergency measures to respond to the global pandemic.

REMUNERATION REPORT FOR THE YEAR ENDED 31 MARCH 2021

Scope of the report

The Remuneration report summaries the remuneration policy of the Southern Health and Social Care Trust and particularly its application in connection with senior executives. The report also describes how the Trust applied the principals of good corporate governance in relation to senior executives remuneration in accordance with HSS (SM) 3/2001 issued by the Department of Health (NI).

Membership of the Remuneration Committee

The remuneration and other terms and conditions of Executive Directors are overseen by the Remuneration and Terms of Service Committee.

The Remuneration Committee of the Southern HSC Trust includes the Chair and 2 Non-Executive Directors of the Trust. They are supported by the Chief Executive and the Director of Human Resources and Organisational Development.

The terms of reference of the Committee are based on Circular HSS (PDD) 8/94 Section B.

Policy on the Remuneration of the Chief Executive and Directors

The Policy on Remuneration of the Trust's Senior Executives for current and future financial years is the application of terms and conditions of employment as provided and determined by the Department of Health (NI).

Fees and allowances paid to the Chairman and other Non-Executive Directors are as prescribed by the Department of Health.

For the purposes of this report the pay policy refers to Senior Executives, defined as Chief Executive, Executive Director and Functional Director and is based on the guidance issued by the Department of Health on job evaluation, grades, rate for the job, pay progression, pay ranges and contracts.

Trust Board

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

Performance Objectives

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

Performance Evaluation

Pay progression is determined by an annual assessment of performance. It is the responsibility of the Remuneration and Terms of Service Committee to monitor and evaluate the performance of the Chief Executive ensuring that any discretionary awards in terms of performance related pay are justifiable in light of the Trust's overall performance against the annual Trust Delivery Plan.

During 2019-20, emphasis continued to be on patient safety and quality improvement, ministerial targets and financial balance. The Covid-19 pandemic which came to the fore at the end of the 2019-20 year changed the entire focus of service delivery in emergency response to the pandemic.

The Chief Executive is responsible for the assessment of performance of the Senior Executives based on the attainment of individual objectives established at the outset of the year, and for the submission of recommendations to the Remuneration and Terms of Service Committee for its annual review of salaries which are conducted in accordance with the relevant circulars issued by the Department of Health.

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 Circular HSS (SN) 1/2003. The individual performance review bands are as follows:

- Fully acceptable
- Incomplete
- Unsatisfactory

The Remuneration Committee are fully conversant with organisational performance via monthly reports to Trust Board.

The levels of performance pay permitted applied by the Remuneration and Terms of Service Committee are prescribed by Department of Health. The Department of Health issued pay circulars in March 2021 for years in respect of pay progression:

- as at 1st April 2016 based on performance for Senior Executives in the period 1 April 2015 to 31 March 2016; and

- as at 1st April 2017 based on performance for Senior Executives in the period 1 April 2016 to 31 March 2017.

The Trust's Remuneration Committee will review and consider the circulars issued for payment in April 2021. The pay award for 2018-19 to 2019-20 remains outstanding.

During 2020-21, all contracts were permanent, with the exception of:

- **Mr Brian Beattie**, who commenced the role of Acting Director of Older People and Primary Care Services on 13 June 2019 to backfill for Mrs Melanie McClements' substantive position as Director of Older People and Primary Care Services.

As far as all Senior Executives are concerned, the contracts provide for three months' notice for both parties and the provisions for compensation for early termination of contract are in accordance with the appropriate Departmental guidance.

Senior Employees' Remuneration (Audited)

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

	2020-21				2019-20			
Name	Salary £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (Rounded to nearest £1,000)	Total £000	Salary £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (Rounded to nearest £1,000)	Total £000
Non-Executive Members								
Mrs R Brownlee - Chair (To November 2020)	20-25 (FYE 30-35)	100	-	20-25 (FYE 30-35)	30-35	100	-	30-35
Ms E Mullan (From December 2020)	15-20 (FYE 30-35)	100	-	15-20 (FYE 30-35)	5-10	100	-	5-10
Mrs S Rooney (To August 2020)	0-5 (FYE 5-10)	-	-	0-5 (FYE 5-10)	5-10	100	-	5-10
Mrs H McCartan	5-10	100	-	5-10	5-10	200	-	5-10
Mr J Wilkinson	5-10	300	-	5-10	5-10	-	-	5-10
Ms G Donaghy	5-10	100	-	5-10	5-10	-	-	5-10
Mr M McDonald	5-10	-	-	5-10	5-10	100	-	5-10
Mrs P Leeson	5-10	100	-	5-10	5-10	200	-	5-10
Executive Members								
Mr S Devlin - Chief Executive	95-100	-	28	125-130	95-100	-	28	125-130
Dr M O'Kane - Medical Director	200-205	-	51	250-255	190-195	-	190	380-385
Mr P Morgan - Director of Children & Young People's Services	75-80	-	Note 1	75-80	75-80	400	Note 1	75-80
Ms H O'Neill - Director of Finance, Procurement & Estates	75-80	-	23	100-105	75-80	100	23	100-105
Mrs H Trouton - Executive Director of Nursing, Midwives and AHP's	80-85	500	22	100-105	80-85	100	22	105-110
Other Members								
Mrs E Gishkori - Director of Acute Services (To April 2020)	10-15 (FYE 70-75)	-	3 (FYE 20)	15-20 (FYE 90-95)	70-75	-	23	95-100
Mrs A Magwood - Director of Perfomance and Reform	75-80	300	21	95-100	75-80	-	21	95-100
Mrs V Toal - Director of Human Resources and Organisational Development	60-65	-	16	75-80	60-65	300	17	75-80
Mr B McNeany - Director of Mental Health & Disability Services	85-90	300	25	105-110	90-95	300	35	125-130
Mrs M McClements - Director of Acute Services (From 05/10/20) (Interim June 2019 to October 2020) & Director Director of Older People & Primary Care Services (September 2018 to June 2019)	75-80	200	3	80-85	75-80	200	13	90-95
Mr B Beattie - Interim Director of Older People & Primary Care (From June 2019)	80-85	-	19	95-100	65-70 (FYE 75-80)	-	45 (FYE 54)	110-115 (FYE 130-135)

FYE is used as an abbreviation for Full Year Equivalent.

The figures above exclude the impact of the DOH pay award circulars (SE) 1/2021 and (SE) 2/2021 issued in March 2021 in respect of pay progression for the years 2016-17 and 2017-18 for Senior Executives and pay award circular HSC(F) 14/2021 in respect of increases in remuneration for Non-Executive Directors from 1 August 2018 and 1 August 2019 respectively. They also exclude the staff recognition payment awarded by the DOH in 2021.

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

Note 1: Mr P Morgan is beyond the threshold for the calculation of CETV, so this is not applicable.

Benefits in kind

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

Register of Interests

A declaration of Board members' interests has been completed and is available on request from the Chief Executive's Office, Trust Headquarters, College of Nursing, Craigavon Area Hospital, 68 Lurgan Road, Portadown, BT63 5QQ. Telephone 028 3756 0119.

Fair Pay Disclosures (audited)

The Trust is required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce, excluding the highest paid Director. The table below outlines this relationship:

	2020-21	**2019-20**
Band of Highest Paid Director's Total Remuneration **(£000s)**	200-205	190-195
Median Total Remuneration (based on paid salary)	£31,241	£30,370
Ratio	6.5	6.3
Range of Staff Remuneration (normalised for standard hours)	£18,005 - £242,338	£17,352 - £287,227

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. The median reflects the aggregation of earnings where staff has more than one post within the Trust. The calculation of median remuneration excludes agency staff.

The banded remuneration of the highest paid Director in 2020-21 was £200,000 - £205,000 (2019-20: £190,000 - £195,000). This is 6.5 (2019-20: 6.3) times the median remuneration of the workforce, which was £31,241 (2019-20: £30,370).

In 2020-21, 7 (2019-20: 5) employees received remuneration in excess of the highest paid director. All of these employees were clinicians.

Pensions of Senior Management (Audited)

The pension entitlements of the most senior members of the Trust were as follows:

	2020-21				
Name	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 31/03/20 £000s	CETV at 31/03/21 £000s	Real increase in CETV £000s
Executive Members					
Mr S Devlin - Chief Executive	0-2.5	25-27.5 plus 10-12.5 lump sum	315	345	24
Dr M O'Kane - Medical Director	2.5-5	77.5-80 plus 215-217.5 lump sum	1,694	1,719	40
Mr P Morgan - Director of Children & Young People's Services	Note 1	Note 1	Note 1	Note 1	Note 1
Ms H O'Neill - Director of Finance, Procurement & Estates	0-2.5	37.5-40 plus 100-102.5 lump sum	796	836	20
Mrs H Trouton - Executive Director of Nursing, Midwives and AHP's	0-2.5	25-27.5 plus 50-52.5 lump sum	454	489	19
Other Members					
Mrs E Gishkori - Director of Acute Services (To April 2020)	0-2.5	17.5-20 plus 47.5-50 lump sum	396	409	3
Mrs A Magwood - Director of Perfomance and Reform	0-2.5	25-27.5 plus 52.5-55 lump sum	455	484	16
Mrs V Toal - Director of Human Resources and Organisational Development	0-2.5	20-22.5 plus 37.5-40 lump sum	309	331	12
Mr B McNeany - Director of Mental Health & Disability Services	0-2.5	20-22.5	310	346	25
Mrs M McClements - Director of Acute Services (From 05/10/20) (Interim June 2019 to October 2020) & Director Director of Older People & Primary Care Services (September 2018 to June 2019)	0-2.5 plus 0-2.5 lump sum	35-37.5 plus 110-112.5 lump sum	801	842	8
Mr B Beattie - Interim Director of Older People & Primary Care (From June 2019)	0-2.5 plus 2.5-5 lump sum	32.5-35 plus 102.5-105 lump sum	777	835	25

FYE is used as an abbreviation for Full Year Equivalent.

Note 1: Mr P Morgan is beyond the threshold for the calculation of CETV, so this is not applicable.

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

Cash Equivalent Transfer Values

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

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Compensation for loss of office

Esther Gishkori terminated employment with the Trust by mutual agreement on 30 April 2020. The cost to the Trust of buying out the actuarial reduction on her pension was £75k. She received a compensation payment of £25k.

STAFF REPORT FOR THE YEAR ENDED 31 MARCH 2021

Staff Report

The Trust employs 14,887 staff (11,872 whole time equivalent) with 72% of staff providing direct hands on care to patients and clients. This figure includes staff with more than one job position.

Staff costs comprise (Audited):

	2021			2020
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	419,399	56,017	475,416	400,903
Social security costs	33,230	-	33,230	30,466
Other pension costs	74,967	-	74,967	68,925
Sub-Total	**527,596**	**56,017**	**583,613**	**500,294**
Capitalised staff costs	(383)	-	(383)	(451)
Total staff costs reported in Statement of Comprehensive Expenditure	**527,213**	**56,017**	**583,230**	**499,843**
Less recoveries in respect of outward secondments			(534)	(362)
Total net costs			**582,696**	**499,481**

Total staff costs reported in the statement of comprehensive expenditure of which:	**£000s**	**£000s**
Southern HSC Trust	583,230	499,843
Charitable Trust Funds	-	-
Total	**583,230**	**499,843**

Staff Costs exclude £383k charged to capital projects during the year (2019-20: £451k).
Staff Costs include £894k associated with Research & Development Projects (2019-20: £852k).

Pension Liabilities

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 Department of Health. The Trust is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

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

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the DoH. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relate to the different HSC Pension Schemes i.e. 1995 Section, 2008 Section and 2015 Scheme and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the HSC Pension Schemes including the scheme valuation outcomes. Further information on this will be included in the HSC Pension Scheme accounts.

The Scheme member's contributions are based on their full year whole time equivalent (WTE) pensionable pay.

Full –Time Pensionable Pay used to determine contribution rate	**Contribution rate (before tax relief) (gross) 1 April 2015 to 31 March 2021**
Up to £15,431.99	5.0%
£15,432.00 to £21,477.99	5.6%
£21,478.00 to £26,823.99	7.1%
£26,824.00 to £47,845.99	9.3%
£47,846.00 to £70,630.99	12.5%
£70,631 to £111,376.99	13.5%
£111,377.00 and over	14.5%

For 2020-21, employers' contributions of £74.9m were payable to the HSC Pension Scheme (2019-20 £68.9m) at 22.5% of pensionable pay.

A NEST (National Employment Saving Trust) Scheme is also in operation for employees who are not eligible to the HSC Pension Scheme and the HSC Pension Scheme 2015, with a member contribution rate of 5% in 2020-21. For 2020-21, employers' contributions of £59.3k were payable to NEST (2019-20 £50.5k) at 3% of pensionable pay.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date

and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions and a change in financial assumption methodology will be used in 2020-21 accounts, including any adjustment as a result of the 'McCloud Remedy'.

During 2020-21, there were 15 (2019-20:17) early retirements from the Trust, agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £22k (2019-20: £21k). These costs are borne by the HSC Pension Scheme.

From 1 April 2014, final pay controls were introduced for all members of the 1995 Scheme. If a member receives an increase in pensionable pay in any of the three years prior to them retiring, or transferring out of the scheme, that is more than a specified amount, the employer is liable for a final pay control charge in the year the individual retires or transfers out. In 2020-21, the Trust has borne additional pension liabilities of £133k for 9 staff (2019-20: £70k).

Reporting of Early Retirement and Other Compensation Scheme – exit packages (Audited)

Exit Package Cost Band	Number of Compulsory Redundancies		Number of other Departures Agreed		Total Number of Exit Packages by Cost Band	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
£50,001 - £100,000	-	-	1	-	1	-
Total number of exit packages	**-**	**-**	**1**	**-**	**1**	**-**
	£000s	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**
Total Resource Cost	**-**	**-**	**100**	**-**	**100**	**-**

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 (Northern Ireland) Order 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. 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.

Staff Benefits

	2021	2020
	£000s	£000s
Staff benefits	280	-

The Trust provided accommodation for staff to use free of charge as part of its response to the Covid-19 pandemic.

Staff Engagement

As part of the Regional HSC Staff Survey (commissioned by DoH), a survey of all Trust staff was conducted between March and April 2019. 25% of Trust staff responded. This was the Trust's fourth Staff Survey and was part of our continued efforts to engage with our staff to improve their working lives and in doing so provide better care for our patients, clients and service users.

The results of the 2019 Staff Survey highlighted four key themes which included; leadership; recognition and feeling valued; communication and engagement; and health and wellbeing.

In late spring 2020 the Trust conducted another major engagement exercise to identify the lessons learned from the Trust response to the Covid-19 pandemic. Covid-19 has impacted everyone within the Trust and staff were asked to share their stories and experiences. A number of common themes emerged which included the three key themes of *health and wellbeing*, *behaviours* and *relationships* which will be the focus in our Creating A Great Place To Work initiative.

All the feedback from staff engagement activities to date has built a picture of the key themes that we need to work on as part of our focus on making this organisation a great place to work.

Average Number of Persons Employed (Audited)

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

	2021			2020
	Permanently employed staff	**Others**	**Total**	**Total**
	No.	**No.**	**No.**	**No.**
Medical and dental	711	171	882	818
Nursing and midwifery	3,835	232	4,067	3,900
Professions allied to medicine	1,467	16	1,483	1,360
Ancillaries	757	145	902	842
Administrative & clerical	1,803	57	1,860	1,769
Estates & Maintenance	122	2	124	116
Social services	1,547	18	1,565	1,468
Domiciliary/Homecare Workers	1,004	-	1,004	969
Total average number of persons employed	11,246	641	11,887	11,242
Less average staff number relating to capitalised staff costs			(5)	(6)
Less average staff number in respect of outward secondments			(10)	(8)
Total net average number of persons employed			**11,872**	11,228
Of which:				
Southern HSC Trust			11,872	
Charitable Trust Fund			-	
			11,872	

Note: From 2019-20 Medical & Dental Staff in Training have been transferring from direct employment by the Trust to the N. Ireland Medical & Dental Training Agency (NIMDTA) on a phased basis.

"Medical & Dental: Others" includes 53 WTE approx. Doctors in Training recharged by NIMDTA. The Trust retains funding for these employees.

Staff Composition by Gender (Audited)

The following table provides an analysis of the number of employed staff as at 31 March 2021 by gender:

	Directors		Non-Executive Directors		Senior Staff		Other Staff		Trust Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
Female	6	60	4	67	28	60	12,622	85	**12,660**	85
Male	4	40	2	33	19	40	2,202	15	**2,227**	15
Total	**10**		**6**		**47**		**14,824**		**14,887**	

1. Senior staff is defined as Assistant Director and above but excluding Directors

Staff Turnover (Audited)

Staff turnover for permanently employed staff in the Trust is shown below.

Contract Type	2021 % Turnover	2020 % Turnover
Permanent*	7.95%	8.38%

**The figures above are based on Leavers from the Trust and do not include Internal Transfers.*

Off Payroll Engagements (Audited)

The Trust is required to disclose the details of off-payroll engagements which cost more than £245 per day, last longer than six months and that were in place during the year.

The Trust did not engage Off Payroll Staff Resources in 2020-21 (nil: 2019-20).

Consultancy

Consultancy includes staff who provide objective advice relating to strategy, structure, management or operations of an organisation and may include the identification of options with recommendations.

The Trust did not incur any consultancy expenditure in 2020-21 (£25k: 2019-20).

Trust Management Costs (Audited)

	2021 £000s	2020 £000s
Trust management costs	27,519	25,164
Income:		
RRL	894,567	764,449
Income	42,336	45,041
Non cash RRL for movement in clinical negligence provision	(18,779)	(16,895)
Total Income	918,124	792,595
% of total income	**3.0%**	**3.2%**

The above information is based on the Audit Commission's definition "M2" Trust Management costs as detailed in HSS (THR) 2/99. A review of the trend of Trust Management costs show that whilst the Trust's total income base has increased in the last three consecutive years, management costs have remained fairly consistent.

	2021 £'000s	2020 £'000s	2019 £'000s
Trust Management Costs	27,519	25,164	22,289
Total Income	918,124	792,595	720,502
% of Total Income	**3.0%**	**3.2%**	**3.1%**

Staff sickness and absenteeism

The cumulative sickness and absenteeism rate for the Trust as at 31 March 2021 was 6.78% (2019-20: 5.33%).

Throughout 2020-21 staffing levels were impacted as a result of Covid-19 related absences. This included staff being absent due to contracting Covid-19, their requirement to self-isolate, their requirement to shield because of health vulnerabilities and caring responsibility pressures due to school closures and the resulting childcare issues. Staff absence due to mental health issues, including anxiety and stress also saw a marked increase in 2020-21.

These factors in addition to staff absences not directly related to Covid-19, had a significant bearing on the Trust's available staffing resource across all the directorates throughout the course of the year.

Significant Increases in Sickness Absence Levels were experienced throughout 2020-21, as shown below:

	SHSCT % Sickness Absence												
Year	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Cumulative %**
2019/20	4.98%	4.96%	5.13%	4.96%	4.93%	4.98%	5.28%	5.76%	6.01%	5.65%	5.43%	5.88%	5.33%
2020/21	7.96%	7.03%	6.12%	5.34%	5.43%	6.64%	6.79%	7.09%	7.37%	8.48%	7.43%	5.96%	*6.78%*

However, during 2020-21 the Trust continued to maintain the lowest % sickness absence rates when benchmarked against other HSC Trusts.

Impact of Covid-19 on Trust staff

The impact of the Covid-19 pandemic on staff during 2020-21 has been significant and resulted in a change in focus and services for staff.

Staff Mental Health

The Covid-19 pandemic impacted on the mental health of our staff. Analysis on sickness absence due to mental health reasons for the period April to November 2020 indicated a 137% increase in absence due to anxiety and a 41% increase in absence due to stress, and overall mental health absence reasons combined accounted for 39% of all hours lost due to sickness absence. The Covid-19 pandemic impact on the mental health of our staff, (in work and in their personal lives), will continue to be a key focus of our health and wellbeing support for staff.

Covid-19 Self-Isolation Absences & Shielding

Throughout 2020-21 staff levels and service delivery were also impacted on by absences due to Covid-19 self-isolation requirements and staff shielding. At various times over 400 staff were absent from work due to self-isolation and shielding.

Childcare & Other Caring Responsibilities

Our staff worked hard throughout the pandemic to manage work and personal commitments. School closures and reduced health and social care services have impacted greatly on many of our staff, (a predominately female workforce), increasing their caring responsibility pressures. The Trust encouraged service areas and line-managers to be as flexible as possible, taking into consideration needs of

the service – where possible staff have been able to work more flexibility, for example working from home and/or working alternative work patterns/hours.

Homeworking

In March 2020 at the outset of the pandemic, a small number of Trust staff worked from home on occasion. No staff members worked entirely from home. By the end of the 2020-21 year we supported almost 4,000 staff to work wholly or partially from home. This required significant changes to our processes, procedures and data management across the Trust. Many of our clinicians provided services to our community virtually, avoiding the requirement of face to face appointments and reducing the risks to our service users.

Emergency Redeployment of Staff

Due to significantly changed demands on the workforce during the COVID-19 pandemic, the Trust's priority was to respond to requirements to support services where it was most needed. Processes were quickly put in place to support the internal redeployment of staff where the need was greatest, ie, ICU and Emergency Departments, staff testing teams and vaccination centre, establishment of the Nightingale Hospital in BHSCT, Fit Testing and providing support for shifts in the independent care home sector.

Human Resources provided guidance for managers to help them in managing the redeployment of staff to COVID-19 these critical services.. Due to the need for flexibility and speed during the COVID-19 surges, redeployments were overseen at a local level by line managers and there was no central recording of where staff were redeployed.

The HR team also assisted managers with risk assessments for staff who were identified as being more vulnerable to the effects of Covid. This included providing support to help facilitate placing BAME staff, pregnant staff and staff considered to be clinically extremely vulnerable in suitable working environments and ensuring that all measures were put in place to ensure that they felt safe to be in the workplace. In addition to this the HR team also managed internal Workforce Appeals, where staff volunteered for alternative duties such as offering to work in Independent Sector Care Homes.

Manager and Staff Guidance

The Human Resources and Organisational Development team introduced enhanced support and guidance for managers and staff and set up a dedicated helpline for HR

queries, which has continued throughout the year. A new dedicated HR email support service was also created for line managers.

Staff Policies and Other Employee Matters

Equality, Diversity & Inclusion

The Trust welcomes diversity, recognising that difference brings value to the organisation. During 2020-21, the Trust has continued to take steps to promote equality and inclusion and continues to mainstream it and make it a key strategic priority for the organisation, both now and in the future.

Regional Good Relations Statement

The Trust is committed to the promotion of good relations amongst people of different religious belief, race or political opinion. On 10 December 2020 (International Day of Human Rights) the Trust along with the other HSC Trusts launched our new regional Good Relations Statement. This is in line and supports our HSC values.

We recognise that to give effect to this statement, it is important that it is supported by key meaningful actions to be taken forward collectively at both regional and local levels to ensure consistency of approach.

We look forward to working with all our stakeholders to continue in our work to promote good relations and ensure that everyone is treated fairly with respect and dignity across all of our services and in all of our facilities.

The Trust continues to roll out the eLearning Programme ‘Equality, Good Relations and Human Rights - ‘Making a Difference’ which is now mandatory for all staff to complete.

Creating a great place to work

We introduced our 'creating a great place to work' initiative in Autumn 2020. It has 3 strands that focus on all our people, our managers and team leaders and teams. This initiative aims to encourage and promote the 3 key themes highlighted as important by our staff; *Health and wellbeing, Relationships and Behaviours*. We offered bite size support and development opportunities via a range of delivery methods that our staff could access as and when they chose to.

Workplace Health and Wellbeing

Specific initiatives such as '20 minute Care and Support Spaces' which were one to one independent confidential conversations to help staff focus on their health, wellbeing and wellness and a virtual café 'Café Connect' which allowed staff to boost their wellbeing through connecting and chatting with others were offered to all staff.

A Mental Health sub group was also established in March 2020 in response to Covid-19 with membership from Promoting Wellbeing, Recovery College, and the Psychology team. Dedicated resources were developed on topics related to the emotional impact and psychological challenges facing staff. Topics included hope, anxiety, taking one day at a time, self-care and compassion and were accompanied by short video clips. In total 35 short video clips were developed and shared with staff. A social media campaign was developed with daily messages and inspirational quotes to promote the topics via corporate communication channels and these were also shared as a 'Thought for the Week' via the Trust staff App.

A significant number of events have also been organised and promoted including physical activity classes and webinars on a range of topics. During this year the usage of UMatter website by staff to access information, advice, events and services in support of health and wellbeing has continued to grow. Web statistics show an increase to 15,927 users (2021) compared to 3,807 users (2020). Several new sections have been added to UMatter throughout the year including Covid-19 information for staff, Covid-19 and mental health, Covid-19 and financial health, Covid-19 and family health, Covid-19 and staying at home and Covid-19 and staying active.

Approximately 60 Health Champions support and promote health and wellbeing activities, initiatives and the UMatter website among their colleagues and teams.

Regional Gender Identity and Expression Employment Policy

In collaboration with other Trusts and representative organisations a Regional Gender Identity and Expression Policy has been developed. The policy is aimed at creating a workplace where the dignity of and respect for transgender and non-binary people is protected and promoted.

The purpose of this policy is to provide guidance and advice to staff and managers on the recruitment and retention of transgender and non-binary staff. The focus will now be on raising awareness & training.

EU Settlement Scheme

During the year information received from the Home Office was disseminated to Trust Staff on the proposed arrangements for the EU Settlement Scheme. This will continue as and when further information becomes available.

International Women's Day (IWD) – 8 March 2021

With 86% percentage of our workforce female and many working in non-traditional roles, which is helping to challenge gender stereotypes, the Trust celebrated IWD 2021, #ChooseToChallenge. The Trust staff participated by showing their support and participating in the ChooseToChallenge.

We held our first Virtual Menopause Café, continuing to raise awareness of the Trust's Menopause at Work Policy and Toolkit to encourage support in the workplace for working women.

Complaints Management

The quality and safety of services we provide is very important to us. We aim to continually improve and it is often people who have observed our services who can help us to learn and improve by sharing their experiences.

The Trust aims to provide the highest possible standard of care to all service users. Service users knowledge and rich source of feedback about their experiences are essential in continuing our drive for continuous improvement and excellence in all we do. Information on how to make a complaint, suggestion or comment can be found in our "We Value Your Views" leaflet.

Each year a significant number of people receive services provided or commissioned by the Trust and the vast majority have a positive experience and are cared for by well trained professional and support service staff, all of whom are highly dedicated. However, like any organisation, things can go wrong and service users can express dissatisfaction with services. When this happens we are committed to listen, learn and improve.

The Trust continues to investigate complaints in an open and transparent way, using issues raised through the complaints process as an important source of information for safety and quality improvement. Discussing and sharing the outcome of complaints investigations is one of the ways we improve the experience of people using our services, and ultimately the safety and quality of the treatment and care we provide.

Within the Trust it is the responsibility of all staff to utilise the information and trends from their complaints to ensure learning and development takes place at a service and individual level. The Senior Management Team will consider the trends and themes of complaints to ensure we **listen, learn and improve**.

The number of complaints received for the financial year 2020-21 was 730 (2019-20: 734). Further information on the monitoring of complaints is contained in the Service User Feedback Annual Report, which is published on our website. The Trust Complaints Team can be contacted at serviceuserfeedback@southerntrust.hscni.net or Tel: 028 375 64600.

Compliance with regularity of expenditure guidance

The Trust Management Statement (MS) and the Financial Memorandum (FM) which exists between the DoH and the Trust, outlines the framework in which the Trust will operate and details certain aspects of financial provisions which the Trust will observe.

The discharge of the responsibilities within the MS/FM is supported by the Standing Financial Instructions (SFIs) of the Trust. The SFIs are then further supported by finance policies and detailed financial procedures which must be kept up to date with DoH circulars as appropriate.

This overall framework is designed to ensure that the Trust has assurance that the income and expenditure recorded in its financial statements have been applied to the purposes as intended by the NI Assembly and the financial transactions recorded in the financial statements of the Trust conform to the authorities who govern them.

Both Internal Audit and External Audit provide an independent assessment of the Trust's adherence to this framework of financial governance and control, with the External Auditor providing an annual opinion on regularity within the certified financial statements of the Trust.

Long Term Expenditure

Details of long term expenditure plans are included on pages 39-40 of the Performance Report.

Rural Needs Act 2016

As outlined in the Rural Needs Act 2016, the Trust has a legal duty to ensure due regard is paid to the consideration of the social and economic needs of service users in rural areas when designing and delivering our services. The Trust has implemented systems to ensure adherence to the requirements of this Act. As per correspondence received from Department of Agriculture, Environment & Rural Affairs, the Trust is preparing for reporting of information for the year 2020-21 in September 2021.

Statement of Losses and Special Payments recognised in the year (Audited)

Losses and special payments are items of expenditure that the NI Assembly would not have contemplated when it agreed funding to the Trust. They are subject to special controls and procedures and require specific approval in accordance with limits set by the Department of Health. The limit delegated to the Trust, for approval of losses, differs depending on the type of loss but all losses and special payments, irrespective of value, require approval by the Trust Board. Losses over a particular threshold require approval by the DoH.

Statement of Losses and Special Payments recognised in the year (continued)

Losses and special payments are reported to the Audit Committee for review and to Trust Board for approval annually. They are audited as part of the audit of the Annual Accounts.

Losses and Special Payments (Audited)

Losses statement	2020-21	2019-20
Total number of losses	85,464	4,256
Total value of losses (£'000)	728	339

Individual losses over £250,000	2020-21	2019-20
	£'000	£'000
Cash losses	0	0
Claims abandoned	0	0
Administrative write-offs	0	0
Fruitless payment	0	0
Stores losses	0	0

Special payments	2020-21	2019-20
Total number of special payments	102	116
Total value of special payments (£'000)	5,014	6,026

Individual special payments over £250,000	2020-21	2019-20
	£'000	£'000
Compensation payments		
- Clinical Negligence	2,201	2,492
- Public Liability	0	0
- Employers Liability	0	0
- Other	0	0
Ex-gratia payments	0	0
Extra contractual	0	0
Special severance payments	0	0
Total special payments	**2,201**	**2,492**

Pharmacy Stock items, with a value of £125k that were previously purchased but had to be disposed of as they remained unused beyond their expiry date are

included within the Pharmacy losses noted above. This arose due to restrictions on services during Covid 19 and the consequent inability to treat patients within the short life expiration date of the drugs.

Statement of Losses and Special Payments recognised in the year (continued)

Included in the number of individual special payments over £250,000 above were 2 Clinical Negligence cases that related to recalculations of Periodic Payments Orders due to the expected change in the discount rate to -1.75%.

Special Payments (Audited)

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

Other Payments and Estimates (Audited)

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

Remote Contingent Liabilities (Audited)

In addition to Contingent Liabilities reported within the meaning of IAS37, (included in the Annual Accounts Note 19), the Trust also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of Contingent Liability. There are no remote contingent liabilities of which the Trust is aware.

On behalf of the Southern HSC Trust, I approve the Accountability Report encompassing the following sections:

- Governance Report
- Remuneration and Staff Report
- Accountability and Audit Report

SIGNED

Mr Shane Devlin

Accounting Officer **Date: 17 June 2021**

SOUTHERN HEALTH AND SOCIAL CARE TRUST – PUBLIC FUNDS

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

Opinion on financial statements

I certify that I have audited the financial statements of the Southern Health and Social Care Trust for the year ended 31 March 2021 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Group and Parent Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the group's and of Southern Health and Social Care Trust's affairs as at 31 March 2021 and of the group's and the Southern Health and Social Care Trust's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Emphasis of Matter

I draw attention to Note 5.1 of the financial statements, which describes the material valuation uncertainties for Land and Buildings due to the consequences of the COVID-19 pandemic. My opinion is not modified in respect of the matter.

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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff

and I are independent of Southern Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Southern Health and Social Care Trust's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Southern Health and Social Care Trust 's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Southern Health and Social Care Trust is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Trust and the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Trust and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

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

Matters on which I report by exception

In the light of the knowledge and understanding of the Southern Health and Social Care Trust and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. 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 Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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 the Department of Finance's guidance.

Responsibilities of the Trust and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud of error;
- assessing the Southern Health and Social Care Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Southern Health and Social Care Trust will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Southern Health and Social Care Trust through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder;
- making enquires of management and those charged with governance on the Southern Health and Social Care Trust's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These

audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

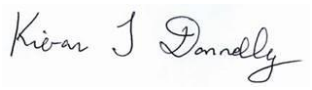
- addressing the risk of fraud as a result of management override of controls by:
    - performing analytical procedures to identify unusual or unexpected relationships or movements;
    - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
    - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
    - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, 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.

Report

A report on the valuation of land and buildings is not considered necessary as the circumstances are beyond the control of management.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
Belfast
BT8 6RB

2 July 2021

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Financial Statements

FOREWORD

These accounts for the year ended 31 March 2021 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2021

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.

		2021			2020		
	NOTE	Trust £000s	CTF £000s	Consolidated £000s	Trust £000s	CTF £000s	Consolidated £000s
Income							
Revenue from contracts with customers	4.1	38,022	-	38,022	40,641	-	40,641
Other Operating Income	4.2	4,314	3,436	7,750	4,369	224	4,593
Total Operating Income		42,336	3,436	45,772	45,010	224	45,234
Expenditure							
Staff costs	3	(583,230)	-	(583,230)	(499,843)	-	(499,843)
Purchase of Goods and Services	3	(228,291)	-	(228,291)	(190,074)	(43)	(190,117)
Depreciation, amortisation and impairment charges	3	(21,405)	-	(21,405)	(17,956)	-	(17,956)
Provision Expense	3	(19,322)	-	(19,322)	(18,108)	-	(18,108)
Other Expenditures	3	(84,620)	(540)	(85,160)	(83,458)	(355)	(83,813)
Total Operating Expenditure		**(936,868)**	**(540)**	**(937,408)**	**(809,439)**	**(398)**	**(809,837)**
Net Operating Expenditure		**(894,532)**	**2,896**	**(891,636)**	**(764,429)**	**(174)**	**(764,603)**
Finance Income	4.2	-	113	113	31	125	156
Finance Expense	3	(4)	-	(4)	(8)	-	(8)
Net Expenditure for the year		**(894,536)**	**3,009**	**(891,527)**	**(764,406)**	**(49)**	**(764,455)**
Revenue Resource Limit (RRL) and capital grants	22.1	894,567	-	894,567	764,449	-	764,449
Add back charitable trust fund net expenditure			(3,009)	(3,009)	-	49	49
Surplus against RRL		**31**	**-**	**31**	**43**	**-**	**43**
OTHER COMPREHENSIVE EXPENDITURE							
Items that will not be reclassified to net operating costs:							
Net gain on revaluation of property, plant and equipment	5.1/ 5.2/ 9	21	-	21	17,658	-	17,658
Net Gain/(loss) on revaluation of charitable assets	7	-	584	584	-	(183)	(183)
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2021		**(894,515)**	**3,593**	**(890,922)**	**(746,748)**	**(232)**	**(746,980)**

The notes on pages 129 to 177 form part of these accounts.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2021

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

		2021		2020	
	NOTE	Trust	Consolidated	Trust	Consolidated
Non-Current Assets		£000s	£000s	£000s	£000s
Property, plant and equipment	5.1/5.2	330,199	330,199	330,754	330,754
Intangible assets	6.1/6.2	12,829	12,829	4,912	4,912
Financial assets	7.0	-	3,694	-	3,110
Trade and other receivables	13.0	2,201	2,201	2,157	2,157
Total Non-Current Assets		**345,229**	**348,923**	**337,823**	**340,933**
Current Assets					
Assets classified as held for sale	10.0	-	-	-	-
Inventories	11.0	7,758	7,758	5,961	5,961
Trade and other receivables	13.0	15,691	18,674	16,125	16,084
Other current assets	13.0	2,934	2,934	2,765	2,828
Cash and cash equivalents	12.0	3,502	3,936	4,919	5,266
Total Current Assets		29,885	33,302	29,770	30,139
Total Assets		**375,114**	**382,225**	**367,593**	**371,072**
Current Liabilities					
Trade and other payables	14.1	(141,894)	(141,954)	(82,627)	(82,648)
Provisions	15.0	(8,824)	(8,824)	(12,696)	(12,696)
Total Current Liabilities		(150,718)	(150,778)	(95,323)	(95,344)
Total Assets Less Current Liabilities		**224,396**	**231,447**	**272,270**	**275,728**
Non-Current Liabilities					
Provisions	15.0	(70,115)	(70,115)	(55,132)	(55,132)
Total Non-Current Liabilities		(70,115)	(70,115)	(55,132)	(55,132)
Total Assets less Total Liabilities		**154,281**	**161,332**	**217,138**	**220,596**
Taxpayers' Equity and Other Reserves					
Revaluation reserve		84,521	84,521	84,577	84,577
SoCNE reserve		69,760	69,760	132,561	132,561
Other reserves – charitable trust fund		-	7,051	-	3,458
Total Equity		**154,281**	**161,332**	**217,138**	**220,596**

The notes on pages 129 to 177 form part of these accounts.
The financial statements on pages 125 to 177 were approved by the board on 17June 2021 and were signed on its behalf by:

Signed: (Chair) Date: 17 June 2021

Signed: (Chief Executive) Date: 17 June 2021

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2021

This statement shows the movement in the year on the different reserves held by Southern HSC Trust, analysed into the SoCNE Reserve (i.e. that reserve that reflects a contribution from the DoH). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve represents the total assets less liabilities of the Trust, to the extent that the total is not represented by other reserves and financing items.

	NOTE	SoCNE Reserve	Revaluation Reserve	Charitable Fund	Total
		£000s	£000s	£000s	£000s
Balance at 1 April 2019		**156,011**	**67,348**	**3,690**	**227,049**
Changes in Taxpayers Equity 2019-20					
Grant from DoH		740,484	-	-	740,484
Transfers between reserves		429	(429)	-	-
(Comprehensive net expenditure for the year)		(764,406)	17,658	(232)	(746,980)
Non-cash charges - auditors remuneration	3	43	-	-	43
Balance at 31 March 2020		**132,561**	**84,577**	**3,458**	**220,596**
Changes in Taxpayers Equity 2020-21					
Grant from DoH		831,594	-	-	831,594
Transfers between reserves		77	(77)		-
(Comprehensive net expenditure for the year)		(894,536)	21	3,593	(890,922)
Non-cash charges - auditors remuneration	3	64			64
Balance at 31 March 2021		**69,760**	**84,521**	**7,051**	**161,332**

The notes on pages 129 to 177 form part of these accounts.

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 MARCH 2021

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

	NOTE	2021 £000s	2020 £000s
Cash flows from operating activities			
Net expenditure after interest		(891,527)	(764,455)
Adjustments for non-cash costs		40,775	36,113
(Increase) in trade and other receivables		(2,740)	(904)
(Increase) in inventories		(1,797)	(1,374)
Increase in trade payables		59,306	12,015
Movements in receivables relating to the sale of property, plant and equipment		(39)	58
Movements in payables relating to the purchase of property, plant and equipment		(4,006)	(7)
Movements in payables relating to the purchase of intangibles		(7,569)	224
Use of provisions	15	(8,211)	(6,391)
Net cash outflow from operating activities		(815,808)	(724,721)
Cash flows from investing activities			
Purchase of property, plant & equipment	5	(15,325)	(11,706)
Purchase of intangible assets	6	(1,846)	(1,453)
Proceeds of disposal of property, plant & equipment		55	86
Proceeds on disposal of assets held for resale		-	157
Net cash outflow from investing activities		(17,116)	(12,916)
Cash flows from financing activities			
Grant in aid		831,594	740,484
Movement in Charitable Trust Funds		-	-
Net financing		831,594	740,484
Net (decrease)/increase in cash & cash equivalents in the period		(1,330)	2,847
Cash & cash equivalents at the beginning of the period	12	5,266	2,419
Cash & cash equivalents at the end of the period	12	**3,936**	**5,266**

The notes on pages 129 to 177 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF ACCOUNTING POLICIES

1. Authority

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

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is 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 particular policies adopted by the Trust are described below. They have been applied consistently 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, intangible assets, inventories and certain financial assets and liabilities.

1.2 Currency and Rounding

These accounts are presented in £ sterling and rounded in thousands.

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

On initial recognition property, plant and equipment 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 Institution of Chartered Surveyors Global Standards & UK National Supplement in so far as these are consistent with the specific needs of the HSC.

The last valuation was carried out on 31 January 2020 by Land and Property Services (LPS) which is an independent executive body within the Department of Finance. The valuers are qualified to meet the 'Member of Royal Institution of Chartered Surveyors' (MRICS) standard.

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

Land and buildings used for the Trust'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; *and*
- Properties surplus to requirements – the lower of open market value less any material directly attributable selling costs, or book value at date of moving to non-current assets.

Modern Equivalent Asset

DoF has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Land and Property Services (LPS) have included this requirement within the latest valuation.

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets under construction 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. From 1 April 2008 HSC entities had the option to elect to cease indexing all short life assets (other than IT which is not indexed). The Trust did not elect to cease indexing all short life assets, (other than IT), as these assets were not held separately on its fixed asset register. Therefore, fixtures and equipment, whether they are short life or have an estimated life in excess of 5 years, are indexed each year and depreciation will be based in the indexed amount. All other short life assets are not indexed but 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 similarly, amortisation is applied to intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over the lower of their estimated useful lives and the terms of the lease. The estimated useful life of an

asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The following asset lives have been used:

Asset Type	**Asset Life**
Freehold Buildings	25 – 71 years
Leasehold property	Remaining period of lease
IT assets	3 – 10 years
Intangible assets	3 – 10 years
Other Equipment	3 – 15 years

1.5 Impairment loss

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

1.6 Subsequent expenditure

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

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

1.7 Intangible assets

Intangible assets includes any of the following held - software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible assets under construction. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible non-current asset. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

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

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust'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 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 through appropriate marketing at a reasonable price and the sale is considered likely to be concluded within one year. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value, less any material directly attributable selling costs. Fair value is open market value, where one is available, including alternative uses.

Assets classified as held for sale are not depreciated.

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

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

1.9 Inventories

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

1.10 Income

Income is classified between Revenue from Contracts and Other Operating Income as assessed necessary in line with organisational activity, under the requirements of IFRS 15 and as applicable to the public sector. Judgement is exercised in order to determine whether the five essential criteria within the scope of IFRS 15 are met in order to define income as a contract.

Income relates directly to the activities of the Trust and is recognised on an accruals basis when, and to the extent that a performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Where the criteria to determine whether a contract is in existence is not met, income is classified as Other Operating Income within the Statement of Comprehensive Net Expenditure and is recognised when the right to receive payment is established.

The transfer of non-cash resources from the DoH for equipment and personal protective equipment has been recognised within other operating income at a 'deemed cost'.

Income is stated net of VAT.

Grant in aid

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

1.11 Investments

The Charitable Trust Fund investments have been consolidated.

1.12 Research and Development expenditure

Research and development expenditure is expensed in the year it is incurred in accordance with IAS 38.

Following the introduction of the 2010 European System of Accounts (ESA10), from 2016-17 there has been a change in the budgeting treatment (a change from the revenue budget to the capital budget) of research and development (R&D) expenditure. As a result, additional disclosures are included in the notes to the accounts.

1.13 Other expenses

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

1.14 Cash and cash equivalents

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

1.15 Leases

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

The Trust as lessee

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

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

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

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

The Trust as lessor

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

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

1.16 Private Finance Initiative (PFI) transactions

The Trust has no PFI transactions during the current or prior year.

1.17 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Trust has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

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 de-recognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value. IFRS 9 requires consideration of the expected credit loss model on financial assets. The measurement of the loss allowance depends upon the Trust's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument, where judged necessary.

Financial assets are classified into the following categories:

- financial assets at fair value through Statement of Comprehensive Net Expenditure;
- held to maturity investments;
- available for sale financial assets; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities

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

Financial liabilities are initially recognised at fair value.

Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size, therefore the Trust is not exposed to the degree of financial risk faced by business entities.

There are 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 its activities. Therefore the Trust is exposed to limited 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. There is therefore low exposure to currency rate fluctuations.

Interest rate risk

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

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, there is 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, there is low exposure 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 Department of Finance issued discount rates as at 31 March 2021 of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	(0.02)%
	Medium term (5 – 10 years)	0.18%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.2%
	Year 2	1.6%
	Into perpetuity	2.0%

Treasury, under Public Expenditure System (PES) issued a combined nominal and inflation rate table to incorporate the two elements as included within circular HSC(F) 40-2020.

The discount rate to be applied for employee early departure obligations is -0.95% with effect from 31 March 2021.

The Department of Justice issues the discount rate to be used when calculating any future loss elements included within personal injury claims. This rate is 2.5% as at 31 March 2021 but is set to change as outlined in note 19.

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

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

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

1.19 Contingent liabilities/assets

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

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

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.

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 2021. The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020 came into operation on 24 April 2020 and allows those workers who are unable to take annual leave as result of the pandemic to carry over postponed leave into the next two leave years, 2021-22 and 2022-23, therefore the level of untaken leave has increased significantly at 31 March 2021 . Untaken flexi leave is estimated to be immaterial to the Trust and has not been included.

Retirement benefit costs

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

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 with sufficient regularity that the amounts recognised in the financial statements do not differ materially from those determined at the reporting period date. This has been interpreted in the FReM to mean that the period between formal actuarial valuations shall be four years. However, it has been noted in HM Treasury guidance that the validation and processing of some of the Schemes' data may not be finalised until after the 2020-21 accounts are laid. Schemes are not automatically required to reflect 2020 scheme valuation data in the 2020-21 accounts. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions and a change in financial assumption methodology will be used in 2020-21 accounts.

A NEST (National Employment Saving Trust) Scheme is also in operation for employees who are not eligible to the HSC Pension Scheme and the HSC Pension Scheme 2015, with a member contribution rate of 5% in 2020-21.

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 other than donated 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 fixed 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 21 to the accounts.

1.24 Government Grants

The note to the financial statements distinguishes between grants from UK government entities and grants from the 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 HSC Trusts 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

HSC Trusts are required to consolidate the accounts of controlled charitable organisations and funds held on trust into their financial statements. As a result the financial performance and funds have been consolidated. The Trust 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.

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

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

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

The International Accounting Standards Board have issued the following new standards but which are either not yet effective or adopted. Under IAS 8 there is a requirement to disclose these standards together with an assessment of their initial impact on application.

IFRS10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of interests in Other Entities:

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 were 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 Office of National Statistics (ONS) control criteria, as designated by Treasury.

A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2022-23, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

IFRS 16 Leases:

IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.

IFRS 17 Insurance Contracts:

IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2023.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT

	2021			2020		
Directorate	**Staff Costs £000s**	**Other Expenditure £000s**	**Total Expenditure £000s**	**Staff Costs £000s**	**Other Expenditure £000s**	**Total Expenditure £000s**
Children's Services	77,613	26,692	104,305	70,461	24,096	94,557
Acute Hospital Services	275,888	107,460	383,348	231,489	76,986	308,475
Older People's Services	104,889	84,828	189,717	90,515	73,144	163,659
Mental Health and Disability Services	86,157	87,672	173,829	76,255	83,570	159,825
Supporting Directorates	38,683	6,215	44,898	31,123	15,695	46,818
Expenditure for Reportable Segments net of Non Cash Expenditure	**583,230**	**312,867**	**896,097**	**499,843**	**273,491**	**773,334**
Non Cash Expenditure			40,775			36,113
Total Expenditure per Net Expenditure Account			936,872			809,447
Income Per Net Expenditure Account			42,336			45,041
Net Expenditure			894,536			764,406
Revenue Resource Limit			894,567			764,449
Surplus against RRL			**31**			**43**

The Trust is managed by way of a directorate structure, each led by a Director, providing an integrated healthcare service for the resident population. The Directors along with Non-Executive Directors, Chair 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.

Service costs are allocated to each of the individual Directorates based on similarity of the nature of the service provided.

In 2020-21, there has been significant additional expenditure incurred as a result of the Covid-19 pandemic. This has been allocated to each of the individual Directorates based on an analysis of the category of Covid-19 spend and the Directorate within which the spend, in the main, has been incurred.

Acute Directorate

- Cancer and Clinical Services (includes Laboratory & Radiology Services)
- Surgery and Elective Care
- Medicines and Unscheduled Care
- Integrated Maternity and Women's Health

- Functional Support Services (includes all hotel services, health records, laundry and decontamination services)
- Pharmacy

These services are delivered at the Acute Hospital Sites at Craigavon Area Hospital and Daisy Hill Hospital. Services including outreach clinics, day procedure services and diagnostic services are also delivered on South Tyrone Hospital Site, Lurgan Hospital Site and at Banbridge Health and Care Centre, Kilkeel and Crossmaglen Health Centres and Armagh Community Hospital.

Directorate of Mental Health and Disability Services

- Provides a range of hospital and community services, including social services, community nursing, home treatment, crisis response, Allied Health Professionals and specialist teams
- Acute Mental Health Services are provided at the Bluestone Unit, Craigavon and at St Luke's Hospital, Armagh
- Longstone Hospital for Learning Disability patients
- Nursing & residential home, domiciliary, respite and day care services as well as support to tenants who reside in supporting people accommodation
- Trust Transport services

Older People and Primary Care Services

- Domiciliary care, residential and nursing care and dementia support
- Acute Care at Home – providing an invaluable service for our elderly population and supporting their care at home rather than in an acute setting
- District nursing and allied health professionals supporting the elderly population
- Specialist services such as family planning, continence and GP out of hours and minor injuries units and all aspects of supporting people in the community
- Partnership working with Voluntary and community organisations incorporating grant aid payments and community support

Children and Young People Services

- Includes all health services provided for children and adolescents
- Paediatric wards and special care baby units located in Acute facilities
- Disability services including respite, CAMHS, Children Community nursing of complex needs, Dental services and Allied Health Services
- Corporate Parenting
- Family support, Early Years, Health visiting and school nursing are included together with all Sure Start Projects
- Social Services Training Unit

NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT (continued)

Supporting Directorates

- Office of the Chief Executive, including Trustwide Communication Team
- Finance, Procurement & Estates Directorate
- Human Resource Directorate, (including Occupational Health)
- Performance & Reform (IT, Corporate Planning and Performance Improvement)
- Medical Directorate (Governance Patient/Client Safety, Medical Management, Clinical Audit and Emergency Planning)
- Nursing, Midwifery and AHPs
- Research & Development expenditure

The information provided above, which is provided on a Directorate basis, is the same basis on which information is provided monthly to the Trust Board for decision making purposes. The key performance objectives being measured are the targets to remain within RRL and CRL.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 3 Operating Expenses

	2021			2020		
	Trust £000s	CTF £000s	Consolidated £000s	Trust £000s	CTF £000s	Consolidated £000s
Operating Expenses are as follows:-						
Wages and Salaries	475,033	-	475,033	400,452	-	400,452
Social Security Costs	33,230	-	33,230	30,466	-	30,466
Other Pension Costs	74,967	-	74,967	68,925	-	68,925
Purchase of care from non-HPSS bodies	132,202	-	132,202	117,359	-	117,359
Personal social services	37,536	-	37,536	35,013	-	35,013
Recharges from other HSC organisations	2,186	-	2,186	2,069	-	2,069
Supplies and services - Clinical	63,657	-	63,657	58,734	-	58,734
Supplies and services - General	24,305	-	24,305	6,571	-	6,571
Establishment	9,699	-	9,699	11,639	-	11,639
Transport	2,521	-	2,521	3,711	-	3,711
Premises	27,927	-	27,927	26,286	-	26,286
Bad debts	611	-	611	100	-	100
Rentals under operating leases	1,341	-	1,341	1,489	-	1,489
Interest charges	4	-	4	8	-	8
Research and Development expenditure	101	-	101	133	-	133
BSO services	5,663	-	5,663	5,253	-	5,253
Training	1,301	-	1,301	1,391	-	1,391
Professional fees	277	-	277	88	43	131
Patients travelling expenses	45	-	45	135	-	135
Costs of exit packages not provided for	100	-	100	-	-	-
Other charitable expenditure	-	540	540	-	355	355
Miscellaneous expenditure	3,391	-	3,391	3,512	-	3,512

NOTE 3 Operating Expenses (continued)

	2021			2020		
	Trust £000s	CTF £000s	Consolidated £000s	Trust £000s	CTF £000s	Consolidated £000s
Non-cash items						
Depreciation	19,742	-	19,742	20,109	-	20,109
Amortisation	1,498	-	1,498	2,050	-	2,050
Impairments	165	-	165	(4,203)	-	(4,203)
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(16)	-	(16)	-	-	-
Loss on disposal of property, plant & equipment (including land)	-	-	-	6	-	6
Provisions provided for in year	19,272	-	19,272	18,014	-	18,014
Cost of borrowing of provisions (unwinding of discount on provisions)	50	-	50	94	-	94
Auditors remuneration	64	6	70	43	5	48
Add back of notional charitable expenditure	-	(6)	(6)	-	(5)	(5)
Total	**936,872**	**540**	**937,412**	**809,447**	**398**	**809,845**

During the year the Trust paid the Northern Ireland Audit Office £1,655 in respect of the National Fraud Initiative exercise.

Further detailed analysis of staff costs is located in the Staff Report on page 102 within the Accountability Report.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 4 INCOME

	2021			2020		
4.1 Revenue from contracts with Customers	**Trust £000s**	**CTF £000s**	**Consolidated £000s**	**Trust £000s**	**CTF £000s**	**Consolidated £000s**
GB/Republic of Ireland Health Authorities	70	-	70	157	-	157
HSC Trusts	47	-	47	256	-	256
Non-HSC:- Private patients	37	-	37	276	-	276
Non-HSC:- Other	789	-	789	1,842	-	1,842
Clients contributions	32,083	-	32,083	32,763	-	32,763
Seconded Staff	534	-	534	356	-	356
Revenue from non-patient services	4,462	-	4,462	4,991	-	4,991
Total	**38,022**	**-**	**38,022**	**40,641**	**-**	**40,641**
4.2 Other Operating Income						
Other income from non-patient services	1,756	-	1,771	3,772	-	3,772
Charitable and other contributions to expenditure by core trust	1,883	-	1,883	-	-	-
Donations / Government grant / Lottery funding for non-current assets	230	-	230	124	-	124
Charitable Income received by charitable trust fund	-	3,436	3,436	-	224	224
Finance Income	-	113	113	31	125	156
Research & Development	334	-	319	277	-	277
Research & Development income released	111	-	111	196	-	196
Total	**4,314**	**3,549**	**7,863**	**4,400**	**349**	**4,749**
TOTAL INCOME	**42,336**	**3,549**	**45,885**	**45,041**	**349**	**45,390**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE5.1 Consolidated Property, Plant & Equipment Year Ended 31 March 2021

	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 2020	35,121	252,746	12,954	-	53,033	7,522	21,768	1,193	384,337
Indexation	-	-	-	-	152	-	-	40	192
Additions	-	8,589	-	376	4,997	775	4,355	9	19,101
Donations / Government grant / Lottery funding	-	31	-		174	-	25	-	230
Reclassifications	-	(28)	-	28	-	-	-	-	-
Transfers (Note 10)	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	(67)	-	-	(98)	-	-	-	(165)
Impairment charged to the revaluation reserve	-	-	-	-	(33)	-	-	-	(33)
Reversal of impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(97)	(59)	-	-	(156)
At 31 March 2021	**35,121**	**261,271**	**12,954**	**404**	**58,128**	**8,238**	**26,148**	**1,242**	**403,506**
Depreciation									
At 1 April 2020	-	1,696	71	-	34,370	5,467	11,005	974	53,583
Indexation	-	-	-	-	104	-	-	34	138
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers (Note 10)	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexation)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(97)	(59)	-	-	(156)
Provided during the year	-	10,474	422	-	4,421	591	3,797	37	19,742
At 31 March 2021	**-**	**12,170**	**493**	**-**	**38,798**	**5,999**	**14,802**	**1,045**	**73,307**
Carrying Amount									
At 31 March 2021	**35,121**	**249,101**	**12,461**	**404**	**19,330**	**2,239**	**11,346**	**197**	**330,199**
At 31 March 2020	**35,121**	**251,050**	**12,883**	-	**18,663**	**2,055**	**10,763**	**219**	**330,754**
Asset financing									
Owned	35,121	249,101	12,461	404	19,330	2,239	11,346	197	330,199
Carrying Amount									
At 31 March 2021	**35,121**	**249,101**	**12,461**	**404**	**19,330**	**2,239**	**11,346**	**197**	**330,199**

NOTE 5.1 (Continued) Consolidated Property, Plant & Equipment Year Ended 31 March 2021

	£000s
Of which:	
Trust	330,199
Charitable Trust Funds	-

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

The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £Nil (2020:Nil).

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

	2021 £000s	2020 £000s
Donations	230	124

RICS, IFRS, IVS & HM Treasury compliant asset revaluation of land and buildings for financial reporting purposes are undertaken by Land and Property Services (LPS) at least once in every five year period. Figures are then restated annually, between revaluations, using indices provided by LPS. The last asset revaluation was carried out on 31 January 2020. LPS have confirmed that, provided the relevant Indexation Categories supplied for the Effective Period 1 April 2020 to 31 March 2021 have been appropriately applied to the corresponding relevant asset classifications, as at 31 March 2021, then the restated 31 January 2020 land and building valuation figures remain appropriate at 31 March 2021.

As a result of the recent and ongoing Covid-19 pandemic events, and in line with current RICS guidance, LPS have advised that market evidence gathered as part of the recent 5-yearly valuation has attached to it, due to the worldwide impact of the pandemic, an increased level of subjectively in terms of informing opinions of value. For the avoidance of doubt, this does not mean that figures cannot be relied upon, rather, the declaration of material uncertainty ensures transparency and provides further insight as to the context under which valuation opinion has been prepared. Whilst at this stage there is no evidence of impairment as at year-end, the future

NOTE 5.1 (Continued) Consolidated Property, Plant & Equipment Year Ended 31 March 2021

impact of Covid-19 on land and building values cannot yet be accurately assessed therefore, the need for further future valuations will remain under consideration, subject to resources.

See Accounting Policy note 1.3 for more details of valuation of Property, Plant & Equipment.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 5.2 Consolidated Property, Plant & Equipment Year Ended 31 March 2020

	Land	Buildings (excluding dwellings)	Dwellings	Assets under Construction	Plant and Machinery (Equipment)	Transport Equipment	Information Technology (IT)	Furniture and Fittings	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Cost or Valuation									
At 1 April 2019	32,590	278,265	14,430	1,464	55,240	7,339	30,168	1,155	420,651
Indexation	-	-	-	-	884	94	-	2	980
Additions	-	5,164	-	24	3,799	569	1,997	36	11,589
Donations / Government grant / Lottery funding	-	87	-	-	37	-	-	-	124
Reclassifications	-	1,422	-	(1,464)	8	-	(220)	-	(254)
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	2,244	(34,932)	(1,378)	(24)	-	-	-	-	(34,090)
Impairment charged to the SoCNE	(576)	(110)	-	-	(91)	(10)	2	-	(785)
Impairment charged to the revaluation reserve	(653)	(592)	(126)	-	(23)	-	-	-	(1,394)
Reversal of impairments (indexation)	1,516	3,442	28	-	-	-	-	-	4,986
Disposals	-	-	-	-	(6,821)	(470)	(10,179)	-	(17,470)
At 31 March 2020	**35,121**	**252,746**	**12,954**	**-**	**53,033**	**7,522**	**21,768**	**1,193**	**384,337**
Depreciation									
At 1 April 2019	-	41,199	1,856	-	36,457	5,270	17,183	943	102,908
Indexation	-	-	-	-	612	71	-	-	683
Reclassifications	-	3	-	(3)	-	-	(13)	-	(13)
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	(50,620)	(2,227)	-	-	-	-	-	(52,847)
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexation)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(6,608)	(470)	(10,179)	-	(17,257)
Provided during the year	-	11,114	442	3	3,909	596	4,014	31	20,109
At 31 March 2020	-	**1,696**	**71**	-	**34,370**	**5,467**	**11,005**	**974**	**53,583**
Carrying Amount									
At 31 March 2020	**35,121**	**251,050**	**12,883**	**-**	**18,663**	**2,055**	**10,763**	**219**	**330,754**
At 31 March 2019	**32,590**	**237,066**	**12,574**	**1,464**	**18,783**	**2,069**	**12,985**	**212**	**317,743**
Asset financing									
Owned	35,121	251,050	12,883	-	18,663	2,055	10,763	219	330,754
Carrying Amount									
At 31 March 2020	**35,121**	**251,050**	**12,883**	-	**18,663**	**2,055**	**10,763**	**219**	**330,754**
Asset financing									
Owned	32,590	237,066	12,574	1,464	18,783	2,069	12,985	212	317,743
Carrying Amount									
At 31 March 2019	**32,590**	**237,066**	**12,574**	**1,464**	**18,783**	**2,069**	**12,985**	**212**	**317,743**
Carrying amount comprises:									
Southern HSC Trust at 31 March 2020	35,121	251,050	12,883	-	18,663	2,055	10,763	219	330,754
Southern HSC trust charitable trust fund at 31 March 2020									-
	35,121	251,050	12,883	-	18,663	2,055	10,763	219	330,754
Southern HSC Trust at 31 March 2019	32,590	237,066	12,574	1,464	18,783	2,069	12,985	212	317,743
Southern HSC trust charitable trust fund at 31 March 2019									
	32,590	237,066	12,574	1,464	18,783	2,069	12,985	212	317,743

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 6.1 Consolidated Intangible Assets Year Ended 31 March 2021

	Software Licenses	Other	Total
	£000s	£000s	£000s
Cost or Valuation			
At 1 April 2020	11,717	-	11,717
Indexation	-	-	-
Additions	9,415	-	9,415
Donations / Government grant / Lottery funding	-	-	-
Reclassifications	-	-	-
Disposals	(4,422)	-	(4,422)
At 31 March 2021	**16,710**	-	**16,710**
Amortisation			
At 1 April 2020	6,805	-	6,805
Reclassifications	-	-	-
Disposals	(4,422)	-	(4,422)
Provided during the year	1,498	-	1,498
At 31 March 2021	**3,881**	-	**3,881**
Carrying Amount			
At 31 March 2021	**12,829**	-	**12,829**
At 31 March 2020	**4,912**	-	**4,912**
Asset financing			
Owned	12,829	-	12,829
Carrying Amount			
At 31 March 2021	**12,829**	-	**12,829**

There were no assets funded by Donations/Government Grant or Lottery Funding during the year (2019-20: £Nil).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 6.2 Consolidated Intangible Assets Year Ended 31 March 2020

	Software Licenses	Other	Total
	£000s	£000s	£000s
Cost or Valuation			
At 1 April 2019	12,249	-	12,249
Indexation	-	-	-
Additions	1,229	-	1,229
Donations / Government grant / Lottery funding	-	-	-
Reclassifications	254	-	254
Disposals	(2,015)	-	(2,015)
At 31 March 2020	**11,717**	-	**11,717**
Amortisation			
At 1 April 2019	6,757	-	6,757
Reclassifications	13	-	13
Disposals	(2,015)	-	(2,015)
Provided during the year	2,050	-	2,050
At 31 March 2020	**6,805**	**-**	**6,805**
Carrying Amount			
At 31 March 2020	**4,912**	-	**4,912**
At 31 March 2019	**5,492**	-	**5,492**
Asset financing			
Owned	4,912	-	4,912
Carrying Amount			
At 31 March 2020	**4,912**	-	**4,912**
Carrying amount comprises:			
Southern HSC Trust at 31 March 2020	4,912	-	4,912
Southern HSC Trust charitable trust fund at 31 March 2020	-	-	-
	4,912	-	**4,912**
Southern HSC Trust at 31 March 2019	5,492	-	5,492
Southern HSC Trust charitable trust fund at 31 March 2019	-	-	-
	5,492	-	**5,492**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 7 FINANCIAL INSTRUMENTS

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

	2021			2020		
	Non-Current Assets	Assets	Liabilities	Non-Current Assets	Assets	Liabilities
	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April	3,110	-	-	3,293	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluations	584	-	-	(183)	-	-
Balance at 31 March	**3,694**	-	-	**3,110**	-	-
Trust	-	-	-	-	-	-
Charitable Trust Fund	3,694	-	-	3,110	-	-
	3,694	**-**	**-**	**3,110**	**-**	**-**

NOTE 8 MARKET VALUE OF INVESTMENTS

NOTE 8.1 Market value of investments as at 31 March 2021

	Held in UK	Held outside UK	2021 Total	2020 Total
	£000s	£000s	£000s	£000s
Investments in a Common Deposit Fund or Investment Fund	3,694	-	3,694	3,110
Total market value of Fixed asset investments	**3,694**	-	**3,694**	**3,110**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE8 (continued) MARKET VALUE OF INVESTMENTS

NOTE 8.2 Analysis of expected timing of discounted flows

	2021			2020		
	Non-Current Assets £000s	Assets £000s	Liabilities £000s	Non-Current Assets £000s	Assets £000s	Liabilities £000s
Later than one year and not later than five years	3,694	-	-	3,110	-	-
	3,694	**-**	**-**	**3,110**	**-**	**-**

Investments

The Northern Ireland Central Investment Fund for Charities (NICIFC) continues to hold funds invested on behalf of the SHSCT Trust Funds. The net market value of funds invested with the NICIFC at 31 March 2021 was £3,694k.

The investments saw a gain of £584k in 2020-21 compared to a loss of £183k in the prior year.

Where the uncertainty around the Covid-19 pandemic caused a sharp downturn in quarter 4 of the prior year, it is expected that there is likely to be ongoing uncertainty and market volatility as a result of Covid-19 and EU Exit into 2021-22.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 9 IMPAIRMENTS

	2021		
	Property, Plant & Equipment	Intangibles	Total
	£000s	£000s	£000s
Impairments charged to Statement of Comprehensive Net Expenditure	165	-	165
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	33	-	33
Total value of impairments for the period	**198**	-	**198**

	2020		
	Property, Plant & Equipment	Intangibles	Total
Impairments (credited) to Statement of Comprehensive Net Expenditure	(4,203)	-	(4,203)
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	1,394	-	1,394
Total value of impairments for the period	**(2,809)**	-	**(2,809)**

NOTE 10 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2021	2020	2021	2020	2021	2020
	£000s	£000s	£000s	£000s	£000s	£000s
Opening Balance At 1 April	-	88	-	6	-	94
Transfers in (Note 5)	-	-	-	-	-	-
Transfers out (Note 5)	-	-	-	-	-	-
(Disposals)	-	(88)	-	(6)	-	(94)
Impairment	-	-	-	-	-	-
Carrying Amount At 31 March	**-**	**-**	**-**	**-**	**-**	**-**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 11 INVENTORIES

	2021			2020		
Classification	**Trust £000s**	**CTF £000s**	**Consolidated £000s**	**Trust £000s**	**CTF £000s**	**Consolidated £000s**
Pharmacy supplies	3,848	-	3,848	3,767	-	3,767
Building & engineering supplies	153	-	153	121	-	121
Fuel	122	-	122	174	-	174
Community care appliances	389	-	389	345	-	345
Laboratory materials	680	-	680	425	-	425
Laundry	162	-	162	98	-	98
Other	2,404	-	2,404	1,031	-	1,031
Total	**7,758**	**-**	**7,758**	**5,961**	**-**	**5,961**

Other includes stock of £1,405k for personal protective equipment, a new stock category due to Covid-19 pandemic.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 12 CASH AND CASH EQUIVALENTS

	2021			2020		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1st April	4,919	347	5,266	2,031	388	2,419
Net change in cash and cash equivalents	(1,417)	87	(1,330)	2,888	(41)	2,847
Balance at 31st March	**3,502**	**434**	**3,936**	**4,919**	**347**	**5,266**

The following balances at 31 March were held at

	2021			2020		
	Trust	CTF	Consolidated	Trust	CTF	Consolidated
	£000s	£000s	£000s	£000s	£000s	£000s
Commercial banks and cash in hand	3,502	434	3,936	4,919	347	5,266
Balance at 31st March	**3,502**	**434**	**3,936**	**4,919**	**347**	**5,266**

NOTE 12.1 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The Trust does not have any liabilities arising from financing activities in either 2020-21 or 2019-20.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 13 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2021				2020			
	Trust	CTF	Consolidation Adjustments	Consolidated	Trust	CTF	Consolidation Adjustments	Consolidated
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Amounts falling due within one year								
Trade receivables	9,912	-	-	9,912	10,712	-	-	10,712
VAT receivable	5,153	-	-	5,153	4,839	-	-	4,839
Other receivables - not relating to fixed assets	607	3,078	(95)	3,590	516	65	(106)	475
Other receivables – relating to property, plant and equipment	19	-	-	19	58	-	-	58
Trade and other receivables	**15,691**	**3,078**	**(95)**	**18,674**	**16,125**	**65**	**(106)**	**16,084**
Prepayments	2,902	-	-	2,902	2,622	7	-	2,629
Accrued income	32	-	-	32	143	56	-	199
Other current assets	**2,934**	**-**	-	**2,934**	**2,765**	**63**	-	**2,828**

NOTE 13 (continued) TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	Trust	CTF	2021 Consolidation Adjustments	Consolidated	Trust	CTF	2020 Consolidation Adjustments	Consolidated
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Amounts falling due after more than one year								
Trade receivables	2,201	-	-	2,201	2,157	-	-	2,157
Trade and other receivables	**2,201**	**-**	**-**	**2,201**	**2,157**	**-**	**-**	**2,157**
TOTAL TRADE AND OTHER RECEIVABLES	**17,892**	**3,078**	**(95)**	**20,875**	**18,282**	**65**	**(106)**	**18,241**
TOTAL OTHER CURRENT ASSETS	2,934	-	-	2,934	2,765	63	-	2,828
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	**20,826**	**3,078**	**(95)**	**23,809**	**21,047**	**128**	**(106)**	**21,069**

The balances are net of a provision for bad debts of £4,880k (2020: £4,623k).

The Trust did not have any intangible current assets at 31 March 2021 or at 31 March 2020.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 14 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

14.1 Trade Payables and Other Current Liabilities

	2021				2020			
	Trust	CTF	Consolidation Adjustments	Consolidated	Trust	CTF	Consolidation Adjustments	Consolidated
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Amounts falling due within one year								
Other taxation and social security	19,269	-	-	19,269	24,377	-	-	24,377
Trade Capital payables - property, plant and equipment	9,490	-	-	9,490	5,484	-	-	5,484
Trade Capital payables – intangibles	8,237	-	-	8,237	668	-	-	668
Trade revenue payables	23,300	-	-	23,300	18,871	-	-	18,871
Payroll payables	57,820	-	-	57,820	21,576	-	-	21,576
Clinical negligence payables	2,452	-	-	2,452	345	-	-	345
VER payables	75	-	-	75	-	-	-	-
BSO payables	2,874	-	-	2,874	1,067	-	-	1,067
Other payables	1,092	155	(95)	1,152	1,563	127	(106)	1,584
Accruals	17,285	-	-	17,285	8,565	-	-	8,565
Deferred income	-	-	-	-	111	-	-	111
Current trade and other payables	**141,894**	**155**	**(95)**	**141,954**	**82,627**	**127**	**(106)**	**82,648**

14.2 Trade Payables and Other Current Liabilities

The Trust did not have any loans payable at 31 March 2021 or at 31 March 2020.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2021

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	Other	2021 Total
	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2020	242	2,817	61,608	3,161	67,828
Provided in year	18	286	22,457	359	23,120
(Provisions not required written back)	-	-	(3,757)	(91)	(3,848)
(Provisions utilised in the year)	(257)	(2,904)	(4,782)	(268)	(8,211)
Cost of borrowing (unwinding of discount)	(3)	(14)	79	(12)	50
At 31 March 2021	**-**	**185**	**75,605**	**3,149**	**78,939**

Provisions have been made for 5 types of potential liability: Clinical Negligence, Employer's and Occupier's Liability, Early Retirement, Injury Benefit and Employment Law. The provision for Early Retirement and Injury Benefit relates to the future liabilities for the Trust based on information provided by the HSC Pension Branch. In 2020-21, there was a capitalisation of remaining premature retirement costs with HSC Pensions, thus discharging most of the Trust's liability for these cases going forward. 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. Clinical Negligence includes a number of Periodic Payment Orders where payments may be made on a yearly basis througout the life of the claimant. In these circumstances professional advisors are engaged to estimate the life expectancy and provision required on an individual case by case basis.

NOTE 15 (continued) PROVISIONS FOR LIABILITIES AND CHARGES – 2021

Comprehensive Net Expenditure Account charges	2021 £000s	2020 £000s
Arising during the year	23,120	21,987
Reversed unused	(3,848)	(3,973)
Cost of borrowing (unwinding of discount)	50	94
Total charge within Operating expenses	**19,322**	**18,108**

Analysis of expected timing of discounted flows

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	Other	2021 Total
	£000s	£000s	£000s	£000s	£000s
Not later than one year	-	5	8,168	651	8,824
Later than one year and not later than five years	-	18	35,215	385	35,618
Later than five years	-	162	32,222	2,113	34,497
At 31 March 2021	**-**	**185**	**75,605**	**3,149**	**78,939**

NOTE 15 (continued) PROVISIONS FOR LIABILITIES AND CHARGES – 2020

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	Other	2020 Total
	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2019	**240**	**2,821**	**50,482**	**2,568**	**56,111**
Provided in year	17	179	20,758	1,033	21,987
(Provisions not required written back)	-	-	(3,941)	(32)	(3,973)
(Provisions utilised in the year)	(16)	(191)	(5,769)	(415)	(6,391)
Cost of borrowing (unwinding of discount)	1	8	78	7	94
At 31 March 2020	**242**	**2,817**	**61,608**	**3,161**	**67,828**

NOTE 15 (continued) PROVISIONS FOR LIABILITIES AND CHARGES – 2020

Analysis of expected timing of discounted flows

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	Other	2019 Total
	£000s	£000s	£000s	£000s	£000s
Not later than one year	16	190	11,943	547	12,696
Later than one year and not later than five years	62	752	16,435	534	17,783
Later than five years	164	1,875	33,230	2,080	37,349
At 31 March 2020	**242**	**2,817**	**61,608**	**3,161**	**67,828**

NOTE 16 CAPITAL AND OTHER COMMITMENTS

	2021 £000s	2020 £000s
Contracted commitments at 31 March not otherwise included in these financial statements		
Property, Plant & Equipment	6,802	1,703
	6,802	**1,703**

NOTE 17 COMMITMENTS UNDER LEASES (IAS 17 disclosures)

Note 17.1 Operating Leases

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

Obligations under operating leases comprise	2021 £000s	2020 £000s
Land & Buildings		
Not later than 1 year	288	243
Later than 1 year and not later than 5 years	129	22
Later than 5 years	79	-
	496	**265**
Other		
Not later than 1 year	1,494	1,752
Later than 1 year and not later than 5 years	1,792	2,837
Later than 5 years	-	-
	3,286	**4,589**

Note 17.2 Finance Leases

The Trust did not have any finance leases at 31 March 2021 or at 31 March 2020.

NOTE 17 (continued) COMMITMENTS UNDER LEASES (IAS 17 disclosures)

Note 17.3 Operating Leases

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

Obligations under operating leases issued by the Southern HSCTrust comprise:

	2021 £000s	2020 £000s
Land and Buildings		
Not later than 1 year	156	161
Later than 1 year and not later than 5 years	140	115
Later than 5 years	-	29
	296	**305**

NOTE 18 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS

Note 18.1: PFI and other service concession arrangement schemes deemed to be off-balance sheet (SoFP)

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

Note 18.2: 'Service' element of PFI and other service concession arrangement schemes deemed to be on-balance sheet (SoFP)

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

NOTE 19 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.

Contingent Liabilities

	2021 £000s	2020 £000s
Clinical negligence	1,496	2,293
Employers' liability	71	85
Public Liability	25	23
Other	30	42
Total	**1,622**	**2,443**

Change in Discount Rate

A discount rate is applied by courts to a lump-sum award of damages for future financial loss in a personal injury case, to take account of the return that can be earned from investment. Currently the rate in Northern Ireland has to be set in accordance with principles set out by the House of Lords in Wells v Wells. The Department of Justice made a statutory rule on 29 April 2021 changing the rate, under the Wells v Wells framework, (from 2.5%) to -1.75%, with effect from 31 May 2021. The Department has also brought forward a Bill to change how the rate is set. The Damages (Return on Investment) Bill was introduced to the Assembly on 1 March 2021 and is currently at Committee Stage. Subject to the legislative process, it is anticipated that the Bill will be enacted early next year and the rate would then be reviewed under the new framework.

There were two cases settled under a periodic payment order where the estimated impact of the change in discount rate has been included in the clinical negligence provisions figure. However, for cases not yet settled, it was not possible to quantify the additional financial liability at this stage as this is a significant task given the number of claims involved. As such, a review will be undertaken in 2021/22 to establish the increase in liability that has arisen from the decrease in discount factor as personal injury compensation will be inflated for existing future loss.

NOTE 19 (continued) CONTINGENT LIABILITIES

Employment Issues

The Trust is aware of a number of legal cases which may arise in respect of the HMRC Widening Access Training Scheme. The Trust is working closely with the Tribunal to ascertain the impact which these cases may have but are not in a position at this stage to quantify the liability (if any) and will keep the outcomes of these cases under close review.

The Trust utilises a system called Allocate to monitor Junior Doctors hours to ensure it reflects appropriate working patterns for trainee doctors and supports the Trust in adhering to the European working time directive and the new deal for doctors in training. The Hallett v Derby Hospitals NHS Foundation Trust in June 2019 brought a software algorithm issue to light in respect of these monitoring outcomes, in that the methodology by which NHS Trusts applied monitoring rules were incorrect. The algorithm has been corrected and released through a software update in April 2020. However, there is an implication that rotas previously determined to be compliant may no longer be compliant, thus giving rise to a potential financial liability. Until a review can be undertaken it is not possible to confirm if there have been any cases of non-compliance, therefore, there is uncertainty around the number of instances of non-compliance (if any). As such, this cannot be quantified at this time. A monitoring exercise has been completed in 2021 but further re-monitoring is required in a number of specialties due to return rates. This information will then be reviewed by the Trust to determine further actions, including remuneration, where appropriate in 2021-22.

Backdated Holiday Pay

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for the 23rd and 24th June 2021 but this has subsequently been adjourned. Based on the position in the NHS in England, Scotland and Wales, an accrual at 31 March 2021 has been calculated by HSC management for the liability and is included in these accounts. However, the extent to which the liability may exceed this amount remains uncertain as the calculation has not been agreed with Trade Unions. The potential additional financial effect of this is unquantifiable at present.

NOTE 19 (continued) CONTINGENT LIABILITIES

Cyber Security Incident at Queen's University Belfast

A cyber security incident took place at Queen's University Belfast (QUB) in February 2021. As the HSC has multiple contractual interactions with QUB, some concerning personal information, the HSC technology teams, with the backing of the HSC SIRO's, took a number of actions to reduce potential disruption to HSC services, and continue to liaise with QUB on the impact of the cyber incident. The impact on the HSC is being fully investigated, and there may be a financial risk in relation to possible future liability, for potential claims for loss of personal data. As the breach occurred in a third party's systems the potential for liability is unclear and any financial impact is unquantifiable at present.

Statutory Public Inquiry

The Trust is currently subject to a Statutory Public Inquiry into the practices of a Consultant Urologist where there may be a possible future liability for potential claims from patients in relation to their care and treatment. The potential for liability is currently unclear and any financial impact unquantifiable at present.

NOTE 19.1 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

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

The Trust has not entered into any quantifiable guarantees, indemnities or provided letters of comfort, at either 31 March 2021 or 31 March 2020.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 20 RELATED PARTY TRANSACTIONS

The Trust is an Arm's length body of the DoH and as such the Department is a related party with which the Trust has had various material transactions during the year.

- Funding – Revenue Resource Limit of £894,567k (2020: £764,449k) of which the Non Cash Revenue Resource Limit is £40,775k (2020: £36,113k)

During the year, none of the board members, members of key management or other related parties has undertaken any material transactions with the Trust, apart from the transactions with the Department noted.

Interests in the following organisations were declared by non-executive, executive and other Directors and recorded on the Southern HSC Register of Interests. Where an interest is disclosed, the related party is not involved directly in the award of a contract with the related organisation.

The interests declared and the value of the related party transactions was as follows:

Mrs Pauline Leeson, Chief Executive of Children in Northern Ireland. The value of transactions between related parties was £67,306.79 (6 transactions) in respect of a Development Officer Post which supports the Locality Planning Groups linked to the Southern Outcome. Balance outstanding at year end was £Nil.

The Trust Funds have made revenue and capital payments to the Southern HSC Trust where the Trustees are also members of the Trust Board. In 20-21, the Trust Funds paid £270,867 (19-20: £73,089) to the Southern HSC Trust and owed £104,370 (19-20: £106,044) to the Southern HSC Trust as at 31 March 2021. The Trust Funds received £55,979 (19-20: £nil) from the Southern HSC Trust during 20-21 and was owed £9,790 (19-20: £nil) from the Southern HSC Trust.

NOTE 21 THIRD PARTY ASSETS

The Trust held £10,758k cash at bank, cash in hand and investments at 31 March 2021 (31 March 2020: £9,735k) which relates to monies held by the Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the accounts. A separate audited account of these monies is maintained by the Trust.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 22 FINANCIAL PERFORMANCE TARGETS

NOTE 22.1 Revenue Resource Limit

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

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

	2021 Total £000s	2020 Total £000s
HSCB	838,904	712,788
PHA	7,379	6,979
SUMDE & NIMDTA	8,594	8,181
Non cash RRL (from DoH)	40,775	36,113
Total agreed RRL	895,652	764,061
Adjustment for income received re Donations / Government grant / Lottery funding for non-current assets	(230)	(124)
Adjustment for Research and Development under ESA10	550	512
Adjustment for Covid-19 Personal Protective Equipment Stock	(1,405)	-
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	**894,567**	**764,449**

NOTE 22.2 Capital Resource Limit

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

	2021 Total £000s	2020 Total £000s
Gross capital expenditure	28,517	12,818
Prepayment for Capital Scheme	-	-
Release of Prior Year Prepayment for Capital Scheme	-	-
(Receipts from sales of fixed assets up to NBV)	-	(301)
Net capital expenditure	28,517	12,517
Capital Resource Limit	29,067	13,726
Adjustment for Research and Development under ESA10	(550)	(512)
Underspend against CRL	**-**	**(697)**

NOTE 22 (continued) FINANCIAL PERFORMANCE TARGETS

NOTE 22.3 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 the Revenue Resource Limit.

	2021 £000s	2020 £000s
Net Expenditure	(894,536)	(764,406)
RRL	894,567	764,449
Surplus against RRL	31	43
Break Even cumulative position(opening)	(1,743)	(1,786)
Break Even cumulative position (closing)	**(1,712)**	**(1,743)**

Materiality Test:

	2021 %	2020 %
Break Even in year position as % of RRL	0.00%	0.01%
Break Even cumulative position as % of RRL	(0.19)%	(0.23)%

The Trust reduced its cumulative overspend by achieving a small surplus in 2020-21. However, as the Trust continues to face a challenging financial position, it is unclear when the cumulative reported overspend will be recovered.

NOTE 23 POST BALANCE SHEET EVENTS

There are no post balance sheet events having a material impact on the financial statements.

The Accounting Officer authorised these financial statements for issue on 2 July 2021.

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS/RESIDENTS

YEAR ENDED 31 MARCH 2021

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS/RESIDENTS

YEAR ENDED 31 MARCH 2021

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

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

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

SOUTHERN HEALTH AND SOCIAL CARE TRUST – PATIENTS' AND RESIDENTS' MONIES

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

Opinion on account

I certify that I have audited Southern Health and Social Care Trust's account of monies held on behalf of patients and residents for the year ended 31 March 2021 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.
In my opinion the account:

- properly presents the receipts and payments of the monies held on behalf of the patients and residents of Southern Health and Social Care Trust for the year ended 31 March 2021 and balances held at that date; and
- the account has been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the account section of this certificate. My staff and I are independent of Southern Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.
I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Southern Health and Social Care Trust's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Southern Health and Social Care Trust's ability to continue as a going concern for a

period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Southern Health and Social Care Trust is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue in the future.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

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; 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.

Responsibilities of the Trust for the account

As explained more fully in the Statement of Trust's Responsibilities in relation to patients'/residents' monies, the Trust is responsible for:

- the preparation of the account in accordance with the applicable financial reporting framework and for being satisfied that they properly present the receipts and payments of the monies held on behalf of the patients and residents;
- such internal controls as the Trust determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud or error;
- assessing the Southern Health and Social Care Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust anticipates that the services provided by Southern Health and Social Care Trust will not continue to be provided in the future.

Auditor's responsibilities for the audit of the account

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.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Southern Health and Social Care Trust through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Health and Personal Social Services (Northern Ireland) Order 1972, as amended;
- making enquires of management and those charged with governance on Southern Health and Social Care Trust's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Southern Health and Social Care Trust's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee

minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

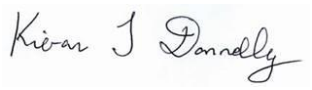
- addressing the risk of fraud as a result of management override of controls by:
    - performing analytical procedures to identify unusual or unexpected relationships or movements;
    - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
    - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
    - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, 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.

Report

I have no observations to make on this account.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
BELFAST
BT8 6RB

2 July 2021

ACCOUNT OF MONIES HELD ON BEHALF OF PATIENTS/RESIDENTS

YEAR ENDED 31 MARCH 2021

Previous Year		RECEIPTS		
£	Balance at 1 April 2020		£	£
7,480,105	1.	Investments (at cost)	8,542,690	
1,633,982	2.	Cash at Bank	1,189,315	
2,757	3.	Cash in Hand	3,190	9,735,195
9,116,844				
3,222,369	Amounts Received in the Year		3,706,651	
62,585	Interest Received		57,939	3,764,590
12,401,798	**TOTAL**			**13,499,785**

		PAYMENTS		
2,666,603	Amounts paid to or on Behalf of Patients/Residents			2,742,131
	Balance at 31 March 2021			
8,542,690	1.	Investments (at Cost)	8,600,628	
1,189,315	2.	Cash in Bank	2,150,560	
3,190	3.	Cash in Hand	6,466	10,757,654
9,735,195				
12,401,798	**TOTAL**			**13,499,785**

Cost Price £	Schedule of investments held at 31 March 2021	Nominal Value £	Cost Price £
8,542,690	Bank of Ireland	8,600,628	8,600,628

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

Director of Finance: Helen Jewell **Date: 17 June 2021**

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

Chief Executive: **Date: 17 June 2021**