

# Annual Report & Accounts



**2016 / 2017**





South Eastern Health  
and Social Care Trust

**South Eastern Health and Social Care Trust**  
**Annual Report and Accounts**  
**For the year ended 31 March 2017**

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**South Eastern Health and Social Care Trust**

**Annual Report and Accounts**

**For the year ended 31 March 2017**

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On

28 June 2017

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# Chairman's Report

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I am delighted to present to you the 10<sup>th</sup> Annual Report of the South Eastern HSC Trust, as we mark our first decade as a Trust.

Many things have changed in those ten years. Our population has grown by 20,000. Sixteen thousand extra people use our Emergency Departments, there are 21,000 more District Nursing contacts and 160,000 treatments have been delivered to Renal Patients at the Ulster Hospital. The Renal Unit and Ulster Maternity were newly opened ten years ago. Today those buildings blend perfectly with Critical Care and the brand new Inpatient Ward Block which, along with the under-construction Acute Services Block, will complete the first two phases of the rebuilding of the Ulster Hospital.

I was pleased to launch the Shopmobility service at the Ulster which provides free use of motorised scooters and manual wheelchairs to help patients and visitors access any part of the hospital. The new service is based in the foyer alongside the volunteer service, who help people with way finding and directions.

Our volunteers play a key role in helping us deliver services. Over the last year, we have seen an increase in the number of younger volunteers taking up placements.

Our vision for volunteering is to provide a high quality volunteering service as a fully integrated Trust-level priority, enhancing user experience & outcomes, enriching the lives of volunteers and supporting the health and wellbeing of the local community. We greatly appreciate their contribution, and are always keen to recruit people with a little time to give to help others.

My Chairman's Charity, the Kiwoko Project, has had another busy year of events and fundraising with activities from sales to our Golf Classic funding a monthly donation to the hospital, as well as projects such as a water sterilisation system and helping with

repairs to their ultrasound machine. A team of Trust staff visited in February to work in IT, theatres, maternity and the lab. They all found the experience memorable, challenging and thought provoking. The highlight of the year was an evening presentation at the Long Gallery, Stormont, celebrating ten years of the link between the Trust and Kiwoko Hospital.

In October, at our annual Chairman's Awards, the standard of entries again surprised and delighted us. We had the highest ever entry with 105 submissions, a 20% increase on last year. Congratulations to the very worthy overall winners, the SET Recovery College who also won the Stakeholder category.

I would like to record our gratitude to three of our Non-Executive Directors, Francesca Graham, Nigel Mansley and John Trethowan, whose period of service has ended after almost ten years. Each of them has made a tremendous contribution to the Trust and I would like to thank them, along with the continuing Board members, for their support throughout the year. I would also like to extend a warm welcome to our new Board members Helen Minford, Joan O'Hagan, Laura O'Neill and Jonathan Patton. We look forward to working with you in the year ahead.



Colm McKenna



# Chief Executive's Report

As the financial year ended, a new era was beginning with our much anticipated Inpatient Ward Block at the Ulster Hospital opening for business. Adjacent to it, the Acute Services Block is under construction, with opening anticipated in 2020.

It is wonderful to have fine, new buildings for our patients and staff, but the important thing is who, and what, we put in them. This year we have welcomed the Bengoa Report and the Health Minister's response "Delivering Together", both setting out the unquestionable need for change and for planning for the reform of services.

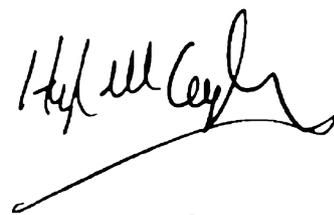
It is my belief the need for change has never been more important, as we see signs of pressure building on our services and our staff. I am incredibly proud of the quality of services our staff offer people when they are most in need. But the rise in demand and pressure is growing quicker than the current model can grow to meet it. Therefore, it is really important that we are not just a deliverer of healthcare but that we help people to stay well and independent.

Two developments set the context for this. Firstly, the Draft Programme for Government which is outcomes based and sets a goal that we should support citizens to lead long, healthy and active lives through prevention and early intervention, improving access to health and social care services, tackling health inequalities and delivering better outcomes from the investment in health and social care. And secondly, the new community plans being published, emphasising and promoting the importance of healthy living.

We all have a part to play and we have started with our own staff. We have a number of initiatives right across the Trust to help staff to stay healthy and fit. A health and wellbeing coordinator has also been appointed to develop and deliver a range of free activities for staff, initially on the Ulster site but spreading to all sites.

This year also saw the establishment of a QI Academy, with many more staff and a broader range of jobs and roles getting involved in improving their service. Approaching 1,000 people have now been trained in QI over the past five years, giving people the skills and the empowerment to improve the services they offer our patients and clients.

We should remember we are more likely to succeed if we have all 10,000 pairs of eyes looking for improvement and 10,000 minds generating ideas than if we just look to a smaller number of senior figures. Thank you to all our staff for your involvement, selfless commitment and compassion for the people who use our services. What you do is really appreciated by me and more importantly, by the people who use our services.



Hugh McCaughey



# Performance Overview

## Hospital Services

### Maternity Services

There were 4,215 births in the Trust in 2016/17. Recent developments include the rollout of the Early Intervention Transformation Programme to equip parents to give their child the best start in life. Over 10 programmes will soon be commenced/completed in Lagan Valley Hospital and the North Down and Ards area.

At the Chairman's' Recognition Awards, our Home from Home Team won the 'Our Staff' category; and Winnie Chambers, a Midwife in Lagan Valley Hospital Midwifery Led Unit, won the 'Going the extra mile' category.



Home from Home Team



Winnie Chambers

### Gynaecology Services

The Gynaecology Services Team continues to improve the experience of women with intrauterine abnormalities using 'Truclear' - specialist equipment used to diagnose and remove abnormalities without the need for general anaesthetic. In 2016/17, 46 women underwent the procedure in our Outpatient facilities - the first in Ireland.

### Ears, Nose and Throat (ENT) and Audiology Services

ENT and Audiology Services continue to work closely with colleagues across NI to review ENT Outpatient services and work has started on the reconfiguration of the Community Paediatric Audiology service to ensure we meet the Public Health Agency's recommendations for children aged under 3 years.

### Pharmacy Services

Pharmacy now provides a full day dispensing service in the Ulster Hospital every Saturday and a 7 day clinical pharmacy service to ED. These services significantly improve patient experience and flow. Our ED Pharmacy team was shortlisted for the NI Hospital Pharmacy Team of the Year award in February 2017.

Pharmacy has worked with ICT to develop e-whiteboards which help facilitate the redesign of the service and the prioritisation of patients. Our work was shortlisted for the NI HealthCare Awards for the "Most Innovative Use of an eHealth Solution to improve Patient Care and Safety".



Dr Karen Miller was awarded the 2017 Radox Health Pharmacist Prescriber of the Year for her work in the Intermediate Care setting.

The team are preparing to move to the new state-of-the-art Pharmacy in April 2017.

# Performance Overview

## Hospital Services

### Paediatrics

The Paediatric Allergy team was selected by the Health Foundation, an independent charity, to be part of its £1.5 million 'Innovating for Improvement' programme - the first award of its kind in NI.



The team developed the 'MOO clinic', aimed at providing early access for babies with suspected cow's milk allergy. Over 180 patients have attended the clinic, improving patient and carer outcomes.

Nurse Jill Holland, who works on Maynard Sinclair Ward, was a finalist in the Patient Safety Improvement Category, Nursing Times Awards 2016. Jill's work on Bedside Handover is widely accepted as a model of excellence in improving patient safety.



Staff Nurse  
Jill Holland



The Paediatric Allergy team led by Dr Bernadette O'Connor, Consultant Paediatrician and Clinical Lead

### Laboratory Services

In 2016/17, the team received over 1 million samples, generating over 5.3 million test results and introduced two new services: H-Pylori and Calprotectin testing.

Haematology were awarded UKAS Accreditation to ISO15189 standards in 2016; and Irene Griffin, Haematology Training Officer, was awarded highest mark in the UK for Higher Specialist Diploma in Blood Transfusion. Irene will receive her award later this year.



The team continue to progress the 24/7 reform of Laboratory services.



### Ards Day Procedure Unit

The Ards Day Procedure Unit team were finalists in the Chairman's

Award for Efficiency & Service Reform category with their project on Utilisation of Cystoscopy lists.

### Virtual Fracture Clinic

The Virtual Fracture Clinic were winners of the Access Category in the Chairman's Awards and were highly commended in the PHA Safety Forum Awards.



### The Cataract Service

The Cataract Service in the Downe Hospital received an award at the Patient Safety Congress Awards and were finalists for the 2016 NI Healthcare Award.

# Performance Overview

## Hospital Services

### Urology Services - Ambulatory Clinic

Following the appointment of 2 Specialty Doctors, the Urology service implemented Ambulatory Clinics which now provide rapid assessment, dedicated Emergency Department slots to facilitate early discharge of patients and to provide advice to GPs.

### Cancer

Health and Wellbeing events have been rolled out to all tumour sites within the Trust. MacDermott unit has completed cycle one of a person-centred framework with excellent results. It utilised eight KPIs which demonstrate the unique contribution of nursing to patient care. Cycle 2 is planned for summer 2017.

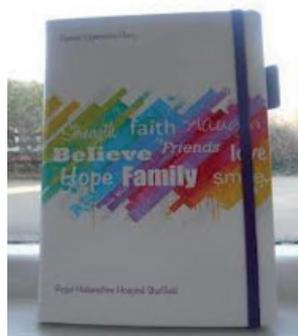
A new dedicated Teenage and Young Adult CNS has been appointed for 7.5 hours per week as part of a regional model to improve the care for our young people with cancer.

### Radiology

Radiology has increased access to specialised imaging services into the weekend for CT and Ultrasound. This service development will improve patient flow and facilitate earlier patient discharge. The department has also developed radiographers who report on appendicular plain film images for the three Minor Injury Units and the Ulster Emergency Department.

### Critical Care - Rehabilitation following Critical Illness Programme

This programme supports patients post critical care who develop psychological issues related to their experience.



This successful project led by Research and Development Nurses supported by Patients First Programme at the Foundation of Nursing Studies has introduced the use of patient diaries which are completed by relatives and supported by the nursing staff. The report has now been published by the Foundation of Nursing Studies.

### Clinical Support Reform

Hospital Services have been involved in a reform initiative, involving staff to improve services to ensure they provide a safe, high quality, effective care for the patient. Each initiative was driven by a range of staff, across all sites, to improve the clinical support provided to enhance the service for patients. The Clinical Support Reform Group were finalists in Our Staff category in the Chairman's Awards.



### New medical beds in Ward 11

The directorate opened a new ward in May with 20 Gastroenterology/Medical beds. Amanda McAllister was appointed as Ward Sister and the ward consultants are Dr Jenny Addley and Dr Paddy Allen.

### MS Service

We have made huge strides this year in the development of Multiple Sclerosis services with the appointment of 2 Specialist Nurses who are delivering nurse-led clinics, inpatient support and advice and guidance using virtual technology. A new Consultant Neurologist will join us in May which enables us to increase the number of MS clinics and improve waiting times.

# Performance Overview

## Hospital Services

### Ambulatory Services

The Directorate has been testing and developing at small scale, a number of alternatives to admission this year. Work is ongoing on the Ulster site in ED, Acute Medical Unit and in Respiratory Medicine to develop ambulatory pathways. This enables us to identify patients in ED who, with early and specialist targeted intervention, can be treated and discharged home or assessed, discharged and booked into a rapid access clinic within a few days for treatment and follow up. There is also potential to use ambulatory pathways to reduce the length of a patients hospital stay.

There are plans in the coming year to develop similar hubs for GI and Cardiology and to scope potential for developments in LVH and Downe.

### Medical Day Case Unit at LVH

This year saw the development of Medical Day Case Unit in Lagan Valley, a nurse led unit providing care for patients admitted for planned treatment and/or investigations, reducing the need for inpatient admission. Specialities include Cardiology, Respiratory, Gastroenterology, Neurology and Endocrinology. The unit delivers a number of therapies and procedures including DC cardioversion, tilt table investigations and biologics.

### SQE Focus

We continued in our commitment to progress and grow SQE with 11 projects from the directorate, 4 through as finalists and ward 14 LVH 'A Frailty Pathway' achieving SQE winner of Acute Sector. This year we had 2 SQE directorate events in the Ulster and in LVH/Downe encouraging sharing and learning for future SQE work.



### Chairman's Recognition Awards

The directorate continues to be recognised for their commitment to delivering exceptional services with the Downe Rapid Access Unit (DRAC) winning in the Efficiency & Service Reform category.



A multi-disciplinary service, the DRAC provides rapid assessment, treatment & safe discharge for our frail elderly patients in a calm, less stressful and quieter environment.

### New Consultants 2016/17

Dr John Gray - Emergency Medicine  
Dr Fred McElwaine - Acute Medicine & Endocrine  
Dr Eleanor Campbell - Acute Medicine  
Dr Pdraig Headley - Acute Medicine  
Dr Michael Alcorn - Geriatrician, LVH  
Dr Ciaran Trolan - Geriatrician  
Dr Aileen McSorley - Geriatrician  
Dr Lois Mulholland - Oncology  
Dr Karol Henry - Respiratory Physician  
Dr Suzie Smith - Respiratory Physician

# Performance Overview

## Nursing, Primary Care & Older People

### Safe & Effective Care

Over the past year the Trust has continued the focus on ensuring safety, improving quality and testing the patient/client experience.

### Ensuring Safety

Systems and structures have been established within the Trust to monitor and measure compliance with best practice standards and guidelines and safety priorities for example falls prevention, pressure area care and good nutrition. In addition, improvement work has been implemented to further assure safety in specific areas such as Sepsis, Deteriorating Patient and Pain Management.

### Quality Improvement

The QI Academy is now well established and able to offer programmes across three of the levels of the Q2020 Attributes Framework. Our aim is that our structured programmes will contribute to the development of a culture of continuous quality improvement within our Trust, where staff at all levels have the confidence to highlight areas for improvement and then have the skills, knowledge and support to be able to implement improvements.

Each programme has been structured so that staff have access to support to help with the transition from learning to implementation of their new skills.

### Testing the Experience

The Trust continues to use a range of methodologies to gain feedback from those who use our services. We use this information to inform design, development and delivery of care and treatment. We have rolled out a comprehensive programme of engagement using the 10,000 Voices initiative and a programme of surveys.

### Infection Prevention & Control

As part of ongoing improvement work to reduce healthcare-associated infection, the Infection Prevention & Control team has implemented a programme of audit and training focusing on the care management of vascular access devices. It is positive to note that audits undertaken around peripheral cannula have not identified any infection associated with this type of device.

Work has also been undertaken across hospital and community healthcare settings to promote good hand hygiene and adherence to good infection prevention & control practices. This has empowered staff to apply this knowledge and skills when delivering patient care.

### Nursing Workforce & Education

2016/17 was an exciting period for the nursing workforce & education team, planning for the move to the new inpatient ward block. All staff moving to the new hospital were involved in training and development to ensure they were ready for the move.

The implementation of "SafeCare" in 2016/17 has allowed us to have greater visibility of our nurse staffing levels and better available staffing to the acuity and dependency of the patients in the wards.



# Performance Overview

## Nursing, Primary Care & Older People

### Allied Health Professions

#### Direct Access to Physiotherapy

In Northern Ireland patients contact their GP before being referred to physiotherapy services. Self-referral allows patients to access services without having to be referred by their GP or another healthcare professional.

The Trust was chosen as the regional early implementer site to evaluate a system of direct access to physiotherapy outpatient services for patients (over 16 years) with musculoskeletal problems. In the last year, over 7,000 patients have accessed physiotherapy services using self-referral.

#### Stroke Care - Self-management Training

As part of service development, all staff from the community stroke teams across the Trust attended Bridges self-management training. Training to use Bridges is inter professional and supported by a unique patient held work book which has been designed with stroke survivors, their families and health care professionals. Research findings from the use of Bridges with stroke survivors have been referenced in recent Cochrane Reviews and the new National Clinical Guidelines for Stroke.

Bridges has been shown to impact on confidence, quality of life and functional ability by empowering patients and families, providing a shift towards collaborative working relationships. Feedback from the workshops was extremely positive and staff are already incorporating the approach into their daily practice supporting a real person centred approach.



### Primary Care

#### Mental Health Service for Older People (MHSOP)

Over the course of the year we have successfully strengthened our community teams. We welcomed Deirdre Lewis, Consultant Nurse to the team in September. Deirdre will be sharing her expertise across the Trust and beyond to improve the quality of dementia care. There have been two cohorts of Dementia Champions training which has increased our numbers across the Trust. Jackie Carr, Senior Social Worker joined the team in December, bringing a wealth of experience and expertise to support our community multi-disciplinary teams. Community Psychiatric Nurse and Dementia Navigator teams have also been bolstered.

#### Enhanced Care At Home (ECAH)

ECAH continues to embed in Ards and North Down and partnership working continues to ensure best use of the service to safely care for older, more ill people in their own homes. Approval to roll out the ECAH service to Down and Lisburn sectors was granted late in 2016 and the recruitment process has started. We continue to explore new ways of working to maximise the impact of the ECAH service.

#### GP Out of Hours Service (GPOOHs)

Ards GPOOHs successfully achieved ISO accreditation and we plan to roll out to Down and Lisburn over forthcoming year.

GPOOHs service has experienced significant staffing pressures as the national and regional pressures in the GP workforce continue. The Trust has been exploring working in different ways and for the last quarter of the year, we have prototyped a Nurse Practitioner “see, treat and discharge” service within GPOOHs.

# Performance Overview

## Nursing, Primary Care & Older People

### Community Dentistry

Over the past year, our teams have been preparing for the transition to central sterilisation for off-site for all reusable dental instruments that require decontamination. This has been a very large project requiring close working with Sterile Services managers, procurement and NHS supply chain managers.



### Respiratory Specialist Nursing

The Home Oxygen Service & Review (HOSAR) is implemented across the Trust and has received very positive feedback from our service users. Respiratory teams across the Trust are working together to develop a Respiratory Hub and the community teams are now accepting more complex respiratory patients onto their service who would have previously been admitted to hospital.



# Performance Overview

## Adult Services & Prison Health

### Adult Disability Services

Learning Disability Services have focused this year on the reform and modernisation of day opportunities for people with a learning disability across the Trust, with very successful outcomes. Service users and their families have told us how important these developments have been in opening up new opportunities linking people to their local communities.

In the North Down & Ards area there have been 2 significant developments: the Orchardville Society opened the Next Steps Day Opportunity Programme in Bangor and the Action Mental Health 'Promote' service based in Conlig was reprofiled and now provides a new day opportunity for up to 50 service users each week.



A service designed to provide annual health checks for people with a learning disability has led to improved health outcomes. We are delighted that all 54 GP practices in the Trust area have now signed up to delivering this service.

### Clinical Psychology and Psychological Therapy Services

Clinical Psychology and Psychological Therapy Services provided a range of psychological therapies to service users and their families across Mental Health; Learning Disability; Children's; Older People's and Hospital Services. The Service has developed a strong focus on delivering high quality and effective services evaluating our work using a range of outcome measurements including the use of standardised tools; satisfaction questionnaires and feedback from key stakeholders.

### Peer Advocacy

Feedback from our Peer Advocates and patients highlights the benefits of people with lived experience delivering services and support - we currently have 11 Peer Advocates working in all our Mental Health Inpatient Wards and within community services. In 2016 one of our many achievements included being selected as finalists in the Chairman's Awards.



# Performance Overview

## Adult Services & Prison Health

### Mental Health

SET Recovery College celebrated great success at the Chairman's Awards winning in the category 'Stakeholder Engagement' but were also the winner of the 'Overall Chairman's Recognition Award.' Winning the Chairman's Award has provided recognition to the practice of Co-production, demonstrating that by putting people's experiences at the heart and design of mental health services we are improving the overall quality of our services.



**The new Mental Health Acute Community Care Model** introduced in January provides a fully functioning Home Treatment service integrated within the acute care pathway offering improved clinical and recovery outcomes for service users through avoiding or having a reduced hospital stay.

### Mental Health New Service Developments 2016/17

- Two carer events took place in October to seek feedback on how we can increase the number of carers having a carer assessment. As a result we already have a new 'carer consultation' process developed which is shorter and more focussed on the carer. So far the feedback has been very positive
- In late 2016, the Trust's Addiction Service received funding from the Department of Health to pilot an ARBD service (Alcohol Related Brain Damage) within Shimna House (Ward 15). This pilot initiative provides a 'step down' facility for suitable patients with this condition

Shimna House ARBD service has now had its first graduates with encouraging and positive outcomes for those individuals on discharge. They will continue to be followed up by the multidisciplinary team and their recovery pathway monitored. It is hoped that we can further extend this bespoke initiative.



# Performance Overview

## Adult Services & Prison Health

### Prison Healthcare

Prison Healthcare continued on a journey of reform during 2016/17 resulting in numerous Quality Improvement developments and achievements.

Hydebank's Dental Team's Quality Improvement Project on Oral Health Care for Substance Users and Mental Health Patients in a Female Prison Setting won a number of awards including the National Association of Prison Dentistry UK scientific research prize and the Health and Social Care Patient Safety Forum Integrated Care Award.

Our Prison Healthcare team is the first in the UK to use "Project Echo" a hub-and-spoke knowledge-sharing network, led by expert teams who use multi-point videoconferencing to conduct virtual clinics. Project Echo brought together South Eastern HSC Trust healthcare staff, Northern Ireland Prison Service staff and clinical specialists within prison healthcare across UK Prisons providing a platform for sharing best practice, networking and discussing challenges in providing good care to people in custody with a focus on end of life care, self-harm and BBV.

The healthcare team also commenced a quality improvement project "The Lagan Project" which is focused on pain management and promoting decreased patient dependence on analgesia. This exciting project is developing in partnership with the Prison service.



Our healthcare team at Magilligan won the South Eastern HSC Trust's Chairman's Award in 2016 for the category 'Health and Wellbeing' for a project developed in partnership with the Red Cross and the Northern Ireland Prison Service which has trained prisoners to offer peer health advice.

Another significant improvement by the Prison Healthcare Mental Team was the development of a singing project, the "Voice of Release". The "Choral Cure" lowered stress levels and improved feeling of optimism for vulnerable prisoners.

The project won the National Guardian Award for innovation in mental health services and also was the overall winner of the UK-wide Advancing Healthcare Awards Programme 2017.

# Performance Overview

## Children's Services & Social Work

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### Child Health

Health visitors across the Trust continue to offer valuable support to parents in a variety of settings through a number of early intervention programs. These programmes are aimed at improving the outcomes for children and young people. Programmes delivered include the Family Nurse Partnership service and the New Parent Program.

In 2016, the Trust began a new initiative called 'Getting Ready for Toddler'. Health Visitors are now aligned to 148 pre-school settings where they work in partnership with education colleagues to support healthy child development and learning. This means that 870 children have received this new service and feedback has been extremely positive. Alongside this, the Trust has continued to work in many schools through our Additional Support for Children in Education Team (ASCET). This team has supported 1711 children to access small group programs and 176 children have had individual intervention.

A range of child health services are delivered including Paediatrician, Child Development, Complex Child Health, Autism, ADHD and Behavioural and Emotional Support services across the Trust area.

Our Community Children's Nursing and the Complex Health Care teams continue to provide a service to children and their families for those children with conditions which are often life-threatening and life-limiting. This important work is centred round the child and family, providing and coordinating services based on individual assessed need, training and development of skills for parents/carers, provision of short breaks both in and out of the home and in some cases end of life care.

### Prevention and Population Health

There has been plenty of activity over the last twelve months in the Trust's work to prevent illness and improve the health of our population. This includes a service that will make it easier for General Practitioners to refer patients who are at higher risk of experiencing a long term health condition, such as diabetes. Other new services include a diabetes prevention programme and a service for tackling social isolation within the 65+ population, called Caring Communities. Several hundred older people have benefited from Caring Communities supported by over 20 volunteer befrienders. These initiatives compliment the ongoing health improvement work that the Trust undertakes. Over the last twelve months, we have developed innovative practice in relation to smoking cessation, sexual health (such as the Youth Health Advice clinics developed in partnership with the South Eastern Regional College), alcohol, mental health and physical activity. We have also worked hard to improve our staff health and wellbeing.

Our Early Intervention services aim to improve outcomes for children and young people, Our Family Support Hubs continue to support over 1,000 families across the Trust area. The Trust also continues to lead the delivery of a £2.5m early intervention project funded via the Executive Office, which aims to improve outcomes for children, families and young people in deprived areas Trust-wide.

# Performance Overview

## Children's Services & Social Work

### Family Support and Safeguarding

In 2016/17 we have been working to further improve our family support and safeguarding services. The main elements of this were:

1. To listen to service users and how they received services. This led to the appointment of 2 part time Interns with lived experience of being in care who are now involved in working with staff to redesign services.
2. To begin to measure the effectiveness of our services. We are implementing new ways of organising our work through a process called Outcomes Based Accountability.
3. To restructure our family support and safeguarding services to deliver better outcomes for children and families. This should result in fewer changes in social work for people who use our services.

We have continued to innovate and lead on practice development. Work on understanding intergeneration difficulties and understanding the impact of Adverse Childhood Experiences on later life and parenting has concluded. Learning from this work is now being rolled out across Northern Ireland. A Care Proceedings Pilot has also concluded which has looked at how to ensure that delays in court proceedings are minimised. The Trust has performed exceptionally well in avoiding delays for important decisions affecting children's lives that are made through the Courts.

### Looked After Children

The Trust looks after approximately 500 children for whom we have parental responsibility. This is primarily done through fostering arrangements either with Foster Carers from the child's own family (kin), or through fostering by carers who have come forward specifically for that role.

A small number of children are cared for in the Trusts residential children's homes. The Trust fostering service is working towards providing a continuum of foster placement provisions.

The service development areas include:

1. The provision of early intervention foster placements, via the fostering Positive Family relationships scheme for 12 - 16 year olds and Step Up Step Down for 8 - 12 years old. Both these services offer an edge of care service, with foster carers role extended to provide family support and advice to parents. The 'Step up Step Down' scheme is a joint Big Lottery Funded Project with an organisation called the Fostering Network. At the end of the first year of the project the service is on target to achieve the identified outcomes, with 12 families availing of the service to date.
2. Since May 2016 the Fostering service has implemented revised Kinship standards.
3. The Intensive Support Fostering Service has taken forward an outcomes based evaluation of the service. This service is aimed at hard to place young people, is offered to both South Eastern HSC Trust and the Belfast HSC Trust, in partnership with Extern. The service will be taking forward the review of lowering the age limit for accessing this service, given the demand on fostering for children age 9 years and over who are presenting with risk taking behaviours and complex needs.

# Performance Overview

## Children's Services & Social Work

### Residential Care

This year we began work on a major reform initiative of how we provide care to young people within residential care. There is a clear recognition this can only be achieved by putting our young people and staff at the centre of decision making and shaping the future. 'Good Outcomes' groups have been established to review and reform all aspects of the living experience within our children's homes. The aim is to improve the atmosphere, environment, loving emotional closeness, develop attachments and help all young people in our homes reach their full potential.

### Social Work

This year the Trusts social work quality improvement training led a Regional Quality Improvement in Social Work Programme. This is the first programme of this kind and gives social workers the opportunity to learn about improvement methodology and to apply the learning in practice by leading an improvement initiative in their organisations. The programme is based on the Institute of Health Care Improvement Safety Framework and is recognised by the NISCC for requirements of the NI leadership and Strategic Award.

The programme participants showcased their work at an award ceremony attended by Sean Holland, Chief Social Worker and Christine Smyth, Assistant Chief Social Service Officer, Department of Health. The key note speaker Shaun Maher, Strategic Advisor for Person Centred Care and Improvement, Scottish Government reflected on the importance of creating a culture of improvement in which staff flourish. Maria Somerville (Care and Service User representative for the Programme) spoke highly of the outcomes achieved by all participants which would enhance service users .

### World Social Work day celebrations in the SET.....

The 21 March was world social work day. There were a number of celebratory events being held across the Trust to celebrate this; including a formal award ceremony (with 114 staff members across the social care / social work spectrum recognised for achieving social care and professional development awards ) as well as the launch of the social work Pride in Practice priorities at the Quality Improvement and Innovation Centre at the Ulster Hospital.



There were also 3 local events scheduled across the Trust in Downpatrick, Lisburn and Ards where Social Work staff attended a more informal celebration of World Social Work Day.



# Performance Overview

## Medical

### Clinical Risk

Dr Ann Hamilton continues as Clinical Risk Director working in this post as 50% of fulltime. The importance of this role is involvement in Chairing level 2 reviews into serious adverse incidents within the Trust. Emphasis is placed on the robustness of investigation, transparency of the findings with clients and families, recommendations which will reduce the risk of recurrence of similar events, how to support staff involved in such incidents and how to spread learning to all staff locally and if indicated regionally. In the past year as well as sending the full report to individuals involved in cases a short summary of the part they played in the incident is highlighted to them and they are asked to reflect on this and incorporate the learning into their training portfolio or appraisal documentation.

The post also involves working with Risk Management and the Trust Legal Team, reviewing evidence from involved staff and reviewing expert reports to aid the management of medicolegal cases taken against the Trust. A 'Lessons from Litigation' newsletter is published quarterly with generic learning points which arise from these cases. The newsletter is distributed to all medical staff working in the Trust, including trainees.

Teaching sessions continue within the Trust emphasising the role of patient safety and risk management to medical students and doctors in Foundation training.

Work has been ongoing regionally this year with a meeting to share learning from adverse event reviews between Trusts and also a regional review to update guidance on the Serious Adverse Incident Procedure within Northern Ireland to update it from 2013 with inclusion of 'never events' in keeping with NHS England.

We continue to work closely and have regular meetings with the staff in the Coroners Service for NI.

### Appraisal and Revalidation

The Medical Director's Office (MDO) continues to review internal systems to ensure optimal support is provided to medical staff with regards to the revalidation and appraisal processes in accordance with the requirements of the General Medical Council. This has included a revision and provision of more robust information shared with both new employees and their respective nominated appraiser. Revalidation which commenced in December 2012 has now entered the final year of the initial 5 year cycle. The number of Trust medical staff revalidated to date / due to revalidated are listed in the table below:

Year	Number due to revalidate	Number Revalidated	Number Deferred	Non-engagement
2013	77	74	3 (3.9%)	0
2014	85	77	8 (9.4%)	0
2015	111	100	11 (9.9%)	0
2016	33	28	5 (15.15%)	0
2017	13			
2018	88			

Trust deferral rates are consistent with the regional average.

Over the last year, the MDO in conjunction with the HSC Leadership Centre has trained an additional 19 new Appraiser's with plans to provide refresher training during 2017. The MDO has also recently conducted an appraisal survey, of which the preliminary results have been presented to the Clinical Leader's forum, and a more detailed analysis will be published later in the year.

The MDO attends the GMC UK Advisory and Responsible Officer Forum's, and through these has contributed to the Sir Keith Pearson review of revalidation (published January 2017). The report has made several recommendations for Health Care organisations, and consideration will now be directed towards these.

# Performance Overview

## Medical

### Medical Education

The Department of Medical Education, in conjunction with the Department of Workforce Development, has started to run a 2-day Work Experience Course for Year 13 school students and university undergraduates interested in applying for Medicine at university. The course involves gaining a thorough understanding of what a career in medicine entails by meeting over 25 medical students and doctors. The course is mainly aimed at students from the South Eastern HSC Trust area but has had attendees from Dungannon, Newry and Coleraine and over 275 students have completed the course, with very positive feedback being received. Many thanks to the staff who have contributed to this new venture.

Clinical Simulation is a safe way of delivering training to medical students and doctors without exposing patients to any risk. The high fidelity simulation suite has been delivering training over the last two years to medical students, doctors in training and clinical teams. With the appointment of Dr Richard Corry, Consultant Anaesthetist, as Lead for Clinical Simulation, simulation has been embedded into most undergraduate medical student teaching courses.

NIMDTA continue to inspect the training provided to our junior doctors and these continue to reflect the high standard of training being delivered by a committed consultant body. All consultants who have a named role in the educational supervision process had to attain the GMC's Recognised Trainer Status by July 2016. This involves attending 3 training courses and completing on-line modules. So far this training has been delivered to 160 trainers by the Medical Education Department.

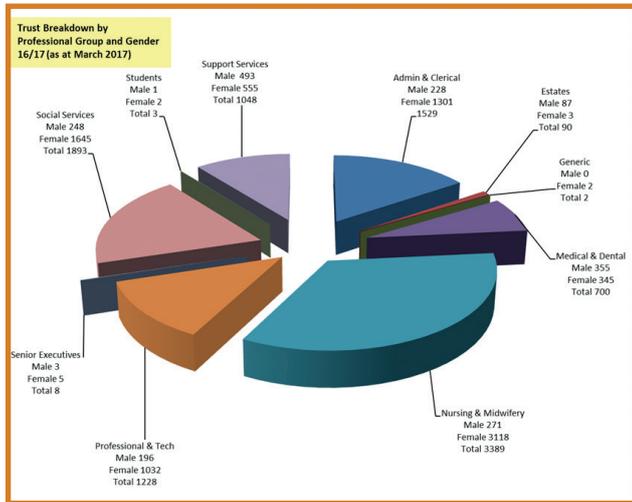
The GMC are performing a regional visit to Northern Ireland in Spring 2017. This involves visits to the 5 trusts, NIMDTA and QUB Medical School. We welcomed a visiting team in March and look forward to their report when it is delivered.



# Performance Overview

## Human Resources & Corporate Affairs

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



Staffing shortages in certain occupations remains a real challenge for the Trust into 2017/18.

### Employee Relations

In 2016 the Employee Relations Team carried out an internal restructuring of the team, due to a number of retirements. A Human Resources Manager and 2 JE leads have been appointed who lead on Agenda for Change and Job Evaluations for the Trust.

Due to the success of the Investigations training carried out across the Trust in partnership with the Labour Relations Agency the Employee Relations Team is currently developing a new programme to further develop the standard of report writing for complex investigations. This will be rolled out in 2017/18.

The Health and Wellbeing Steering group has purchased a computer package which will be launched in June 2017. This will enable staff to have access to a wealth of up to date information in relation to Health and Wellbeing Initiatives. This should result in benefits for the Trust such as increased employee motivation, engagement, attendance and productivity.

We are currently involved in the development of a new regional Whistleblowing Policy which will encourage staff to raise concerns openly as part of normal day to day practice which will play an important part in improving the quality of service and patient safety.

A business case has been approved and work commenced for the redevelopment of the outdoor play area at First Steps Day Nursery Lagan Valley hospital. This will enhance the quality of childcare provided to the children within the unit. The children are given a high standard of care by our qualified staff who all have a lot of experience in child care in the nurseries at both Lagan Valley Hospital and Ulster Hospital. Once again in the summer of 2016 the Trust ran two very successful summer schemes for the children of our staff.



Myra Weir, Director of HR & Corporate Affairs presenting Sharon Corken with an iPad as the winner of the FLU Vaccination Top Prize Category

### Highlights for 2016/17 include: Employee Resourcing

- 616\* recruitment episodes resulting in 9,445 applications
- 100% Manager Self-Service (MSS) / 85 % Employee Self-Service (ESS) excluding bank staff, deployed across the Trust
- 1695 flu vaccinations were administered to front line staff (25.7%) 6.7% increase from 15/16
- 70,110\* bank and agency shifts equating to 557,859 hours were booked by the Corporate
- Bank Office - 84% Bank v 16% Agency. Users of the service increased by 46%. To enhance the service direct booking of bank shifts for Bank Staff was introduced.

\* As at 1 Apr 2016 - 28 Feb 2017

# Performance Overview

## Human Resources & Corporate Affairs

### Organisational Workforce Development

- The Trust's Staff Health and Wellbeing Strategy has been supported by the development of 2 training programmes alongside the introduction of Stress Toolkits. The "Stress Management and Resilience Training" (SMART) is aimed at all staff whilst the "Build Resilience and Manage Work Related Stress in your team" is for managers within the Trust. A collaborative approach was adopted in the development and implementation of these training programmes as the skills and expertise of staff from several professional areas were utilised to ensure the content met the needs of our staff. The programme is jointly presented by Organisation & Workforce Development Team, Health Development, Occupational Health and Conditions Management Team
- To date 538 staff have attended SMART and 270 have attended the Manager programme. All levels of staff have attended the courses and managers have reported that they have introduced the learning into their teams. Evaluation told us that 73% of managers encouraged their staff to attend SMART training and of those staff who have attended, 80% have shown a positive improvement in their perceived stress score. Additionally 93% of managers have promoted the confidential telephone counselling service available through Inspire Workplaces to their staff.



Finalist in SET Chairman's Award 2016 and Winner of HPMANI Team of the Year

### Patient Experience

The Patient Experience Department is part of the Human Resources and Corporate Affairs Directorate. The department comprises of Central Sterile Services Department (CSSD), Laundry, Chaplaincy, Transport, Security, Car Parking, Portering, Catering and Domestic Services supported by the Quality, Performance and Training Department and our Administrative staff.

Patient Experience continues to meet and exceed legislative requirements and regional targets against a continued backdrop of financial restraint. Patient Experience is substantively compliant in all five controls assurance standards (Decontamination of Reusable Devices, Security, Environmental Cleanliness, Food Hygiene and Safety and Fleet and Transport). We have a robust internal audit process to provide assurance of the quality of our services which is supplemented by both routine and unannounced inspections from external agencies and accredited bodies such as RQIA, EHO, BSI & ISO.

### Restructuring

The new management structure has created opportunities for reform and modernisation. A fourth senior manager will be appointed by the end of March 2017. A key driver of this change is to ensure there is a single head of service accountable for service quality improvement.

### Car Parking

The pressure on car parking continues to mount on all our sites. The Trust is seeking to reduce the pressure through the introduction of a Travel Plan, initially at the Ulster Hospital and then to further sites. To advance this initiative a Travel Plan Coordinator was appointed in year. The main thrust of this initiative is to try and reduce dependency on single occupancy vehicle use.

# Performance Overview

## Human Resources & Corporate Affairs

Car parking criteria has been developed using examples of national best practice. The criteria has been equality screened and web based parking permit software to apply for passes is currently being procured.

A multi agency group consisting of Trust staff, DRD, Translink, PSNI, local elected representatives and local residents continues to meet on a quarterly basis to ease traffic problems in Dundonald village.

### Park and Ride

A Park and Ride / Park and Stride bus service was implemented at the start of October from Dunlady Park and Ride in Dundonald to the Ulster Hospital with capacity for 300 car parking spaces.

To date the service has provided 2523 journeys for Ulster Hospital staff. Numbers are growing steadily, and a focus will be placed in the coming months on reducing existing parking waiting lists. The car park can also be used for staff who wish to park their vehicle and walk to work.

### Decontamination

A project group has been established to improve the decontamination life cycle. The project group reports back to a steering group and then HCAI group, EMT and Director of HR&CA. Aspects of this project will use QII methodology to measure service improvements.

### Shop Mobility

A "Shop Mobility" service has commenced in the Ulster Hospital situated alongside the Volunteers and Portering help desk in the old main entrance to provide an integrated solution for all our service users.

### Environmental Cleanliness

A full programme of Environmental Cleanliness audits has been carried out throughout the year with frequencies determined in line with the Regional Risk Categories. The regional cleanliness index target is consistently exceeded by all 3 acute hospitals.

### Catering

All Trust facilities inspected by Environmental Health in year were awarded with a maximum Food Hygiene rating of 5.

### Smoke Free Policy

The Smoke Free Policy group continues to meet to assess the impact of smoke free sites and has developed an action plan to change the cultural behaviour and acceptability of smoking on HSC premises. There has been a noticeable decline in smoking prevalence since the introduction of Smoke Free status. The Trust continues to work with the PHA and DLS to assess the impact of a judicial review into the introduction of smoke free sites in Mental Health inpatient ward environments.

## Risk Management & Governance

The Risk Management & Governance Directorate comprises five key service areas that provide a corporate support function for the Trust:

- Complaints & Patient Liaison
- Information Governance
- Litigation Services & Systems Management
- Risk Management Advisory Services; and the Office of the Chief Executive.

Some interesting facts for 2016/17:

- 771 complaints were received from services users (similar numbers to 2015/16 - 767)
- 6528 compliments received from service users
- 373 requests for information were processed under the Freedom of Information legislation (6% increase from 2015/16); overall compliance rates with legislative timeframes was 51% consistent with previous year).

# Performance Overview

## Human Resources & Corporate Affairs

- 18500 incidents (similar numbers 2015/16 - 18000, reaffirming the importance place by staff on reporting incidents for the purposes of learning)
- 4 major incident alerts - all stood down and none resulted in the activation of the Trust's Major Incident Plan
- 3 business continuity incidents [Power surge at Downe Hospital, April 2016, Ruptured Gas Main at the Ulster Hospital, April 2016 and a fire at Alpine House, Residential Home, Bangor, October 2016]. Debrief meetings were held post the events and plans updated accordingly
- 323 Assembly Questions were received (26% decrease from 2015/16 - 438)
- 101 TOF/CORs were received (37% decrease from 2015/16 - 158).

The Complaints User Survey has been revised and commenced in October to enable the Trust to receive feedback from complainants in relation to their experiences of using the complaints process and used to inform service improvements. Likewise, the lessons learnt from our litigation and coroner's cases are disseminated widely across the organisation.

The Directorate continued to embed its internal restructuring (February 2015) which enabled all service areas to become more closely aligned and responsive to operational service Directorates. With regard to Emergency & Business Continuity Planning, 3 major events took place during the year - the Circuit of Ireland Rally [April 2016], the Gran Fondo Giro D'Italia cycle race (June 2016) and the Festival of Flight Air show in Newcastle [August 2016] - all required significant planning and thankfully went according to plan.

Two major training programmes were delivered during 2016/17:

- Effective Written Responses to Complaints Training (September) which focussed on providing staff investigating complaints, with effective response writing skills;
- Significant Event Audit training (September/October) which helped equip Directorate staff in undertaking Level 1 Serious Adverse Incident reports (Significant Event Audits) including engagement with service users
- Finally, the Directorate was subject to a successful ISO re-accreditation in January, the auditor confirmed that the Directorate "... operates a Quality Management System which complies with the requirements of ISO 9001:2005". It is planned to further roll this out to Risk Management Advisory Services during 2017/18
- The Senior Management Team would like to thank all staff within the Directorate for their commitment, enthusiasm and co-operation - without them the Directorate would not have achieved success during the year.

# Performance Overview

## Planning, Performance & Informatics

### ICT, Technology and Telecommunications

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

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

Notable achievements are:

- Enhanced mobilisation of Trust staff to help ensure that they have the right device to access health and care information to directly inform patient and client care
- Development of hospital based paperless records supporting multiple specialities
- Modernisation and streamlining of patient flow systems via the implementation of electronic whiteboards and kiosks across acute hospital wards
- Preparation for the opening of the Inpatient Ward Block (Phase B) Ulster Hospital redevelopment (Spring 2017)
- Continued development of the Northern Ireland Electronic Care Record (NIECR) across the Trust to directly support patient/client care and involvement in the Regional Electronic Health & Care Record (EHCR) Programme which aspires to having one single record for all patients and clients from the cradle to the grave
- Development of community based systems to directly support professionals providing care to our community
- Development of business information portals for use by staff to inform both clinical and management decisions
- Support of Trust staff who use ICT devices to deliver care - for example ICT Department maintain 8,700 devices and circa 11,000 staff computer accounts.



# Performance Analysis

## Performance Informatics

The Trust measures and reports its performance against a broad range of targets and standards. Many of these focus on hospital-based care, but there are also many targets and standards that focus on how we care for people in their own homes and communities, how we safeguard children, and the services we provide to those who have disabilities or mental health problems. The Trust's performance compares favourably with the other Trusts in Northern Ireland. The following gives a flavour and brief overview of some of the targets that are set for the Trust, and indicates the performance for March 2017, with a comparative position at March 2016.

<b>Hospital Services</b>			
<b>Target 2016/17</b>	<b>Commentary</b>	<b>March 2016</b>	<b>March 2017</b>
<b>Inpatient &amp; Daycase Waits:</b> Minimum of 55% of inpatients and day cases to be treated within 13 weeks and no patient to wait longer than 52 weeks	The 13 week target moved from 65% in 2015/16 to 55% in 2016/17. Compliance against the target has consistently been 52% in the last 5 months of 2016/17.	51.9% (13wk)	52% (13wk)
	The target for all patients to wait no longer than 26 weeks moved to 52 weeks in 2016/17. Increased demand in unscheduled care and an increase in red flag and urgent cases have impacted on routine waits. Use of Independent Sector capacity was limited during the year due to late release of funding.	71.5% (26wk)	89% (52wk)
<b>Outpatient Waits:</b> Minimum of 50% of patients should wait no longer than 9 weeks for a first outpatient appointment and no-one to wait longer than 52 weeks	The target moved from 60% in 2015/16 to 50% in 2016/17. Trust performance decreased against this target during the year, with an improvement in the final month.	33.6% (9wk)	25.7% (9wk)
	Demand continues to increase across all areas of outpatient activity whilst capacity has remained unchanged. However, the restarting of the waiting list initiative and Independent Sector transfers during the latter part of the year has supported improved performance		81.1% (52wk)
<b>Diagnostic Test Waits:</b> 75% of patients should wait no longer than 9 weeks for the following diagnostic tests	The target moved from no patient to wait longer than 9 weeks in 2015/16 to 75% of patients to wait over 9 weeks in 2016/17		
	<b>Imaging</b> - ie. X-Rays Demand has increased for diagnostic tests and additional non-recurrent funding was used to provide additional capacity.	87.8%	75.7%
	<b>Physiological Measurement</b>	73.9%	70.3%
<b>Diagnostic Reporting (Urgent):</b> all urgent diagnostic tests should be reported within 2 days of the test being undertaken.	Performance has been consistent over the year only dropping to under 94% in 1 month.	96.5%	95.5%
<b>Hip Fractures</b> 95% of patients to have inpatient treatment for hip fractures within 48 hours	Escalation measures have been put in place at various points over the year with additional lists organised and transfer of patients to elective lists in Musgrave Park Hospital. The Trust's inability to meet the target is due to insufficient fracture theatre resource to manage peak demand and due to the urgency of other complex fracture trauma cases as well as no elective fracture theatre sessions that can be redeployed during times of increased demand.	81%	86%
<b>Other Fractures</b> 95% of patients to have inpatient treatment for fractures within 48 hours and no-one to wait more than 7 days	The Trust's inability to meet the target is due to insufficient fracture theatre resource to manage peak demand and due to the urgency of other complex fracture trauma cases.	80%	75%
	% treated within 7 days	96.5%	98.6%
<b>Unscheduled Care:</b> 95% of patients attending any Type 1,2 or 3 Emergency Department are either treated and discharged home or admitted within four hours of their arrival in the department	The Trust has maintained performance against this target even though there has been an increase in unplanned demand by 5.3%. Attendances increased by 8030 patients.	80%	80%

# Performance Analysis

## Performance Informatics

<b>Cancer Services</b>			
Target	Commentary	March 2016	March 2017
All urgent breast cancer referrals should be seen within 14 days.	Number of suspect cancer referrals continued to rise average 319 per month in 2016/17vs 308 in previous year. Waiting time for first outpatient appointment is less than 14 days. There are currently 240 (478 on 29/06/2016) patients on the routine waiting list	75.5%	100%
98% of cancer patients should commence treatment within 31 days of decision to treat.	Performance has been over 95% on 7 of the last 12 months	98%	97%
95% of patients urgently referred with a suspected cancer should begin their first definitive treatment within 62 days.	Compliance against the 62 day standard remains challenging. The number of red flag referrals received each month has continued to increase. In 2015/16 the Trust received on average 959 referrals each month. This increased to 1025 in 2016/17. Performance has had a positive trajectory in the last 4 months of the year. Significant Waiting List Initiative funding has facilitated this improvement, however longer term solutions are required to bridge the demand - capacity gap. Discussions continue to take place with the Health and Social Care Board in this regard.	53%	58%

<b>Community Services and Services for Older People</b>			
Target	Commentary	March 2016	March 2017
<b>Allied Health Professional Outpatient Waits:</b> no patient should wait longer than 13 weeks from referral to commencement of treatment.	Performance has been fairly steady over the year and the number of patients breaching the target is 260 (9803 total patients). The main area of pressure is Adult Speech and language Therapy where demand has increased threefold due to the increased number of choking incidents and swallowing assessments required. There is also an increased requirement for training following SAIs related to choking, which causes a further additional demand on these already stretched staff. There is also increased demand in Children's Occupational Therapy service	97.9%	96.9%
<b>Assess &amp; treat older people</b> - older people with continuing care needs should wait no longer than 5 weeks for assessment to be completed.	The Trust is meeting this target.	100%	100%
<b>Assess &amp; treat older people</b> - older people should have the main components of their care needs met within 8 weeks of the completion of assessment.	The Trust is meeting this target.	100%	100%

# Performance Analysis

## Performance Informatics

<b>Children's Services</b>			
<b>Target</b>	<b>Commentary</b>	<b>March 2016</b>	<b>March 2017</b>
All children admitted to <b>residential care</b> should, prior to admission, have had their placement matched through the Children's Resource Panel Process.	The Trust is meeting this target.	100%	100%
<b>Care leavers in education, training or employed</b> Ensure that at least 75% of all care leavers aged 19 are in education, training or employment.	The Trust is meeting this target.	77%	80%
<b>Autism.</b> No child to wait more than 13 weeks for assessment following referral.	The Trust continues to experience significant pressure from referrals to Autism Service for assessment. The Trust continues to review its internal mechanisms and work with the Health and Social Care Board to attract the necessary resources to manage this situation and it has been agreed that a new regional model for neuro-developmental services will be implemented in 2017/2018.	77.5%	100%
<b>Autism.</b> No child to wait more than 13 weeks for the commencement of specialist treatment following assessment.	The Trust is meeting this target.	100%	100%

<b>Adult Services</b>			
<b>Target</b>	<b>Commentary</b>	<b>March 2016</b>	<b>March 2017</b>
<b>Discharges:</b> 99% of patients admitted to Mental Health services for assessment and treatment to be discharged within 7 days of the decision to discharge.	The Trust is meeting this target.	100%	100%
No patient to wait longer than 13 weeks from referral to assessment and commencement of psychological therapies.	There is a breach in access targets for Psychological Therapies across a number of specialisms. In 2016 the HSCB acknowledged the shortfall in the Adult Mental Health Service and supported recruitment to 4.0wte vacant posts and provided non-recurrent monies in Quarter 4 to address backlog of patients. In March 2016 there were 614 patients waiting for Service with 302 breaching. In March 2017 there are 445 patients waiting with 185 breaching. The relative percentage has remained unchanged but Service has seen significant improvement in numbers waiting.  The Service also received non-recurrent monies for Pain Management programme and has seen a 9% reduction in breaching in Quarter 4.	46%	51.5%

# Performance Analysis

## Strategic & Capital Development

In 2016/17 the Department successfully managed a capital budget of £51m and submitted a Capital Plan outlining investment requirements to 2021.

Notable successes and achievements in 2016/17 include:

### Ulster Hospital Redevelopment

The Trust is in the process of delivering the second stage of redevelopment of the Ulster Hospital. This includes the provision of a new Inpatient Ward Block and Acute Services Block. This project will provide a total capital investment of £261m.

### Inpatient Ward Block

The construction of the new seven storey Inpatient Ward Block completed in December 2016. This will provide:

- 12 inpatient wards (including 288 single bedrooms)
- Day Procedure Unit (including Day Surgery Theatres and Endoscopy)
- Cardiac Procedures Suite
- Pharmacy
- Support Facilities
- Café.

The Trust will open the new facility during spring/summer 2017.

### Acute Services Block

Construction of this facility commenced in April 2016. This will provide:

- A new Emergency Department
- Inpatient Imaging
- Specialist wards (providing 170 single bedrooms).

It is anticipated that this new facility will open to patients in early 2020.

### Lisburn Primary and Community Care Centre (PCCC)

- The Trust is currently developing plans for a new Primary and Community Care Centre which will integrate GP and community care services in one facility on the Lagan Valley Hospital Site.
- During 2016/17 the Trust has been finalising detailed designs of the new facility and over 300 service users have been involved in this process.

### Supporting People Programme

The Trust is approaching the completion of its programme for new facilities to enable vulnerable people to maintain independence in their own homes.

In 2016/17 new Supported Living schemes/ places were provided for looked after children/ young homeless people in Lisburn and Bangor; and physical disability clients in Lisburn.

An older people supported living project for frail elderly is under construction in Bangor and is anticipated to open in Winter 2017 and there is a further scheme in planning for people with a learning disability in Newtownards.

A new **Personal and Public Involvement Strategy** for the Trust has been developed and designed with service users, carers, volunteers and staff



# Performance Analysis

## Finance Report

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

	Target	Actual
	£'000	£'000
1. Breakeven - Surplus/(Deficit)	0	54
2. Capital Resource Limit	51,818	51,802

\*Inclusive of receipts from sale of fixed assets

The Trust's Revenue Resource Limit represents the funding provided to it primarily by the DoH, either directly or through the Health and Social Care Board. For the 2016/17 financial year this amounted to £612.8m.

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

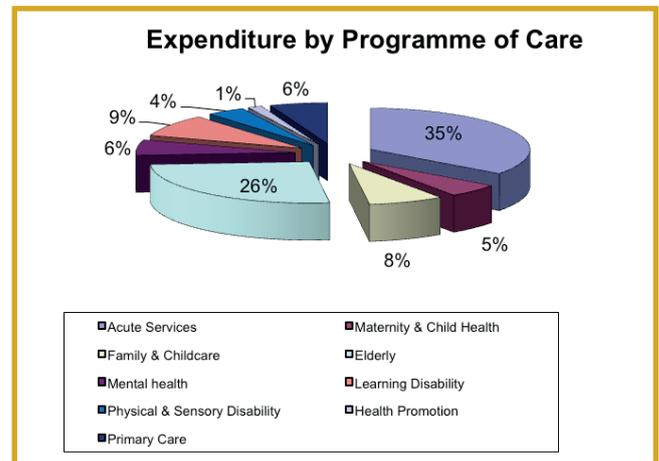
## Financial Performance

The Finances of South Eastern HSC Trust had another challenging year in 2016/17. Whilst the Trust has been able to meet its statutory breakeven duty in 2016/17, this has been through largely non-recurrent means. The Trust has achieved its breakeven target, with a surplus of £54k. A key feature of the financial performance of the Trust has been the stable expenditure through the year in most areas.

General capital allocations continue to cause difficulties, despite an increase from 2015/16 funding. The Trust relies on this to address a wide range of issues and risks. Our overall capital investment was significant, primarily due to the funding received for the redevelopment of the Ulster Hospital. The Trust is required to live within its Capital Resource Limit, which was achieved - we spent £51,802k against a limit of £51,818k.

The Trust has also continued to improve its Prompt Payment performance - this is the measure of speed of payment of invoices - we have increased from 91.7% by number (93.8% by value) to 92.2% by number (93.2% by value). While there has been a small decrease in the 10 day performance - now 79.9% of all invoices are paid in 10 days (81.6% last year), this is still well above the regional target of 70%.

Health and Social Care services are classified into different programmes of care, and an analysis of spend across these programmes is shown below:



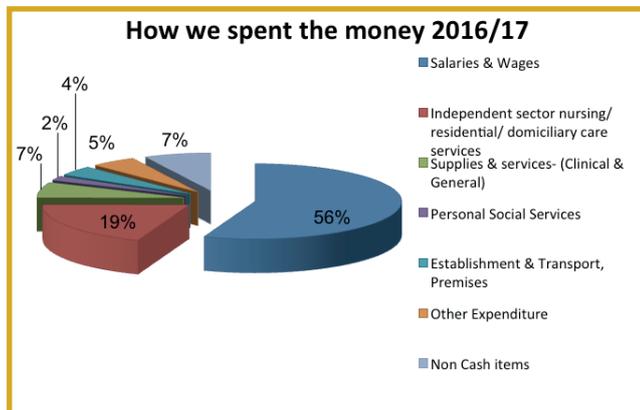
The chart below shows how the Trust spent its funding in 2016/17. The South Eastern HSC Trust is dependent on its skilled and dedicated workforce to deliver high quality services to patients and clients. In total we employ approximately 9,200 whole time equivalent members of staff, and 56% of total expenditure is on salaries and wages. Within this pay total, the Trust spent £69m on doctors and dentists, £121m on nurses and midwives and £60m on social work/social care and domiciliary/homecare staff.

Significant non-pay costs include £127m (19% of total expenditure) for residential, nursing and domiciliary care delivered by other organisations on the Trust's behalf, £43m (7% of total expenditure) for clinical and general supplies such as drugs and minor medical equipment.

# Performance Analysis

## Finance Report

The chart below shows the breakdown of expenditure into key components:



In addition to the yearly spend on paying staff and other expenses, the Trust is involved in a continuous process of improving its facilities and equipment. During the year £51.8m was spent on capital. The main elements of this are as follows:

Capital Outlay 16-17	£'000
Ulster Hospital Dundonald Redevelopment	36,394
LVH enabling works	2,015
Decontamination	1,642
ICT	3,719
CT Scanner	1,146
Building Refurbishments and Maintaining Existing Services	3,362
Vehicles	319
Equipment	3,329
<b>Total</b>	<b>51,926</b>

### Going Concern

The outlook for 2017/18 is increasingly constrained, particularly in respect of resource funding. In a statement to the House of Commons on 24 April the Secretary of State for Northern Ireland outlined an indicative Budget position for NI departments. This position was based on the advice of the Head of the NI Civil Service (NICS) in conjunction with the NICS Board. The purpose of this statement was to provide clarity to departments as to the basis for departmental

allocations in the absence of an Executive, so that Permanent Secretaries can plan and prepare to take more detailed decisions in that light. The departmental allocations set out by the Secretary of State provide the basis on which departments are now planning for 2017/18. However, the Secretary of State was clear that the indicative budget position did not constrain the ability of an incoming Executive to adjust its priorities during the year. He also advised that some £42 million Resource DEL and £7 million Capital DEL was left unallocated in order to maintain flexibility for a new Executive to allocate resources to meet further priorities as they deem appropriate. Therefore, while there is the potential for an incoming Executive to adjust these plans and also to allocate the unallocated resources, individual departments cannot anticipate any additional funding at this stage until such decisions are made.

Across the HSC sector it is expected that the significant financial challenges faced will intensify and extensive budget planning work to support the 2017/18 financial plan is ongoing between the Trust and Department of Health (DoH). However, as with other financial years the Trust remains committed to achieving financial break-even.

### Expenditure from Charitable Donations

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

The Trust has established a Charitable Funds Committee which is responsible for ensuring that charitable donations received by the Trust are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Departmental guidance and legislation.

# Performance Analysis

## Finance Report

The underlying principal of the management of the charitable donations is that they can only be used for the purpose for which they were donated. Expenditure in respect of the charitable funds for 2016/17 was £0.488m. Expenditure on charitable purposes can be summarised under the following categories:

<b>Expenditure 16-17</b>	<b>£'000</b>
Building & Refurbishment	6
Purchase of new equipment	336
Staff education and welfare	42
Patient education and welfare	87
Other	17
<b>Total</b>	<b>488</b>

The expenditure on new equipment included the donation of £161k of medical equipment assets to the South Eastern HSC Trust.

Charitable donations are not used to fund core services. They are used to provide or purchase services that are not centrally funded.

A separate audited set of Charitable Fund Accounts are published on the Trust's website and available on request from the Trust's Finance Department.

If you would like to make a donation to the Trust to help us continue to enhance the experiences of patients and clients in our care, staff at ward or facility level would be happy to advise any member of the public or alternatively you can contact:

**Chief Executives Office**  
**Trust Headquarters**  
**Ulster Hospital**  
**Upper Newtownards Road**  
**Dundonald**  
**Belfast**  
**BT16 1RH**

**Tel: (028) 9055 3100**

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

# Performance Analysis Sustainability Report

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

## South Eastern HSC Trust performance year on year was:

Utility		2015/16	2016/17	Variation
Gas	Expenditure	£2,177,315.52	£2,188,738.84	(+) 2.08%
mWh	Consumption	69519.442	71549345	(+) 11.7%
Elec	Expenditure	£2,535,495.98	£2,239,544.28	(-) 13.21%
mWh	Consumption	23958.428	25257489	(+) 4.02%
Oil	Expenditure	£477,779.69	£564,196.08	(+) 15.32%
mWh	Consumption	14492.61	15534.34	(+) 6.71%
Biomass	Expenditure	£12,188.28	£51,698.92	(+) 76.42%
mWh	Consumption	295.692	1168	(+) 74.68%
Water	Expenditure	£371,302.84	£558,970.39	(+) 33.57%
	Consumption	129021m³	188394m³	(+) 33.57%
Budget Expenditure		£5,574,082.31	£5,603,148.51	(+) 0.52%
Estate mWh Consumption		108266.172	113509.3273	(+) 4.62%
Trust Carbon Emissions		29448.34TonnesCO2e	30421TonnesCO2e	(+) 3.2%
Degree Day Correlation		-	-	-
CRC Regulated core emissions		22521.77TonnesCO2e	Not available	
CRC Cost		£380,617.91	Not available	

#Note: Addition of new IWB at Ulster has incurred great addition of cost and fuel demand in 2017.

## Biodiversity

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

## Waste

Figures for clinical waste for the 2016/17 year and for comparison the previous financial year are listed below:

Clinical Waste	2015/16	2016/17
Total Weight (Tonnes)	736	757
% change on previous year	0%	+2.9%
Disposal Cost	£442,764	£333,636
% change on previous year	-16.4%	-24.6%
Community Collection Costs	£45,144	£49,646
% Change on previous year	+5.66%	+9.9%
Total Costs (Collection & Disposal)	£487,908	£383,282
% Change on previous year	-14.75%	-21%

- New clinical waste contract commenced November 2015 - significantly reduced unit price and revised pricing structure leading to the substantial savings shown above. 2016/17 is first full year at reduced price
- New community collection contract commenced December 2015 - significant rise in unit price but effect of this mitigated by transfer of approx. 40% of the collections to the main clinical waste contract. 2016/17 is first full year at increased price.

# Performance Analysis Sustainability Report

The figures for non-clinical wastes are summarised below:

Non Clinical Wastes	2015/16	2016/17
<b>Domestic Waste &amp; Recyclables*</b>		
Total Weight (Tonnes)	1225	1429
% change on previous year	-3.2	+16.6%
Disposal Cost	£165,385	£179,259
% change on previous year	-6.8%	+8.4%
<b>Bulky Skips</b>		
Total Weight (Tonnes)	178.28	232.12
% change on previous year	+26.6	+30.2%
Total Weight landfilled	88.86	131.95
Total Weight Recycled	89.42	100.17
Disposal Costs	£14989	£17,082
% Change on previous year	+7.65%	+14%
<b>Confidential Waste</b>		
Disposal Costs	£15,068.00	£14,870
% Change on previous year	-3.87%	-1.3%
<b>Non-Clinical Hazardous Wastes</b>		
Disposal Costs	£3,328.00	£2,748
% Change on previous year	-10.99%	-17.4%
<b>Total Costs</b>	<b>£198,770</b>	<b>£213,959</b>
% Change on previous year	-5.7%	+7.6%

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

- Regional contracts in place for all streams
- Domestic waste and recyclables - sent to one of two MRF's for recovery - non-recoverable residue used for Refuse-Derived-Fuel
- Cardboard compacted and baled at Ulster and Downe Hospitals for recycling

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

## Acronyms:

**KPIs:** Key performance indicators.  
**HSC:** Health & Social Care.  
**KgCO<sub>2</sub>e/kWh:** equivalent kilogram of carbon per kilowatt hour (measure of energy)  
**UK:** United Kingdom.  
**CRC:** Carbon reduction commitment government scheme.  
**mWh:** megawatt hour (1million watts) – measure of energy.  
**m<sup>3</sup>:** cubed metres – measure of water volume.  
**TonnesCO<sub>2</sub>e:** equivalent tonnes of carbon emissions.  
**CERI:** Carbon emission reduction initiative.  
**LED:** Light emitting diode – energy efficient lighting.  
**KW:** kilowatt – measure of energy.  
**PV:** Photovoltaic array.  
**NIEA:** Northern Ireland Environment Agency.  
**BREEAM:** Building research establishment environmental assessment methodology.  
**HEIG:** Health Estates Investment Group.  
**SRCL:** Name of clinical waste disposal company.  
**RPI:** Retail price index.  
**MRF:** Materials recovery facility.  
**WEEE:** Waste electrical & electronic equipment directive.  
**DECs:** Display Energy Certificates.  
**NIROCs:** Northern Ireland Renewable Obligation Certificates  
**ISO14001:** International Environmental Management Standard.

On behalf of the South Eastern HSC Trust I approve the Performance Report encompassing the sections:

- Performance Overview
- Performance Analysis.

  
 Hugh McCaughey  
 Accounting Officer

  
 Date

# Accountability Report

## Corporate Governance Statement

### Introduction / Scope of Responsibility

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

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

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

### Compliance with Corporate Governance Best Practice

The Trust applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements by undertaking continuous assessment of its compliance with Corporate Governance best practice. In March 2017, the Trust completed its fifth formal baseline assessment of the Department of Health's (the Department) document entitled 'Board Governance Self-Assessment Tool (BGSAT)'. The assessment covered the following 4 areas:-

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

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

Each section was broken down into individual criteria and a Red, Amber and Green (RAG) rating was applied. There were a total of 17 criteria – 16 were rated as Green with 1 rated as Amber/Green and 0 as Amber/Red. Amber/Green rating related to section 2.1 – Board evaluation, learning and development in terms of engagement with staff and other stakeholders as to whether they believe the Board to be effective. A plan was developed detailing the actions to achieve any areas of non-compliance with good practice and/or red

# Accountability Report

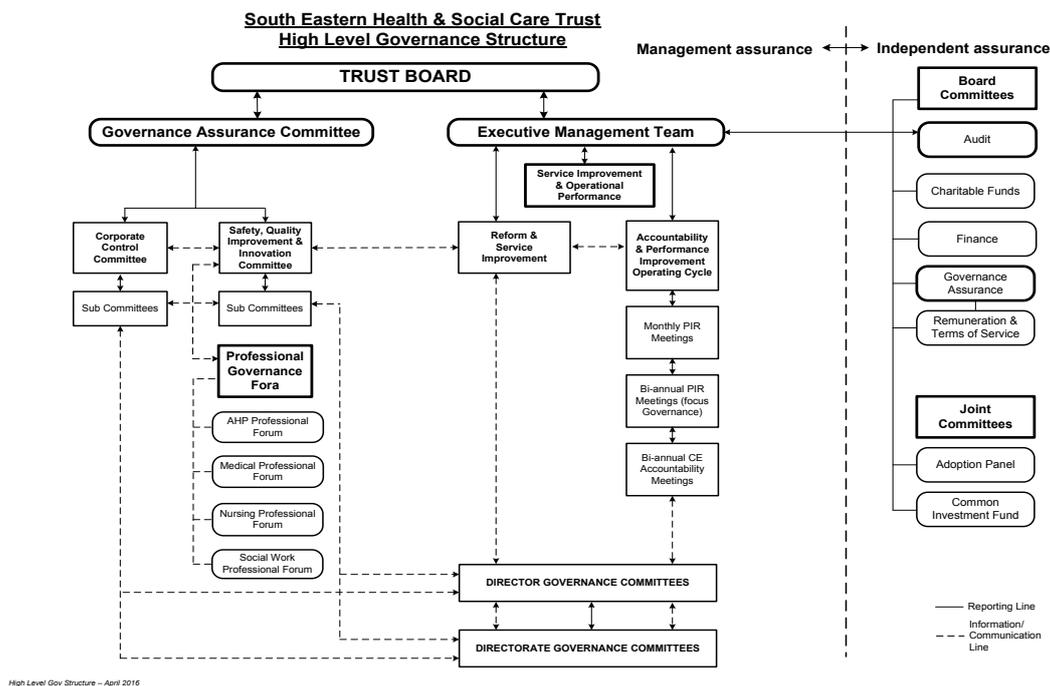
## Corporate Governance Statement

flag areas on completion of the assessment. The assessment tool was formally approved by the Trust Board at its meeting on 29 March 2017. - In addition, Internal Audit completed a Board Effectiveness audit in December 2016 and a satisfactory level of assurance was noted.

### Governance Framework

The Trust has an integrated governance framework in place which links corporate governance (including risk management and organisational controls), safe and effective care (clinical and social care governance), and financial governance. This framework is closely aligned to the Department's Assurance Framework (April 2009). It operates on the four domains contained in this document namely, Corporate Control, Safety & Quality, Finance and Operational Performance and Service Improvement. This framework for 2016/17 (see table 1 below) is further supported by the Trust's own Assurance Framework, Risk Management and Governance Strategies. The Governance infrastructure was reviewed by the Corporate Control Committee at its meeting on the 20 January 2016. A number of improvements were made to the infrastructure and these became operational with effective from 1 April 2016. Table 1 below depicts the high level governance infrastructure.

**Table 1 – High Level Governance Infrastructure**



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

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

# Accountability Report

## Corporate Governance Statement

Programme of Work which are reviewed on an annual basis to ensure that the committee is discharging its role and performance responsibilities.

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

<b>Board/Committee</b>	<b>Number of meetings</b>	<b>% Attendance</b>
Trust Board	9	91
Audit Committee	4	94
Charitable Trust Funds Committee	3	81
Finance Committee	4	77
Governance Assurance Committee	4	68
Remuneration & Terms of Service Committee	2	94

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

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

The Charitable Funds Committee, chaired by a Non-Executive Director, meets not less than 3 times per year in line with its Terms of Reference and Programme of Work. Its main role is to oversee the administration, including banking arrangements, of Charitable Funds, their investment and disbursement. Following each meeting, the minutes of the Committee are submitted to the Trust Board, for information/noting with the Chairman of the Committee highlighting any specific issues for the attention of the Trust Board. The Committee, on annual basis, undertakes a review of its effectiveness based on its Terms of Reference. This includes a section on attendance at committee meetings by members. The outcome of this work is submitted to the Trust Board.

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

The Remuneration and Terms of Service Committee, is chaired by the Chairman of the Board. It meets as required by the Chairman of the Board and at least once per year. Its

# Accountability Report

## Corporate Governance Statement

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main function is to advise the Board on performance, development, succession planning and appropriate remuneration and terms of service for the Chief Executive and all Senior Executives, guided by Departmental policy. The Committee reports, on an annual basis, to the Trust Board (in a confidential meeting) the basis for its decisions and recommendations and seeks the necessary approval to its recommendations (circa June).

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

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

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

In addition, the Safety, Quality Improvement & Innovation Committee supports the work of the Governance Assurance Committee under the chairmanship of the Chief Executive. Its role is to be the main sub-committee of the Governance Assurance Committee responsible for leading the safe and effective care agenda across the Trust.

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

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

### **Business Planning and Risk Management**

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the

# Accountability Report

## Corporate Governance Statement

The Trust's business planning process is carried out in accordance with DoH guidance and results in the production of an annual Trust Delivery Plan (TDP). The plan is developed in response to the priorities set out in the Joint Commissioning Plan. Each Trust Director is accountable for delivering against the elements of the TDP that fall within his/her sphere of responsibility. A Corporate Plan (2011-2015) was approved in 2011. Following discussions on a regional basis and to align with the Department of Health's planning process an addendum to the Corporate Plan 2011-2015 was approved for a further one year period to the 31 March 2016 by the Trust Board on 27 August 2015, and a further one year addendum was approved in May 2016. This is delivered on an annual basis by Directorates who compile their annual Directorate Management Plans which then form the basis of the annual Corporate Plan; all plans are closely aligned to the objectives set out in the four year Corporate Management Plan. Monitoring of compliance with the Trust Delivery Plan is via the Operating Cycle which includes monthly Performance Monitoring and Improvement meetings for all Operational Directorates and Bi-annual Chief Executive Accountability Review meetings with all Directorates. This also includes compliance with the governance, risk management and safety, quality and experience agendas.

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

During 2016/17, the Trust continued to implement its Integrated Governance framework which links corporate governance and risk management (including organisational controls), safe and effective care (clinical and social care governance), and financial governance. A three year Board Assurance Framework (2014-2017); Risk Management Strategy (2014-2017) and updated Integrated Governance Strategy (2013-2015) were developed and approved by the Trust Board on 25 June 2014. These documents continue to be embedded ensuring a cohesive and integrated approach to the key building blocks of governance and risk management. The continued focus of these documents was to strengthen and improve the existing systems of internal control. All documents were reviewed and updated in December 2016, the outcome of which was reported to the Governance Assurance Committee at its meeting on 15 December 2016.

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

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

# Accountability Report

## Corporate Governance Statement

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

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

Reports on Directorate Risk Registers are submitted and discussed on a quarterly basis by the Corporate Control Committee. A similar process is in place for the Corporate Risk Register with the Governance Assurance Committee. Regular reports on the Board Assurance Framework and Corporate Risk Register were submitted to the Trust Board during the year. In February 2016, the Executive Management Team reviewed the previous year's Corporate Risk Register and determined those items that would be closed off and those which would be carried forward into 2016/17 Corporate Risk Register. A total of 17 risks were on the register at the beginning of 2016/17 and this was reduced to 16 at the end of September 2016. The details as listed below:-

- 17 of the existing 19 Corporate Risk Register (2015/2016) were carried forward into the 2016/2017 Corporate Risk Register with new action plans developed, as appropriate;
- 2 items were closed and remitted to management at Directorate Risk Register level:-
  - ID1726 – Child Sex Exploitation
  - ID1785 – Business Continuity Arrangements
- All forms were reviewed for accuracy and updated for scoring, control measures and new action plans inserted, as appropriate;
- No new items were added to the register; and

A total of 17 items were on the Corporate Risk Register for 2016/2017. One item - ID 1735 (Allegations of abuse – Rathgael Training Centre) was closed on the register as at 30/9/16. There were a total of 69 action point items (across all 17 CRR pro formas) and all items have been closed off as at 31 March 2017.

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

# Accountability Report

## Corporate Governance Statement

communication and consultation mechanisms in existence with relevant stakeholders, both internal and external.

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

During the year the main focus on risk management training was on General Risk Assessment and Control of Substances Hazardous to Health (COSHH). In addition, a range of other training was delivered for e.g. Induction, Practical Manager, Incident Reporting, Emergency Preparedness, and Information Governance courses. In addition, Two major training programmes were delivered during 2016/17:-

- Effective Written Responses to Complaints Training (Sept 2016) which focussed on providing staff investigating complaints, with effective response writing skills;
- Significant Event Audit training (Sept/October 2016) which helped equip Directorate staff in undertaking Level 1 Serious Adverse Incident reports (Significant Event Audits) including engagement with service users.

A range of other health and safety training was provided on an on-going basis by specialist advisers for e.g. fire, manual handling, display screen equipment and waste management, etc.

The Trust promotes an open, just, honest and participative culture in which errors or service failures can be admitted, reported and discussed openly. Incident reporting (including near misses) is the cornerstone of the risk management system. Trust staff are encouraged to undertake individual reporting of near misses, errors or mistakes, and to look critically at their own actions and those of their teams to ensure we can provide good quality services for our patients/clients, staff and visitors. Incident reporting is a key mechanism for quality improvement and is a key component of the governance programme. During the year the extant incident policies and procedures were updated.

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

The Trust's Incident Policies and Procedures are reviewed and updated on a regular basis.

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

An annual internal audit of the Trust's risk management and governance systems is undertaken each year (December 2016) - satisfactory assurance was confirmed. There was 1 Priority 1 finding, 1 Priority 2 finding and 0 Priority 3 findings.

# Accountability Report

## Corporate Governance Statement

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### Information Risk

In terms of risks to information, the Trust has a well-established Information Governance Sub Committee (IGSC) which reports to the Corporate Control Committee. The IGSC reviewed its supporting sub-committee structure during 2016/2017 and has reduced its supporting sub-committees to four namely Acute, Off-Site Storage, Data Quality and Informatics Programme Board. The Adult Services & Prison Healthcare, Primary Care & Older People and Children's Services Sub- committees have been consumed into their respective Directorate Governance Committees which include Information Governance as a standing agenda item. The IGSC agenda format was also reviewed to ensure inclusion of presentations on Information Governance (IG) initiatives or projects that required IG input on a 6 monthly basis.

The continued role of the IGSC is to lead, co-ordinate and direct the strategic agenda with regard to Information Governance issues within the Trust. It also supports the Trust's corporate and Directorate objectives and ensures that risks in this area are regularly identified and addressed. Information risks are identified at all levels in the organisation and, where appropriate, are included on the Directorate and/or the Corporate Risk Register.

The Trust is a public sector information holder and is subject to the terms of the Freedom of Information Act, 2000. The Trust's Senior Information Risk Owner (SIRO) has provided formal assurance to the Department, through completion of the mandatory annual SIRO assurance statement dated 26 February 2016.

The Director of Human Resources & Corporate Affairs and the Personal Data Guardians (i.e. the Medical Director and Director of Children's Services & Executive Director of Social Work) are the Trust leads for ensuring compliance with the Data Protection Act 1998 and the Code of Practice on Protecting the Confidentiality of Service User Information. The Director of Human Resources & Corporate Affairs is the nominated Senior Information Risk Owner (SIRO) and the Director of Planning, Performance & Informatics is the appointed deputy Senior Information Risk Owner. A Chief Clinical Information Officer (CCIO) has also been appointed. All Assistant Directors have been nominated to the roles of Information Asset Owner (IAO). The appointment of the SIRO and IAO were made under the direction of the Department of Health as a result of its Data Protection Reviews 2007/08. The Director of Human Resources & Corporate Affairs attended SIRO Training on 16 May 2016. In addition, a number of Assistant Directors/Senior Managers across the Human Resource & Corporate Affairs and Planning, Performance & Informatics Directorates attended SIRO/IAO training on 29 November 2016.

The IGSC continued, in conjunction with its supporting working groups, to roll-out a challenging programme of work during 2016/17. This included a major Data Protection Training campaign as a result of the Information Commissioner's Office (ICO) issuing the Trust with an Undertaking in March 2016 as a result of two incidents reported to the ICO in 2015 & 2016. The Information Governance Sub-Committee established a Task Force (April 2016) to implement the recommendations set out in the Undertaking which focussed on data protection training/awareness and management and monitoring of training level. As at 31 December 2016, 98% of staff had completed training. The ICO confirmed on 24 October 2016 that their follow-up assessment had been completed and that they had been assured that the agreed Undertaking requirements had been appropriately implemented. All actions listed on the IGSC action plan 2016/2017 have been completed.

Internal Audit undertook an ICT Security & User Behaviours Audit in October 2016. Internal audit confirmed satisfactory level of assurance. Actions have been identified and these are

# Accountability Report

## Corporate Governance Statement

currently being addressed and will carry forward to IGSC Action Plan for 2017/2018.

Both the Information Governance & ICT Controls Assurance Standard attained substantive compliance.

Each Directorate has developed an information asset register and in accordance with the IGSC's programme of work, each Directorate ensures that information risks are considered in conjunction with the Trust's Risk Management Strategy.

The provision of off-site storage services tender was advertised by the Procurement & Logistics Service on 16 March, 2017. It is anticipated that the contract adjudication will be completed by 28 April, 2017 and the new contract will be awarded with effect from 1 June 2017. The suspension on record destruction, as a result of the Historical Institutional Abuse Inquiry, remains in place.

The Head of Information Governance continues to participate in the DoH Information Governance Advisory Group (IGAG) to ensure that the Information Governance agenda is focused to meet the needs of the DoH strategic agenda. One key focus of the IGAG is to ensure the necessary preparation across Health & Social Care for the implementation of the General Data Protection Regulation (GDPR) in May 2018. An IGAG sub-committee, in which the Trust participates, has been established to take this work forward. Update reports are provided to the IGSC. In addition, the Trust is participating in a number of regional co-production projects with local Councils and the Department of Infrastructure to ensure that appropriate governance arrangements are in place for the sharing of data for new initiatives.

Staff are trained and encouraged to report all incidents including (Information Governance) incidents to ensure the Trust can investigate the reasons for an incident happening again. The IGSC receives quarterly reports on all information governance incidents. In addition, all reported incidents of data loss or confidentiality breach in 2016/2017 have been assessed. While there were several small scale incidents, the impact was limited and procedures were put in place to address future risk in these areas. The Trust did not report any incidents to the ICO during 2016/2017. The Trust is working with the Public Health Agency (PHA) in respect of a single email incident that occurred in the PHA (15/11/2016) involving a number of patient laboratory results, 44 of which related to this Trust. The incident was contained, and the recipient of the email has confirmed that the email was not opened and was destroyed immediately. The matter was referred to the ICO by the PHA. The outcome of the PHA & ICO investigation is awaited.

Any issues specifically identified by the IGSC are managed via the Risk Management & Governance Risk Register or are escalated to the Corporate Risk Register, as appropriate. The ICO undertaking was added to the Risk Management & Governance Risk Register as a Trust-wide risk in June 2016. Following the receipt of the ICO follow up decision, this item was subsequently removed (December 2016) from the aforementioned Risk Register.

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

### **Public Stakeholder Involvement**

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

# Accountability Report

## Corporate Governance Statement

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

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

### **Assurance**

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

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

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

A key source of assurance is the reports from Internal Audit. The annual Audit Plan is based on key risks and systems within the organisation. As part of its annual audit programme for 2016/17, Internal Audit reviewed the Trust's Risk Management arrangements and December 2016 and reported satisfactory assurance on the system of internal control for Risk Management.

### **Controls Assurance Standards**

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

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The Organisation achieved the following levels of compliance for 2016/17

Standard	DHSS&PS Expected Level of Compliance	Trust Level of Compliance	Audited by Internal Audit
Buildings, land, plant and non-medical equipment	75% - 99% (Substantive)	84% (Substantive)	No
Decontamination of medical devices	75% - 99% (Substantive)	92% (Substantive)	No
Emergency Planning	75% - 99% (Substantive)	86% (Substantive)	Yes
Environmental Cleanliness	75% - 99% (Substantive)	91%(Substantive)	No
Environment Management	75% - 99% (Substantive)	84% (Substantive)	No
<b>Financial Management (Core Standard)</b>	75% - 99% (Substantive)	90% (Substantive)	Yes
Fire safety	75% - 99% (Substantive)	85% (Substantive)	No
Fleet and Transport Management	75% - 99% (Substantive)	90% (Substantive)	No
Food Hygiene	75% - 99% (Substantive)	90% (Substantive)	No
<b>Governance (Core Standard)</b>	75% - 99% (Substantive)	97% (Substantive)	Yes
Health & Safety	75% - 99% (Substantive)	86% (Substantive)	No
Human Resources	75% - 99% (Substantive)	84% (Substantive)	Yes
Infection Control	75% - 99% (Substantive)	93% (Substantive)	No
Information Communication Technology	75% - 99% (Substantive)	88% (Substantive)	No
Information Management	75% - 99% (Substantive)	81% (Substantive)	No
Management of Purchasing and Supply	75% - 99% (Substantive)	85% (Substantive)	No
Medical Devices and Equipment Management*	75% - 99% (Substantive)	64% (Moderate)	No
Medicines Management	75% - 99% (Substantive)	83% (Substantive)	Yes
Research Governance	75% - 99% (Substantive )	92% (Substantive)	No
<b>Risk Management (Core Standard)</b>	75% - 99% (Substantive)	94% (Substantive)	Yes
Security Management	75% - 99% (Substantive)	86% (Substantive)	No
Waste Management	75% - 99% (Substantive)	86%(Substantive)	No

\*The Trust is currently recruiting a Medical Devices Manager to address this area in 2017/18.

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### Sources of Independent Assurance

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

### Internal Audit

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

In 2016/17 Internal Audit reviewed the following systems:

Audit Area	Level of Assurance
Patients Private Property (Mental Health & Learning Disability)	Satisfactory
Private Patient Income	Limited
Management of Client Monies in Independent Sector Homes (including Adult Supported Living Services)	Satisfactory – majority of homes visited Limited - in respect of one home
Procurement & Contract Management- Fleet & Transport	Satisfactory – Fleet & Transport Procurement and Management of Vehicle Maintenance, Repairs and Fuel Limited - Management of the Use of Taxis
Non Pay Expenditure	Satisfactory
Payments to Staff	Limited
Absence Management	Satisfactory
Primary Care Elderly and Nursing Directorate	Satisfactory
Management of Patient Flow	Satisfactory
Complaints Management	Satisfactory
ICT Security: User Behaviour	Satisfactory
Board Effectiveness	Satisfactory
Risk Management	Satisfactory
Incident Management- Acute Falls	Limited

### Follow-up on previous Recommendations

A review of the implementation of previous priority one and priority two Internal Audit recommendations was carried out at mid-year and again at year-end. At year-end, 326 (85%) recommendations out of the 385 examined have been fully implemented, 58 (14%) recommendations have been partially implemented and 1 (1%) was not yet implemented at the time of review.

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

“My overall opinion for the year ended 31 March 2017 is that there is a **satisfactory** system of internal control designed to meet the organisation's objectives.

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Although I am content that overall there is a satisfactory system of internal control within the Trust, it is important to note that Limited assurance has been provided in a number of areas, including Payments to Staff, Management of Acute Falls and Private Patient Income”

### Private Patient Income

Limited assurance was issued in respect of a number of priority one findings in respect of inadequate management of consultant job plans and the weaknesses in current practices in place to identify private activity and provide assurance that this does not clash with or have a detrimental impact on NHS work.

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

Whilst satisfactory assurance was issued for the majority of homes visited, limited assurance was given for one of the homes visited in respect of resident agreements and named care managers.

### Procurement & Contract Management- Fleet & Transport

Whilst this report was issued with satisfactory assurance for Procurement and Contracts Management – Fleet and Transport Contracts, it was Limited in respect of Management of the Use of Taxis relating to percentage of overall transport expenditure and controls for payment.

### Payments to Staff

Limited assurance was issued in respect of a number of priority one findings. Improvement is required in the following areas: reporting of overpayments; travel claims accuracy; pension applications; system controls; and documentation held for new starts and leavers.

### Incident Management- Acute Falls

Limited assurance was issued in respect of a number of priority one findings. These relate to delays in capturing falls information and lack of robust systems in place to appropriately grade and review incidents.

### **Shared Services Audits**

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

<b>Shared Services Audit</b>	<b>Level of Assurance</b>
Payroll Shared Service (as at September 2016)	Limited
Payroll Shared Service (as at March 2017)	Unacceptable- Payroll System and Function stability Limited- Payroll Processing
Recruitment Shared Service (as at August 2016)	Limited
Recruitment Shared Service (as at February 2017)	Limited
Income Shared Service	Satisfactory
Business Services Team	Satisfactory
Payments Shared Service	Satisfactory
FPL Upgrade Testing	N/A, on-going into 2017/18

Limited assurance has repeatedly been provided in respect of the Payroll Shared Service Centre, with Unacceptable assurance being issued in March 2017 for Payroll System and

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Function Stability. A significant number of priority one findings and recommendations have been reported. Improvement is required particularly in the following areas: sustained system stability; superannuation contribution accuracy; Payroll Shared Services staffing and resourcing; management of overpayments; variance monitoring; management of customer queries; and maternity processing errors.

During 2016/17, 83% of internal audit recommendations received by the BSO were fully implemented, a further 15% were partially implemented and 2% were not yet implemented.

### **Counter Fraud and Probity Services**

During 2016 / 2017, 12 cases of suspected fraudulent activity were reported within Trust.

5 cases were successfully brought to a conclusion during the year, and the remainder remain under investigation. Following consultation with BSO Counter Fraud and Probity Services, 3 of these cases have been referred to PSNI for further investigation as potential criminal activity.

In keeping with the position set out in the Trust Fraud Policy Statement, SEHSCT maintains a zero-tolerance approach to fraud and will not accept any level of fraud within the organisation. As such, where fraudulent activity has been proven, the Trust will rigorously pursue the recovery of public funds lost through such activity, and will seek to take action against the perpetrators of fraud where possible.

All identified suspected and actual frauds within the Trust are reported to the Audit Committee, BSO Counter Fraud and Probity Services and relevant Public Bodies.

### **Other Sources of Independent Assurance**

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

- External Audit Opinion on annual accounts – External Audit provide an independent opinion on the accounts to the Northern Ireland Assembly. Any control weaknesses or added value issues that are identified, in the course of conducting the external audit, are communicated to the Audit Committee in the Report to Those Charged with Governance.
- Regulation and Quality Improvement Authority – On the extent to which the services provided by the Trust, or those commissioned from third party providers, comply with applicable quality standards.
- Annual BSO Assurance Letter in respect of Shared Services functions.
- Social Services Inspectorate for older people and children's services.
- Medicines and Healthcare Products Regulatory Agency (MHRA) through regular inspections and reports.
- General Medical Council (GMC), General Dental Council (GDC), NI Medical and Dental Training Council (NIMDTA) and various Royal Colleges.

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

- Feedback from Directors (via Assessment of skills, etc.) on whether information meets their needs.

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- Open debate, via Workshops, on level of detail, format, coverage and prioritisation of papers to Trust Board.
- Use of Patient Stories to confirm/assure on standard of services.
- Internal Audit assurance on Finance (and other) information.
- External Audit opinion on Annual Accounts.

### **Review of Effectiveness of the System of Internal Governance**

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

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

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

The Audit Committee met on 5 occasions during 2016/17 and regularly considered the effectiveness of internal controls. It approves and endorses the Internal Audit programme of work which is risk based. Regular progress and follow up reports are provided to the Audit Committee. The Audit Committee provides an Annual Report on the effectiveness of the Committee to the Board. It also receives the draft Head of Internal Audit Opinion and recommends approval of the draft Statement of Internal Control to the Board. In addition, it reviews progress on implementing internal and external audit recommendations.

The Governance Assurance Committee met on 4 occasions during 2016/17 and considers the effectiveness of the Trust's governance arrangements. The Chairman of this Committee is a member of the Audit Committee. Likewise, the Audit Committee Chairman sits on the Governance Assurance Committee. This committee reports to the Trust Board on a quarterly basis and provides assurances on all aspects of Governance (except financial controls). The Governance Assurance Committee provides an Annual Report on the effectiveness of this Committee to the Board.

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

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Non-Executive Directors sit on all Board Sub Committees (Audit, Charitable Funds, Finance, Governance Assurance and Remuneration) and the Corporate Control and Safety, Quality Improvement & Innovation y Committees, The minutes of all Board sub committees are shared with the Trust Board and the respective parent Committee.

The Trust completed its self-assessment of the Board Governance Self-Assessment Tool which was approved by Trust Board on 29 March 2017 An action plan has been developed to address any areas on non-compliance.

The Trust has in place a process for reviewing receipt of external reports/inquiries to ensure that lessons are learnt and actions implemented, as necessary. Following a recent Internal Audit Report, it is intended to further strengthen these arrangements.

An Internal Audit programme was agreed at the outset of the year and its work plan was informed by an analysis of risk to which the Trust was exposed. Internal Audit undertook 5 Controls Assurance audits – the results are detailed in the table above. The Audit Committee agreed the internal audit plan for period April 2016 to March 2017 at its meeting on 5 May 2016.

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

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

### **Procurement**

In order to minimise the risk of non-compliance with the Public Contract Regulations 2015, all DoH ALBs are extending CoPE cover for social and health care services in the Light Touch Regime. This is being taken forward by the ALBs via a formally constituted project, reporting to Regional Procurement Board.

### **Internal Governance Divergences**

#### **Progress on Current Year Issues**

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

The Trust previously reported on the need to address capacity to safely provide services in the Ulster Hospital. Significant progress has been made in reduction of delayed discharges for South Eastern Trust residents, however demand continues to increase, capacity issues remain and some patients continue to wait longer than 12 hours in the Emergency Department.

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HSCB commissioned an independent bed modelling exercise which identified capacity gaps. The Trust included proposals to address this as part of the 2016/17 winter planning process, including presenting a Resilience Plan to HSCB for Winter 2016/17, and the Trust also set aside funding to cover the costs of additional patient flow (in both hospital and community). All actions from 2015/16 have been made recurrent through Demographic pressure funding.

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

### Ageing Condition of the Estate

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

The above risks will remain until the completion of the full Ulster Hospital Phase B Redevelopment. The first phase of this, the new Inpatient Ward Block, was completed in March 2017. A phased opening has commenced in March 2017 and in 2017/18 288 inpatient beds will transfer to the new facility, the remainder of the facility will become operational by summer 2017. Construction of the second phase, the Acute Services Block commenced in April 2016, this facility will provide a new Emergency Department and specialist inpatient wards. The Phase B Redevelopment project will complete in 2021 with the demolition of the existing Main Ward Block.

The Trust continues to prioritise its capital funding to address the condition of the Retained Estate at the Paediatrics, Outpatients, Main Entrance and Radiology at the Ulster Hospital. These buildings, designed in the 1960's and constructed in the 1970's must continue in use until the Phase C Development is funded in 10-15 years' time.

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

The Trust vision is to move from 3 Mental Health inpatient Units to 1. Due to lack of funding, this new facility has not been advanced. The Trust has attempted to identify and mitigate risks in the interim including alterations to the current environment, reduce risks associated with ligature points and workforce measures.

The Mental Health Inpatient capital business case to support a new build facility was originally submitted to the DoH in late 2012. The Trust has responded to DoH business case queries several times since then, most recently in 2017. Due to the time delay in securing DoH approval, the Trust is currently updating the business case and anticipates submitting this to the DoH in May 2017.

The Trust will continue to prioritise the various community properties in terms of risk and allocate funding on these priorities.

This will see capital funding allocated to Mental Health, Children's Homes and Residential Homes to address ageing condition and high environmental risks.

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### Prison Healthcare

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

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

In the last quarter of 2016/17 there was an increase in the number of deaths in prison resulting in an increased pressure on prison mental healthcare services. The Trust has worked to reshape mental health services to create a centralised team and develop a range of responsive services.

### Lagan Valley and Downe Hospitals Emergency Departments

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

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

Mitigation measures implemented include:-

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

The temporary closure at weekends has continued throughout 2016/17.

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

### Business Services Transformation Project

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

New Finance systems and Income and Payments Shared Services have stabilised and are delivering project benefits. The Prompt Payment of Invoices, whilst improving has not achieved the target of 95% of invoices paid within 30 days. Payroll Shared Services continue to experience challenges, with contingency measures required for weekly and fortnightly staff in November 2016 due to system performance issues. Contingency payment measures were again used in March 2017 for 343 bank staff due to a processing error in Payroll Shared Services. In both instances, staff were paid on the day expected.

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In addition, the move to Recruitment Shared Services had been deferred due to problems being experienced by other Trusts and a lack of readiness in Shared Services. The Trust has now fully deployed in March 2017 all of its general recruitment activities to the Recruitment Shared Services Centre, Armagh apart from retaining the management of Medical and Senior Executive Recruitment which remains within the remit of Trust Human Resources.

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

### Urology Services

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

The Trust has received resources and in spite of recruitment challenges, particularly at consultant level, the Trust has now appointed a permanent Consultant Urologist from January 2017, and this appointment has helped address the increased demands. The ability to meet ever increasing demand will require further expansion of the Urology team at both Consultant and Middle Grade level.

### Increased Demand for Cancer Services

The Trust previously reported on Increased Demand for Cancer Services.

Significant work has been done on this, and additional non-recurrent resources have been identified. The target to have 95% of patients begin their treatment within 62 days of referral continues to be a challenge due to the increases in referrals. The ability to meet ever increasing demand will require expansion of a number of clinical teams.

### Childcare Pressures

The Trust previously reported a range of childcare pressures.

In respect of the investigations of historical allegations in relation to staff previously employed in Rathgael, the Historical Institutional Abuse enquiry has now reported. There continue to be a small number of staff suspended awaiting the outcome of police investigations.

The Trust has directed additional resources to co-operate fully with the Historical Institutional Abuse Inquiry whilst it was sitting, particularly around searches for records both on individual children and corporate governance. Whilst the Inquiry has reported the Trust has decided to continue to suspend destruction of records as these may be needed when the Redress Board is established.

The Trust continues to receive comparatively high levels of Child Protection referrals. The Trust prioritises the resulting investigation. A waiting list has arisen for unallocated family support cases. Progress has been made in year in tackling this waiting list through the use of non-recurrent funding from the HSCB.

The Trust has continued to contribute to the Marshall Inquiry recommendations and work with the DoH and HSCB in relation to completing these within the agreed timescales.

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### Media Attention and Public Confidence

During 2016/17, whilst the number of specific media reports into health and social care has reduced slightly, reporting on public services has continued to be negative. This continues to have a negative impact on staff morale and public confidence.

### Capital Resourcing 2017/18

In the absence of a formal budget agreed by the Executive, the DoF Permanent Secretary has powers to authorise an amount of cash and resources to under Section 59 of the Northern Ireland Act 1998 and Section 7 of the Government Resources and Accounts Act (NI) 2001 in order to maintain essential services. As a result, the Trust has received a 2017/18 indicative capital DEL for maintaining essential services of £2.835m. This is significantly less than the previous year's initial Capital Resource Limit of £4.683m for 2016/17. Significant risks will not be addressed through this funding.

The main areas impacted would be:-

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

The Trust will lobby DoH for future capital during 2017/18, with the current allocation being applied to contracted commitments.

### Financial Breakeven Requirement

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

Whilst the Trust has been able to meet its statutory breakeven duty in 2016/17, this has been through largely non-recurrent means. The forecast recurring core deficit for 2017-18 is £39.3m with the total resourcing required, including the revenue consequences of the Ulster Hospital Phase B is £51.8m. The breakdown of this is as follows:-

	£M
Recurrent Roll Forward Position	23.0
New Pressures 2017-18	16.3
Core Deficit	39.3
Regional Resources required	
Revenue Consequences : Ulster Hospital	12.5
Total Deficit/Funding Requirement 2017-18	51.8

The new 2017/18 pressures relate to pay, including National Living Wage, non-pay inflation and demography.

The outlook for 2017-18 is increasingly constrained, particularly in respect of resource funding. In a statement to the House of Commons on 24 April 2017 the Secretary of State for Northern Ireland outlined an indicative Budget position for NI departments. This position was based on the advice of the Head of the NI Civil Service (NICS) in conjunction with the NICS Board. The purpose of this statement was to provide clarity to departments as to the basis for departmental allocations in the absence of an Executive, so that Permanent Secretaries can plan and prepare to take more detailed decisions in that light. The departmental

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allocations set out by the Secretary of State provide the basis on which departments are now planning for 2017-18. However, the Secretary of State was clear that the indicative budget position did not constrain the ability of an incoming Executive to adjust its priorities during the year. He also advised that some £42 million Resource DEL and £7 million Capital DEL was left unallocated in order to maintain flexibility for a new Executive to allocate resources to meet further priorities as they deem appropriate. Therefore, while there is the potential for an incoming Executive to adjust these plans and also to allocate the unallocated resources, individual departments cannot anticipate any additional funding at this stage until such decisions are made.

Across the HSC sector it is expected that the significant financial challenges faced will intensify and extensive budget planning work to support the 2017-18 financial plan is ongoing between the Trust and the Department of Health (DOH). However, as with other financial years the Trust remains committed to achieving financial break-even.

### Recruitment of Health & Social Care Staff

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

The Trust has worked proactively to source staff, including campaigns outside NI, and a Regional Overseas Nursing recruitment campaign is underway. Through this International Recruitment, by 31 March 2017, 9 nurses were recruited as part of this process, with more planned for 2017/18. The Trust will review the impact of this during 2017/18 to decide on future campaigns.

### Domiciliary Care

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

The Trust has taken the decision to continually review/expand the in-house service to address this issue, this will continue into 2017/18.

The Trust received a regional Counter Fraud and Probitry Pilot report relating to Domiciliary Care Contract monitoring. This report highlighted the potential for over claims on external contracts and recommended further investigation.

The Trust carried out its own local validation exercise and have concluded that any potential over claims would not be material and within tolerance levels. Action Plans are in place to provide greater clarity, improve monitoring and control. The Action Plans will be monitored closely during 2017/18 to ensure all learning is applied.

### Nursing and Residential Care

During 2016/17 a number of nursing home providers advised the Trust that they were having significant nursing recruitment issues and that they had to rely on agency staff to comply with regulatory requirements in terms of staffing complements. This was indicated as a potential

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cost pressure and could subsequently raise the actual cost of care beyond that of the regional nursing and residential care home rate.

In line with normal practice the regional rate paid to all Nursing and Residential Care Providers was uplifted in April 2017 by the Health and Social Care Board. The increase in April 2017 was 4%. The uplift was agreed to cover the impact of National Living Wage and other provider pressures. However, a number of providers are still indicating that this rate is inadequate the impact of this being that the number of beds available to the Trust at the regional rate has diminished.

The Trust will continue to work closely with Independent Sector partners to ensure service continuity, and will constantly assess the applicability of the Regional Tariff in the local context.

### Elective

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

Whilst there has been some improvement in waiting time figures in 2016/17, given that the resources applied were non-recurrent, then it is expected that waiting times will increase in 2017/18, without significant funding and changes to the regional model for reducing waiting list times.

### Lakewood RQIA Inspection Report

Following the RQIA inspection report of 29th - 30th July 2015, the main areas that have been addressed are as follows:

- A number of internal audits were undertaken focusing on practice issues.
- The only doors that are now routinely locked within each unit are the main entrance, staff office and bedrooms. Other doors are only locked following specific risk assessment.
- Additional funding was received from the HSCB for refurbishment of the homes and this is now completed.
- Capital funding was received to progress the building of a third home and this will be completed in May 2017 which will enable the homes to have smaller numbers.
- The staff have completed significant training on recording.

RQIA completed an unannounced inspection on 23rd to 25th February 2016. The findings of the inspection by the Team showed some positive improvements had been made; in particular, Emeritus Professor Stan Houston confirmed that the staff were caring and the overall culture was positive.

This inspection resulted in two Failure to Comply Notices relating to specific incidents regarding child protection, sanctions and separation of managing groups of children. These notices were lifted on 17th May 2016 by RQIA. Further unannounced inspections were completed on 25 and 26 October 2016. A number of serious issues were identified during the inspection resulting in further failure to comply notices being issued. These failure to comply notices were subsequently lifted in February 2017. The Trust continues to work through the Quality Improvement plan recommendations.

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The situation at Lakewood has been fragile as staff absence through sickness has increased resulting in a reliance on agency and temporary staff. Consequently steps have been taken to escalate the business continuity arrangements to the HSCB. The Trust welcomes the support from the HSC system which have seen the number of children placed at Lakewood reduce in the spring of 2017 and the commencement of the regional review of specialist children's services which is scheduled to report in June 2017.

### **New Internal Control Divergences**

#### **DPA Undertaking**

The Trust was issued with a Data Protection Undertaking by the Information Commissioner's Office (ICO) in March 2016. The Undertaking followed two significant data breaches which had occurred in the Trust over a 12 month period. A DPA Task & Finish Group, Chaired by the Personal Data Guardians (PDGs) was established (May 2016) to oversee and implement the recommendations set out in the Undertaking. The recommendations centred on the rollout of DPA training/awareness within the Trust, accessibility of Trust policy and procedure and the Trust's processes for monitoring and reporting DPA training.

In response, a Trust-wide training initiative was launched by the PDGs and the Senior Information Risk Owner (SIRO) on 6 June 2016 to ensure that all staff received appropriate DPA training (according to their role) on or before 5 August 2016; submission date to ICO office was 30 September 2016. As at 11 October 2016, 97% of staff had been recorded as having completed training and/or been provided with relevant training materials. The Executive Management Team (EMT) received regular weekly update reports detailing training compliance levels across Directorates. On 11 October 2016, the Trust issued a follow up progress report together with supporting evidence to provide assurances to the ICO that the Trust had fully implemented and embedded the actions it agreed to, in the DPA Undertaking (March 2016).

#### **RQIA Acute Hospital Inspection of the Ulster Hospital**

The RQIA Acute Hospital Inspection Programme carried out in the Ulster Hospital, Emergency Department, Ward 11 and Ward 13 on the 9<sup>th</sup> – 12<sup>th</sup> February 2016 made a number of recommendations for improvement under the themes of Safety, Effectiveness, Compassion Care and Leadership. The organisation has established a work programme focussing on improvement based on the findings of the review. We can confirm that the majority of recommendations have been achieved to date. The Trust continues to work towards achieving full compliance on a small number of recommendations where resourcing and environmental issues have provided challenges.

#### **Leases**

The Department of Finance have informed the Department of Health that in their view, a lease within South Eastern Trust could potentially be regarded as irregular. This lease is for Dill House, Castlereagh Road, Belfast, entered into on 1 February 2008 for 10 years at a rental of approx. £50,000p.a.

The issue relates to an opportunity to break (cancel) the lease, which was originally on 31 January 2013 and renegotiated/extended to 31 January 2015.

# Accountability Report

## Corporate Governance Statement

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The Department of Health issued guidance (PEL (14) 04) on 8 August 2014 removing delegated authority for Trusts to decide on breaks in leases and requiring a Statement of Outline Case to be submitted in advance - 6 months prior to the renewal of the lease.

The problem for South Eastern Trust is that had we wanted to break the lease, we were required under contract, to give six months' notice of a break to our Landlord. This date was 31 July 2014, before the guidance was issued. The PEL was not retrospective, therefore, did not apply to this lease.

The Dill House lease, to conform with the guidance, would have needed a Statement of Outline Case to be submitted on 31 January 2014 – over six months before the Trust was required to do so.

South Eastern Trust is strongly of the view that no irregularity has occurred.

### **Conclusion**

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

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

# Accountability Report

## Statement of Accounting Officer Responsibilities

### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

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

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

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

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

The Permanent Secretary of the Department of Health as Accounting Officer for health and personal social services resources in Northern Ireland has designated Hugh McCaughey of South Eastern Health and Social Care Trust as the Accounting Officer for the Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Trust assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health.

# Accountability Report

## Directors Report

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### DIRECTORS REPORT

#### Management Board

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

#### Executive members:

Hugh McCaughey (Chief Executive)  
Roisin Coulter  
Neil Guckian  
Seamus McGoran  
Charles Martyn  
Bria Mongan  
Nicki Patterson  
Brendan Whittle  
Myra Weir

#### Non-executive members:

Colm McKenna (Chairman)  
Noel Brady  
Dr Maura Briscoe  
Francesca Graham – retired December 2016  
Nigel Mansley – retired December 2016  
Maynard Mawhinney  
John Trethowan – retired December 2016  
Joan O'Hagan – started 1 January 2017  
Helen Minford – started 1 January 2017  
Laura O'Neill – started 1 January 2017  
Jonathan Patton – started 1 January 2017

#### History of the South Eastern Trust

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

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

#### Equal Opportunities

The South Eastern HSC Trust has in place an equal opportunities policy to promote and provide equality between persons of different genders, marital or family status, religious belief or political opinion, age, disability, race or ethnic origin, nationality or sexual orientation, between persons with a disability and persons without, between persons with dependants and persons without, between men and women generally, and irrespective of Staff Organisation membership. This policy applies to recruitment, promotion, training, transfer and

# Accountability Report

## Directors Report

other benefits and facilities. Selection for employment and promotional opportunities is on the basis of ability, qualifications and aptitude for work.

### **Equality Responsibilities**

As part of its Section 75 Responsibilities the Trust produces an Annual Progress Report (APR) which demonstrates progress against key targets. This APR is presented to EMT and Trust Board for approval prior to submission to the Equality Commission for Northern Ireland.

### **Equality and Human Rights Training and Awareness Raising**

The Trust has in place a robust Equality and Human Rights training and awareness raising strategy. This strategy aims to ensure that all staff are aware of their responsibilities with regard to Equality and Human Rights. To compliment face to face training, the Trust has developed an Equality and Human Rights e-Learning module which focuses specifically staff responsibilities using relevant examples, case studies and case law. Staff are able to work their way through the user friendly information in a time frame which best suits them. In the past year over 1500 staff have accessed training, including the module, and feedback has been very positive.

### **Face to Face and Telephone Interpreting**

The Trust continues to provide face to face and telephone interpreting for patients and clients who do not speak English as a first language. Staff are able to book face to face interpreters for pre-planned appointments with telephone interpreting being available to patients who arrive at the Emergency Department or unexpectedly for treatment. During the past year period the Trust provided 5693 interpreting episodes with languages ranging from Polish, Lithuanian and Chinese to Farsi, Punjabi, Urdu and Kurdish.

### **Working Well with Interpreters Training Sessions**

To support staff a series of 'Working Well with Interpreters' training Sessions have been held throughout the Trust. These are provided in conjunction with the Northern Ireland Health and Social Care Interpreting Services and staff attend training in the Ulster, Downe and Lagan Valley Hospitals. All relevant information and booking forms are available on the Equality and Human Rights Intranet pages.

### **Charter Work Inspiration Programme**

The Trust continues to work with work with Business in the Community in particular to engage in the Charter Work Inspiration Programme.

During the past year the Trust facilitated 470 work experience placements. These included opportunities in Admin and Clerical, Audiology, Catering, Child Care, Clinical Physiology, Dentistry, Innovation and Development, Medicine, Midwifery, Nursing, Physiotherapy and Speech and Language.

A total of 85 open days were held in Dietetics, Mental Health, Pharmacy and Physiotherapy.

The Trust also has in place a well-developed Employability Scheme which provides career opportunities for Looked after Children.

# Accountability Report

## Directors Report

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### **Volunteering Opportunities through Time to Read**

For the past 6 years South Eastern Trust staff volunteers have been working in partnership with local primary Schools as part of the 'Time to Read' Scheme. Currently 13 Trust staff volunteer in primary schools throughout the Trust areas including:

- Christ the Redeemer Primary School, Belfast
- Clandeboye Primary School, Bangor
- Killowen Primary School, Lisburn
- St Finian's Primary School, Newtownards
- West Winds Primary School, Newtownards
- Brooklands Primary School, Dundonald

The volunteers work with P5 pupils every week for one hour. The aim of the Time to Read programme is to show children that reading is an enjoyable activity and it provides an opportunity for the volunteers to build the children's confidence and self-esteem. In addition to the benefits for the pupils, Trust staff have found the experience very positive and rewarding.

### **Making Communication Accessible for all**

This user friendly guide was produced for Health and Social Care staff so that they can communicate more effectively with people who may have a disability or a communication support need. This resource has been developed in conjunction with disability representative organisations who quality assured the guide.

The guide looks at people with a range of disabilities and offers staff advice on how to improve face to face communication, telephone communication, written communication and information available on the internet. Available on the Equality and Human Rights Intranet pages it can also be made available in alternative formats upon request.

### **Engaging Together**

The Trust is committed to continuously improving the patient/client and employee experiences. Research has shown that there is a clear link between improved patient/client experience and high levels of employee engagement. In addition to the ongoing "Engaging Together" initiative, Trust staff took part in a Regional HSC Staff Survey. The Trust had the highest response rate regionally (32%). Overall, staff were generally positive about their jobs, with some significant improvements since the 2012/13 survey. Scores on most questions were at or above the average for Northern Ireland. Results from the SET staff survey highlights that 66% of staff would recommend SET as a place to work. This is an increase from 60% in 2012/13 and above the NI average of 61%. 46% of staff said that different parts of their organisation communicate effectively with each other; this is a significant improvement from 28% in 2012. Engagement events continue to take place throughout the Trust to highlight survey results and to engage with staff to determine future actions.

# Accountability Report

## Directors Report

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### **Accounts Preparation**

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

### **Better Payments Practice Code**

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

### **Late Payment of Commercial Debts Regulations 2002**

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

### **Trust Management Costs**

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

### **Related party transactions**

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

### **Directors Interests**

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

### **Charitable Donations**

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

### **Post Balance Sheet Events**

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

### **Sickness Absence Information**

The percentage figure for sickness absence for the 2016 – 2017 year\* is 6.71% (6.79% 2015/16).

# Accountability Report

## Directors Report

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### **Personal Data Related Incidents**

All reported incidents of data loss or confidentiality breach in 2016/2017 have been assessed. While there were several small scale incidents, the impact was limited and procedures were put in place to address future risk in these areas. The Trust did not report any incidents to the Information Commissioner's Office (ICO) during this period.

The ICO issued an Undertaking to the Trust in March 2016 as a result of 2 cases reported to them in 2015 & 2016. The Trust established a Task & Finish Group (April 2016) to implement the recommendations set out in the Undertaking which focussed on Data Protection training/awareness and management monitoring of training levels. As at the 31 December 2016, 98% of staff had completed training. The ICO confirmed on 24 October 2016 that their follow-up assessment had been completed and that they had been assured that the agreed Undertaking requirements had been appropriately implemented.

The Trust is working with the Public Health Agency (PHA) in respect of a single email incident that occurred in the PHA (15/11/16) involving a number of patient laboratory results, 44 of which related to this Trust. The incident was contained, and the recipient of the email has confirmed that the email was not opened and was destroyed immediately. The matter was referred to the ICO by the PHA. The outcome of the PHA & ICO investigation is awaited.

### **Public Sector Information Holder**

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

### **Treatment of Pension Liabilities**

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

### **Services**

The Trust's statutory audit was performed by NIAO. The notional cost of the audit for the year ended 31 March 2017 which pertained solely to the audit of the accounts was £59k. The notional cost of the audit of Trust Charitable Funds for the year ended 31 March 2017 was £5k.

### **Non Audit Services**

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

### **Statement on disclosure of audit information**

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

# Accountability Report

## Directors Report

### Principal Risks and Uncertainties Facing the Trust

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

On 2 February 2016, the extant Corporate Risk Register [CRR] (2015/16) was discussed by the Executive Management Team in terms of closure of each CRR pro forma and also which items would roll forward and remain on the register with updated action plans for the incoming year (2016/17).

Following the conclusion of the meeting, it was agreed that:

- 17 of the existing 19 Corporate Risk Register (2015/2016) topics should be carried forward into the 2016/2017 Corporate Risk Register with new action plans developed, as appropriate;
- 2 items were closed and remitted to management at Directorate Risk Register level:-
  - ID1726 – Child Sex Exploitation
  - ID1785 – Business Continuity Arrangements
- All forms were reviewed for accuracy and updated for scoring, control measures and new action plans inserted, as appropriate;
- No new items were added to the register; and

A total of 17 items were on the Corporate Risk Register for 2016/2017. One item - ID 1735 (Allegations of abuse – Rathgael Training Centre) was closed on the register as at 30/9/16. There were a total of 69 action point items (across all 17 CRR pro formas) and all items have been closed off as at 31 March 2017.

The risks are further described below in Table 1 – by the Principal Risk broken down by Principal Objectives and Table 2 – by the Risk Sub Type during 2016/17.

**Table 1 – Risks by Principal Risk by Principal Objective – 2016/2017**

No	ID	Principal Objectives	Principal Risk Title
1	1894	Safety, Quality & Experience	Inability of Trust to provide a safe and effective healthcare service within NIPS
2	1896	Safety, Quality & Experience	Delayed Discharges in Disability pose significant risk to service users

# Accountability Report

## Directors Report

3	1897	Safety, Quality & Experience	Location of Acute Mental Health In-patient Wards
4	1893	Safety, Quality & Experience	Allegations of Abuse pertaining to Rathgael Training School
5	1881	Safety, Quality & Experience	Risk posed to Trust due to ageing estate
6	1898	Efficiency & Service Reform	Management of savings and pressures to achieve breakeven
7	1886	Safety, Quality & Experience	Safe and effective care for emergency patients (Ulster Hospital)
8	1887	Safety, Quality & Experience	Inability to sustain Midwifery Led Units and Emergency Services in Down & Lagan Valley Hospitals
9	1888	Safety, Quality & Experience	Inability to staff hospital wards and other key hospital departments at nights and at weekends
10	1882	Our Staff	Inability to plan and deliver the required skilled workforce
11	1883	Safety, Quality & Experience	Inability to deliver an organisational wide risk management system
12	1884	Safety, Quality & Experience	Operational Laundry & Linen Service
13	1889	Efficiency & Service Reform	Inability of systems/Shared Services to achieve required benefits, processes and effectiveness
14	1890	Efficiency & Service Reform	Inability to meet and maintain performance targets
15	1885	Safety, Quality & Experience	Risk of Healthcare Associated Infection
16	1892	Safety, Quality & Experience	OOH GP Staffing Pressures
17	1895	Safety, Quality & Experience	Demand for Community Care Packages

**Table 2 – Risk Sub Type/Total – 2016/17**

	<b>Total</b>
Financial	1
Health & Safety	2
Legal/Statutory	1
Patient Safety/Clinical	7
Quality & Professional Guidelines/Standards	1
Service Continuity	1
Targets, Objectives & Service Provisions	4
<b>Totals:</b>	<b>17</b>

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

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

The Governance Assurance Committee is responsible for receiving reports on the Corporate Risk Register on a quarterly basis. At its meeting on 15 June 2016, it discussed and approved the Corporate Risk Register for 2016/2017 for submission to the Trust Board on 22 June 2016, for endorsement. The Committee was satisfied that the action plans contained in

# Accountability Report

## Directors Report

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the CRR were appropriate and arrangements were in place for the quarterly monitoring of progress in respect of action plans.

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

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

# Accountability Report

## Remuneration and Staff Report

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### **Membership of the Remuneration Committee**

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

### **Policy on the Remuneration of the Chief Executive and Directors**

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

### **Method used to assess performance**

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

### **The Trust Board**

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

### **Remuneration Committee**

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

### **Chair**

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

### **Chief Executive**

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

### **Performance Objectives**

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

### **Evaluation of Performance**

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

# Accountability Report

## Remuneration and Staff Report

Individual Performance Review bands are as follows:

- Fully acceptable
- Incomplete
- Unsatisfactory

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

### Duration of Contracts

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

### Audited Remuneration Table

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

Table of Non-Executive Directors Remuneration & Pension Benefits:

Non-Executive Members	2016-17					2015-16				
	Salary £000	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (rounded to nearest £1,000)	Total £000	Salary £000	Bonus / Performance pay £000	Benefits in Kind (Rounded to nearest £100)	Pensions benefit (rounded to nearest £1,000)	Total £000
C McKenna	25-30	0	0	0	25-30	25-30	0	0	0	25-30
P Davison	0	0	0	0	0	5-10	0	0	0	5-10
F Graham (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
D Mann-Kler	0	0	0	0	0	5-10	0	0	0	5-10
N Mansley (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
D O'Hara	0	0	0	0	0	5-10	0	0	0	5-10
J Trethowan (1)	5-10	0	0	0	5-10	5-10	0	0	0	5-10
M Briscoe	5-10	0	0	0	5-10	0-5	0	0	0	0-5
M Mawhinney	5-10	0	0	0	5-10	0-5	0	0	0	0-5
N Brady	5-10	0	0	0	5-10	0-5	0	0	0	0-5
J O'Hagan (2)	0-5	0	0	0	0-5	0	0	0	0	0
H Minford (2)	0-5	0	0	0	0-5	0	0	0	0	0
L O'Neill (2)	0-5	0	0	0	0-5	0	0	0	0	0
J Patton (2)	0-5	0	0	0	0-5	0	0	0	0	0

(1) Resigned 31st December 2016

(2) Appointed 1st January 2017

# Accountability Report

## Remuneration and Staff Report

Table of Executive Directors Remuneration & Pension Benefits:

Executive Members	2016-17			2015-16			2016-17				
	Salary £000	Bonus/ Performance pay £000	Kind (Rounded to nearest £100)	Salary £000	Bonus/ Performance pay £000	Kind (Rounded to nearest £100)	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 31/03/16 £000s	CETV at 31/03/17 £000s	Real increase in CETV £000s
H McCaughey (Chief Executive)	125-130	0	1,100	125-130	0	600	0-2.5 plus lump sum 2.5-5	45-50 plus lump sum 140-145	895	948	25
R Coulter (Director of Planning / Performance)	75-80	0	1,300	75-80	0	700	0-2.5 plus kump sum 0-2.5	25-30 plus lump sum 75-80	415	442	14
N Guckian (Director of Finance/Estates)	85-90	0	400	85-90	0	1,200	0-2.5 plus lump sum 0-2.5	25-30 plus lump sum 70-75	446	476	17
C Martyn (including clinical duties) (Medical Director) (1)	195-200	0	3,200	195-200	0	2,100	N/A	N/A	N/A	N/A	N/A
N Patterson (Director of Elderly & Primary Care Services)	85-90	0	6,200	85-90	0	5,200	N/A	N/A	N/A	N/A	N/A
S McCوران (Director of Hospital Services)	100-105	0	700	95-100	0	400	0-2.5 plus kump sum 0-2.5	30-35 plus lump sum 85-90	548	580	14
E Molloy (Director of HR & Corp Services)	0	0	0	90-95	0	0	0-2.5 plus lump sum 2.5-5	35-40 plus lump sum 110-115	720	766	21
BJ Whittle (Director of Childrens Services & Executive Director of Social Work)	75-80	0	0	75-80	0	0	N/A	N/A	N/A	N/A	N/A
B Mongan (Director of Adult Services & Prison Healthcare) (1)	70-75	0	0	70-75	0	0	N/A	N/A	N/A	N/A	N/A
M Weir (Director of HR & Corp Services)	70-75	0	1,900	0-5 (70-75 fye)	0	0	2.5-5 plus lump sum 12.5-15	25-30 plus lump sum 65-70	413	439	13
				160-165					N/A	561	82

Band of Highest Paid Directors Total Remuneration 195-200  
 Median Total Remuneration 28,338  
 Median Total Remuneration Ratio 7.0

195-200  
 28,106  
 7.0

(1) Is beyond the threshold for calculation of CETV and so this is not applicable in the 16/17 year.

# Accountability Report

## Remuneration and Staff Report

Salary is the gross salary paid/payable to the individual. Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The benefits in kind listed above related to leased cars. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

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

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

### Member Contribution Rates (Gross)

Full-time pay	Contribution Gross 16-17
£0-15,000	5.00%
£15,000-21,000	5.6%
£21,000-27,000	7.1%
£27,000-48,000	9.3%
£48,000-71,000	12.5%
£71,000-111,000	13.5%
£111,000 over	14.5%

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

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

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

# Accountability Report

## Remuneration and Staff Report

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

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It 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.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in South Eastern Health and Social Care Trust in the financial year 2016-17 was £195k-£200k (£195k-£200k, 2015-16). This salary includes significant remuneration in respect of Clinical (Non-Director) duties. This was 7.0 times (7.0, 2015-16) the median remuneration of the workforce, which was £28,338 (£28,106, 2015-16).

In 2016-17, 5 employees received remuneration in excess of the highest paid director. Remuneration ranged from £200k to £285k.

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

### STAFF REPORT

#### Staff Costs

	2017		2016	
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	285,130	17,591	302,721	297,626
Social security costs	25,294	0	25,294	18,977
Other pension costs	36,841	0	36,841	34,510
<b>Sub-Total</b>	<b>347,265</b>	<b>17,591</b>	<b>364,856</b>	<b>351,113</b>
Capitalised staff costs	(905)		(905)	(478)
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>346,360</b>	<b>17,591</b>	<b>363,951</b>	<b>350,635</b>
Less recoveries in respect of outward secondments			(3,752)	(3,762)
<b>Total net costs</b>			<b>360,199</b>	<b>346,873</b>
Total Net costs of which:			£000s	£000s
South Eastern HSC Trust			363,951	350,635
Charitable Trust Fund			0	0
Consolidation Adjustments			(130)	(129)
Total			<b>363,821</b>	<b>350,506</b>

Staff Costs exclude £905k charged to capital projects during the year (2016 £478k).

# Accountability Report

## Remuneration and Staff Report

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

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

### Average Number of Persons Employed

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

	2017		2016	
	Permanently employed staff No.	Others No.	Total No.	Restated Total No.
Medical and dental	583	97	680	619
Nursing and midwifery	3,227	63	3,290	3,138
Professions allied to medicine	792	38	830	689
Ancillaries	1,162	11	1,173	1,159
Administrative & clerical	1,338	96	1,434	1,396
Ambulance staff	0	0	0	0
Works	83	0	83	90
Other professional and technical	386	0	386	360
Social services	1,315	95	1,410	1,346
Other			0	0
<b>Total average number of persons employed</b>	<b>8,886</b>	<b>400</b>	<b>9,286</b>	<b>8,797</b>
Less average staff number relating to capitalised staff costs	18		18	10
Less average staff number in respect of outward secondments	75		75	77
<b>Total net average number of persons employed</b>	<b>8,793</b>	<b>400</b>	<b>9,193</b>	<b>8,710</b>

Of which:

South Eastern HSC Trust	9,193	8,710
Charitable Trust Fund	0	0
	<u>9,193</u>	<u>8,710</u>

Others includes inward secondments to the Trust and agency staffing

# Accountability Report

## Remuneration and Staff Report

### Gender Composition of Senior Management

The below table shows the number of persons of each sex who were senior managers in the Trust within 2016-17. Managers have been defined as non-medical staff at band 8c and above (excluding Directors).

Staff Gender Breakdown within South Eastern Health and Social Care Trust 2016-17 Senior Management (excl. Board Members)*	
Female	34
Male	17

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

Exit package cost band	*Number of compulsory		*Number of other departures		Total number of exit packages by cost	
	2017	2016	2017	2016	2017	2016
<£10,000	0	0	0	0	0	0
£10,001 - £25,000	0	0	3	4	3	4
£25,001 - £50,000	0	0	0	7	0	7
£50,001 - £100,000	0	0	0	6	0	6
£100,001- £150,000	0	0	0	2	0	2
£150,001- £200,000	0	0	0	0	0	0
£200,001 - £250,000	0	0	0	0	0	0
£250,001 - £300,000	0	0	0	0	0	0
£300,001 - £350,000	0	0	0	0	0	0
£350,001 - £400,000	0	0	0	0	0	0
<b>Total number of exit packages by type</b>	0	0	3	19	3	19
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Total resource cost</b>	0	0	52	966	52	966

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at note 3.2. Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

# Accountability Report

## Remuneration and Staff Report

### Trust Management Costs

	2017 £000s	2016 £000s
Trust management costs	22,508	21,832
<b>Income:</b>		
RRL	612,794	563,144
Income per Note 4	41,187	39,646
Non cash RRL for movement in clinical negligence provision	(10,083)	(8,665)
Less interest receivable	0	0
<b>Total Income</b>	<b>643,898</b>	<b>594,125</b>
<b>% of total income</b>	<b>3.5%</b>	<b>3.7%</b>

The decrease in management costs reflects the additional income in 2016/17 and greater value of capitalised staff costs within Corporate Services.

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

### Off Payroll Staff Resources

The Trust did not have any 'off- payroll' staff resource engagement as at the 31<sup>st</sup> March 2017 (or 31<sup>st</sup> March 2016) at a cost of over £58,200 per annum.

### Retirements Due to Ill-Health

During 2016/17 there were 22 early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £38k. These costs are borne by the HSC Pension Scheme.

# Accountability Report

## Statement of Losses

### STATEMENT OF LOSSES AND SPECIAL PAYMENTS

#### Losses and Special Payments

Type of loss and special payment	2016-17		2015-16
	Number of	£000	£000
<b>Cash losses</b>			
Cash Losses - Theft, fraud etc	1	0	0
Cash Losses - Overpayments of salaries, wages and allowances	0	0	0
Cash Losses - Other causes	1	0	1
	<b>2</b>	<b>0</b>	<b>1</b>
<b>Claims abandoned</b>			
Waived or abandoned claims	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Administrative write-offs</b>			
Bad debts	51	101	73
Other	1	6	0
	<b>52</b>	<b>107</b>	<b>73</b>
<b>Fruitless payments</b>			
Late Payment of Commercial Debt	4	4	0
Other fruitless payments and constructive losses	1	5	1
	<b>5</b>	<b>9</b>	<b>1</b>
<b>Stores losses</b>			
Losses of accountable stores through any deliberate act	0	0	0
Other stores losses	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Special Payments</b>			
Compensation payments			
- Clinical Negligence	276	4,874	5,472
- Public Liability	14	38	12
- Employers Liability	130	617	262
- Other	9	47	19
	<b>429</b>	<b>5,576</b>	<b>5,765</b>
Ex-gratia payments	22	6	4
Extra contractual	0	0	0
Special severance payments	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>510</b>	<b>5,698</b>	<b>5,844</b>

Two clinical negligence cases settled in excess of £250,000 (including costs) in 2016/17. These cases settled for £3,180,976 and £347,844.

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

# Accountability Report

## Statement of Losses

### Special Payments

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

### Other Payments

There were no other payments made in the year.

### Losses and Special payments over £250,000

Losses and Special Payments over £250,000	Number of Cases	2016-17 £000	2015-16 £000
Cash losses	0	0	0
Claims abandoned	0	0	0
Administrative write-offs	0	0	0
Fruitless payments	0	0	0
Stores losses	0	0	0
Special Payments	2	3,529	3,067
	2	3,529	3,067

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

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



**Hugh McCaughey**  
Date  
Accounting Officer



Date

# Accountability Report

## C&AG Audit Certificates

### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

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

I certify that I have audited the financial statements of the South Eastern Health and Social Care Trust and its group for the year ended 31 March 2017 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise the Consolidated Statements of Comprehensive Net Expenditure, Financial Position, Changes in Taxpayers' Equity, Cash Flows, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and the Assembly Accountability disclosures that are described in those reports as having been audited.

#### **Respective responsibilities of the Board, Accounting Officer and auditor**

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

#### **Scope of the audit of the financial statements**

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

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

#### **Opinion on regularity**

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

# Accountability Report

## C&AG Audit Certificates

### Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of South Eastern Health and Social Care Trust's affairs as at 31 March 2017 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

### Opinion on other matters

In my opinion:

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

### Matters on which I report by exception

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

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

### Report

I have no observations to make on these financial statements.



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

23 June 2017

# Annual Accounts

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**South Eastern Health and Social Care Trust**

**Annual Consolidated Accounts**

**For the year ended 31 March 2017**

# Annual Accounts

## Foreword

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **FOREWORD**

These accounts for the year ended 31 March 2017 have been prepared in accordance with Article 90(2a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

# Annual Accounts

## Primary Statements

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE

For the year ended 31 March 2017

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

	NOTE	2017 £000s		2016 £000s	
		Trust	Consolidated	Trust	Consolidated
<b>Income</b>					
Income from activities	4.1	29,995	29,995	29,205	29,205
Other operating income*	4.2	11,192	11,312	10,441	10,645
Deferred income	4.3	0	0	0	0
<b>Total operating income</b>		<b>41,187</b>	<b>41,307</b>	<b>39,646</b>	<b>39,850</b>
<b>Expenditure</b>					
Staff costs	3	(363,951)	(363,821)	(350,635)	(350,506)
Purchase of goods and services	3	(241,914)	(242,471)	(227,662)	(228,211)
Depreciation, amortisation and impairment charges	3	(36,421)	(36,421)	(15,226)	(15,226)
Provision expense	3	(11,573)	(11,573)	(9,155)	(9,155)
Other expenditures	3	(59)	(59)	(59)	(59)
<b>Total operating expenditure</b>		<b>(653,918)</b>	<b>(654,345)</b>	<b>(602,737)</b>	<b>(603,157)</b>
<b>Net operating expenditure</b>		<b>(612,731)</b>	<b>(613,038)</b>	<b>(563,091)</b>	<b>(563,307)</b>
Finance income	4.2	0	130	0	144
Finance expense	3	(9)	(9)	0	0
<b>Net expenditure for the year</b>		<b>(612,740)</b>	<b>(612,917)</b>	<b>(563,091)</b>	<b>(563,163)</b>
Revenue Resource Limit (RRL)	24.1	612,794	612,794	563,144	563,144
Add back charitable trust fund net expenditure*			177		72
<b>Surplus / (Deficit) against RRL</b>		<b>54</b>	<b>54</b>	<b>53</b>	<b>53</b>

#### OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2017 £000s		2016 £000s	
		Trust	Consolidated	Trust	Consolidated
<b>Items that will not be reclassified to net operating costs:</b>					
Net gain/(loss) on revaluation of property, plant and equipment	5.1/8/5.2/8	7,321	7,321	20,301	20,301
Net gain/(loss) on revaluation of intangibles	6.1/8/6.2/8	0	0	0	0
Net gain/(loss) on revaluation of charitable assets		0	826	0	(275)
<b>Items that may be reclassified to net operating costs:</b>					
Net gain/(loss) on revaluation of investments		0	0	0	0
<b>TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2017</b>		<b>(605,419)</b>	<b>(604,770)</b>	<b>(542,790)</b>	<b>(543,137)</b>

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

The notes on pages 83 to 122 form part of these accounts.

# Annual Accounts Primary Statements

## SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 March 2017

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

	NOTE	2017		2016	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
<b>Non Current Assets</b>					
Property, plant and equipment	5.1/5.2	553,289	553,389	529,910	530,010
Intangible assets	6.1/6.2	6,782	6,782	7,193	7,193
Financial assets	7	0	5,549	0	5,093
Trade and other receivables	12	0	0	0	0
Other current assets	12	0	0	0	0
<b>Total Non Current Assets</b>		<b>560,071</b>	<b>565,720</b>	<b>537,103</b>	<b>542,296</b>
<b>Current Assets</b>					
Assets classified as held for sale	9	379	379	379	379
Inventories	10	2,722	2,722	2,563	2,563
Trade and other receivables	12	18,435	18,455	19,008	19,037
Other current assets	12	1,123	1,123	798	798
Intangible current assets	12	0	0	0	0
Financial assets	7	0	0	0	0
Cash and cash equivalents	11	1,817	2,210	1,999	2,132
<b>Total Current Assets</b>		<b>24,476</b>	<b>24,889</b>	<b>24,747</b>	<b>24,909</b>
<b>Total Assets</b>		<b>584,547</b>	<b>590,609</b>	<b>561,850</b>	<b>567,205</b>
<b>Current Liabilities</b>					
Trade and other payables	13	(82,256)	(82,334)	(66,548)	(66,568)
Other liabilities	13	0	0	0	0
Intangible current liabilities	13	0	0	0	0
Provisions	15	(20,957)	(20,957)	(22,465)	(22,465)
<b>Total Current Liabilities</b>		<b>(103,213)</b>	<b>(103,291)</b>	<b>(89,013)</b>	<b>(89,033)</b>
<b>Total Assets less Current Liabilities</b>		<b>481,334</b>	<b>487,318</b>	<b>472,837</b>	<b>478,172</b>
<b>Non Current Liabilities</b>					
Provisions	15	(25,991)	(25,991)	(19,594)	(19,594)
Other payables > 1 yr	13	0	0	0	0
Financial liabilities	7	0	0	0	0
<b>Total Non Current Liabilities</b>		<b>(25,991)</b>	<b>(25,991)</b>	<b>(19,594)</b>	<b>(19,594)</b>
<b>Total Assets less Total Liabilities</b>		<b>455,343</b>	<b>461,327</b>	<b>453,243</b>	<b>458,578</b>
<b>Taxpayers' Equity and Other Reserves</b>					
Revaluation reserve		95,921	95,921	88,730	88,730
SoCNE reserve		359,422	359,422	364,513	364,513
Other reserves - charitable fund			5,984		5,335
<b>Total equity</b>		<b>455,343</b>	<b>461,327</b>	<b>453,243</b>	<b>458,578</b>

The financial statements on pages 79 to 82 were approved by the Board on 02 June 2017 and were signed on behalf by:-

Signed:



Chairman Date

2/6/17

Signed:



Chief Executive Date

2/06/17

The notes on pages 83 to 122 form part of these Accounts.

# Annual Accounts

## Primary Statements

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31 March 2017

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

	NOTE	2017 £000s	2016 £000s
<b>Cash flows from operating activities</b>			
Net expenditure after interest		(612,917)	(563,163)
Adjustments for non cash costs		48,053	24,440
(Increase)/decrease in trade and other receivables		257	3,417
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant and equipment			
Movements in receivables relating to the sale of intangibles			
Movements in receivables relating to finance leases			
Movements in receivables relating to PFI and other service concession arrangement contracts		0	0
(Increase)/decrease in inventories		(159)	(156)
Increase/(decrease) in trade payables		15,766	13,224
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment		(5,582)	2,659
Movements in payables relating to the purchase of intangibles		0	77
Movements in payables relating to finance leases		0	0
Movements in payables relating to PFI and other service concession arrangement contracts		0	0
Use of provisions	15	(6,684)	(6,135)
<b>Net cash outflow from operating activities</b>		<b>(561,266)</b>	<b>(525,637)</b>
<b>Cash flows from investing activities</b>			
(Purchase of property, plant & equipment)	5	(46,507)	(55,545)
(Purchase of intangible assets)	6	0	0
Proceeds of disposal of property, plant & equipment		21	138
Proceeds on disposal of intangibles		0	0
Proceeds on disposal of assets held for resale		0	0
Drawdown from investment fund		500	500
Share of income reinvested		(130)	(144)
<b>Net cash outflow from investing activities</b>		<b>(46,116)</b>	<b>(55,051)</b>
<b>Cash flows from financing activities</b>			
Grant in aid		607,460	581,100
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements			
<b>Net financing</b>		<b>607,460</b>	<b>581,100</b>
<b>Net increase (decrease) in cash &amp; cash equivalents in the period</b>		<b>78</b>	<b>412</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	11	2,132	1,720
<b>Cash &amp; cash equivalents at the end of the period</b>	11	2,210	2,132

The notes on pages 83 to 122 form part of these accounts.

# Annual Accounts

## Primary Statements

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY For the year ended 31 March 2017

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

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
<b>Balance at 31 March 2015</b>		<b>346,287</b>	<b>68,587</b>	<b>5,682</b>	<b>420,556</b>
<b>Changes in Taxpayers Equity 2015-16</b>					
Grant from DoH		581,100	0	0	<b>581,100</b>
Transfers between reserves		158	(158)	0	<b>0</b>
(Comprehensive expenditure for the year)		(563,091)	20,301	(347)	<b>(543,137)</b>
Transfer of asset ownership		0	0	0	<b>0</b>
Non cash charges - auditors remuneration	3	59	0	0	<b>59</b>
Movement - other		0	0	0	<b>0</b>
<b>Balance at 31 March 2016</b>		<b>364,513</b>	<b>88,730</b>	<b>5,335</b>	<b>458,578</b>
<b>Changes in Taxpayers Equity 2016-17</b>					
Grant from DoH		607,460	0	0	<b>607,460</b>
Transfers between reserves		130	(130)	0	<b>0</b>
(Comprehensive expenditure for the year)		(612,740)	7,321	649	<b>(604,770)</b>
Transfer of asset ownership		0	0	0	<b>0</b>
Non cash charges - auditors remuneration	3	59	0	0	<b>59</b>
<b>Balance at 31 March 2017</b>		<b>359,422</b>	<b>95,921</b>	<b>5,984</b>	<b>461,327</b>

The notes on pages 83 to 122 form part of these accounts.

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017 NOTE 1 STATEMENT OF ACCOUNTING POLICIES

##### 1. Authority

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

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

##### 1.1 Accounting Convention

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

##### 1.2 Currency and Rounding

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

##### 1.3 Property, Plant and Equipment

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

##### Recognition

Property, plant and equipment must be capitalised if:

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

# Annual Accounts

## Notes to the Accounts

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purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

### **Valuation of Land and Buildings**

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

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

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

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

Fair values are determined as follows:

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

### **Modern Equivalent Asset**

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

# Annual Accounts

## Notes to the Accounts

### Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

### Short Life Assets

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

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

### Revaluation Reserve

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

## 1.4 Depreciation

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

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

Asset Type	Asset Life
Freehold Buildings	25 – 60 years
Leasehold property	Remaining period of lease
IT Assets	3 – 10 years
Intangible assets	3 – 10 years
Other Equipment	3 – 25 years

# Annual Accounts

## Notes to the Accounts

### 1.5 Impairment Loss

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

### 1.6 Subsequent Expenditure

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

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

### 1.7 Intangible Assets

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

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

# Annual Accounts

## Notes to the Accounts

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### Recognition

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

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

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

### 1.8 Donated Assets

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

### 1.9 Non-current Assets Held For Sale

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

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

# Annual Accounts

## Notes to the Accounts

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

### 1.10 Inventories

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

### 1.11 Income

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

#### Grant in aid

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

### 1.12 Investments

The Trust does not have any investments.

### 1.13 Other Expenses

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

### 1.14 Cash and Cash Equivalents

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

### 1.15 Leases

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

#### The Trust as lessee

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

# Annual Accounts

## Notes to the Accounts

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

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

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

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

### The Trust as lessor

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

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

### **1.16 Private Finance Initiative (PFI) Transactions.**

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

### **1.17 Financial Instruments**

- Financial Assets

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

Financial assets are initially recognised at fair value.

- Financial Liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument

# Annual Accounts

## Notes to the Accounts

or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

- Financial Risk Management

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

- Currency Risk

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

- Interest Rate Risk

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

- Credit Risk

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

- Liquidity Risk

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

### 1.18 Provisions

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

# Annual Accounts

## Notes to the Accounts

carrying amount is the present value of those cash flows using DFP's discount rate. The rates for General Provision (covering provisions such as clinical negligence) are:

- short term (up to and including 5 years) (minus) – 2.7%
- medium term (after 5 and up to 10 years) (minus) – 1.95%
- long term (10 years and over) Plus -0.80%

The other main discount factor, which is only for Unfunded Public Service Pension Schemes and Early Departure Costs, is + 0.24% in real terms (previous year was + 1.37%).

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

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

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

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

### 1.19 Contingencies

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

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

# Annual Accounts

## Notes to the Accounts

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

### 1.20 Employee Benefits

#### Short-term Employee Benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using average staff numbers and costs applied to the average untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2017. It is not anticipated that the level of untaken leave will vary significantly from year to year. Untaken flexi leave is estimated to be immaterial to the Trust and has not been included.

#### Retirement Benefit Costs

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

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

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

### 1.21 Reserves

#### Statement of Comprehensive Net Expenditure Reserve

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

#### Revaluation Reserve

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

# Annual Accounts

## Notes to the Accounts

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### 1.22 Value Added Tax

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

### 1.23 Third Party Assets

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

### 1.24 Government Grants

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

### 1.25 Losses and Special Payments

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

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

### 1.26 Charitable Trust Account Consolidation

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

All funds have been used by South Eastern Health and Social Care Trust as

# Annual Accounts

## Notes to the Accounts

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intended by the benefactor. It is for the Gifts and Endowments/Charitable Trust Fund Committee within Trusts to manage the internal disbursements. The committee ensures that charitable donations received by the Trust are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Departmental guidance and legislation. All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor. Charitable Trust Funds Accounts continue to be prepared and laid separately before the Assembly.

### **1.27 Accounting Standards That Have Been Issued But Have Not Yet Been Adopted**

The IASB 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 ONS control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2020-21, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

### **1.28 Impact of implementation of ESA 2010 on research and development expenditure**

Following the introduction of the 2010 European System of Accounts (ESA10), there has been a change in the budgeting treatment (a change from the revenue budget to the capital budget) of research and development (R&D) expenditure. In order to reflect this new treatment which was implemented from 2016/17, additional disclosures have been included in the notes to the accounts (Note 24.1 and Note 24.2)

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### ANALYSIS OF NET EXPENDITURE BY SEGMENT

#### NOTE 2

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

All expenditure figures should be negatives e.g. non cash expenditure/total expenditure/net expenditure and then the final surplus/deficit figures would be the addition of the negative Net Spend figure and the positive Revenue Resource limit figure thereby arriving at 54k surplus this year and 53k surplus last year.

<u>Directorate</u>	Staff Costs £000s	2017 Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	2016 Other Expenditure £000s	Total Expenditure £000s
Hospital Services	(161,285)	(49,525)	(210,810)	(149,185)	(46,559)	(195,744)
Adult Services	(45,314)	(47,865)	(93,179)	(43,411)	(44,833)	(88,244)
Children's Services & Social Work	(39,091)	(25,713)	(64,804)	(37,584)	(22,176)	(59,760)
Primary & Elederly Services	(73,014)	(95,010)	(168,024)	(68,339)	(91,302)	(159,641)
Support Services & Other Trust Directorates	(39,786)	(22,099)	(61,885)	(38,434)	(20,995)	(59,429)
Unallocated Expenditure	(5,461)	(1,711)	(7,172)	(13,682)	(1,797)	(15,479)
<b>Expenditure for Reportable Segments net of Non Cash Expenditure</b>	<b>(363,951)</b>	<b>(241,923)</b>	<b>(605,874)</b>	<b>(350,635)</b>	<b>(227,662)</b>	<b>(578,297)</b>
<b>Non Cash Expenditure</b>			<b>(48,053)</b>			<b>(24,440)</b>
<b>Total Expenditure per Net Expenditure Account</b>			<b>(653,927)</b>			<b>(602,737)</b>
<b>Income Note 4</b>			<b>41,187</b>			<b>39,646</b>
<b>Net Expenditure</b>			<b>(612,740)</b>			<b>(563,091)</b>
<b>Revenue Resource Limit</b>			<b>612,794</b>			<b>563,144</b>
<b>Surplus / (Deficit) against RRL</b>			<b>54</b>			<b>53</b>

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### NOTE 3 OPERATING EXPENSES

	2017		2016	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
<b>Operating Expenses are as follows:-</b>				
Staff costs <sup>1</sup> :				
Wages and salaries	301,816	301,686	297,148	297,019
Social security costs	25,294	25,294	18,977	18,977
Other pension costs	36,841	36,841	34,510	34,510
Purchase of care from non-HPSS bodies	126,992	126,992	117,980	117,980
Revenue grants to voluntary organisations	11,540	11,540	11,723	11,723
Capital grants to voluntary organisations	0	0	0	0
Personal social services	12,200	12,200	9,684	9,684
Recharges from other HSC organisations	7,758	7,758	7,629	7,629
Supplies and services - Clinical	36,888	36,888	35,891	35,891
Supplies and services - General	5,793	5,793	5,651	5,651
Establishment	8,715	8,715	8,058	8,058
Transport	1,867	1,867	1,736	1,736
Premises	16,568	16,568	15,608	15,608
Bad debts	527	527	342	342
Rentals under operating leases	1,224	1,224	1,225	1,225
Rentals under finance leases	0	0	0	0
Finance cost of finance leases	0	0	0	0
Interest charges	9	9	0	0
PFI and other service concession arrangements service charges	0	0	0	0
Research & development expenditure	65	65	99	99
Clinical negligence - other expenditure	0	0	0	0
BSO services	4,136	4,136	3,973	3,973
Training	917	917	831	831
Professional fees	0	0	0	0
Patients travelling expenses	134	134	141	141
Costs of exit packages provided for	42	42	879	879
Elective care	0	0	0	0
Other charitable expenditure	0	557	0	549
Miscellaneous expenditure	6,548	6,548	6,212	6,212
<b>Non cash items</b>				
Depreciation	25,808	25,808	21,078	21,078
Amortisation	2,059	2,059	1,888	1,888
Impairments	8,451	8,451	(7,784)	(7,784)
(Profit) on disposal of property, plant & equipment (excluding profit on land)	103	103	44	44
(Profit) on disposal of intangibles	0	0	0	0
Loss on disposal of property, plant & equipment (including land)	0	0	0	0
Loss on disposal of intangibles		0		0
Provisions provided for in year	12,126	12,126	9,657	9,657
Cost of borrowing of provisions (unwinding of discount on provisions)	(553)	(553)	(502)	(502)
Auditors remuneration	59	64	59	64
Add back of notional charitable expenditure	0	(5)	0	(5)
<b>Total</b>	<b>653,927</b>	<b>654,354</b>	<b>602,737</b>	<b>603,157</b>

<sup>1</sup> Further detailed analysis of staff costs is located in the Staff Report on page 68 within the Accountability Report.

During the year the Trust purchased services in respect of NFI from its external auditor at a cost of £2,762.

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 4 INCOME

4.1 Income from Activities	2017		2016	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
GB/Republic of Ireland Health Authorities	0	0	0	0
HSC Trusts	4	4	11	11
Non-HSC:- Private patients	295	295	304	304
Non-HSC:- Other	1,017	1,017	722	722
Clients contributions	28,679	28,679	28,168	28,168
<b>Total</b>	<b>29,995</b>	<b>29,995</b>	<b>29,205</b>	<b>29,205</b>

4.2 Other Operating Income	2017		2016	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Other income from non-patient services	7,069	7,069	6,406	6,406
Seconded staff	3,752	3,622	3,762	3,633
Charitable and other contributions to expenditure by core trust	53	53	5	5
Donations / Government grant / Lottery funding for non current assets	161	161	76	76
Charitable income received by charitable trust fund	0	250	0	333
Investment income	0	130	0	144
Research and development	157	157	192	192
Profit on disposal of land	0	0	0	0
Interest receivable	0	0	0	0
<b>Total</b>	<b>11,192</b>	<b>11,442</b>	<b>10,441</b>	<b>10,789</b>

4.3 Deferred income	2017		2016	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Research and development income released	0	0	0	0
Income released from conditional grants	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>TOTAL INCOME</b>	<b>41,187</b>	<b>41,437</b>	<b>39,646</b>	<b>39,994</b>
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# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 5.1 Consolidated Property, Plant & Equipment - year ended 31 March 2017

Cost or Valuation	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
At 1 April 2016	44,603	312,476	35,282	114,757	61,229	5,733	34,670	4,505	613,255
Indexation	301	6,328	781	0	1,291	105	0	0	8,806
Additions	8	2,943	414	30,205	10,964	339	5,235	170	50,278
Donations / Government grant / Lottery funding	0	0	0	0	161	0	0	0	161
Reclassifications	0	110,620	119	(110,797)	53	0	0	6	1
Transfers	0	(429)	0	0	0	0	0	0	(429)
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	(11,285)	0	0	0	0	0	0	(11,285)
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	1,904	898	43	0	51	0	0	0	2,896
Disposals	0	(135)	0	0	(1,799)	(338)	(4)	(174)	(2,450)
At 31 March 2017	<b>46,816</b>	<b>421,416</b>	<b>36,639</b>	<b>34,165</b>	<b>71,950</b>	<b>5,839</b>	<b>39,901</b>	<b>4,507</b>	<b>661,233</b>
<b>Depreciation</b>									
At 1 April 2016	0	11,898	1,398	0	38,828	2,416	25,483	3,222	83,245
Indexation	0	511	45	0	878	51	0	0	1,485
Reclassifications	0	(4)	0	0	4	0	0	0	0
Transfers	0	(370)	(60)	0	0	0	0	0	(430)
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Reversal of impairments (indexn)	0	59	2	0	1	0	0	0	62
Disposals	0	(15)	935	0	(1,796)	(338)	(4)	(173)	(2,326)
Provided during the year	0	15,545	0	0	4,679	719	3,617	313	25,808
At 31 March 2017	<b>0</b>	<b>27,624</b>	<b>2,320</b>	<b>0</b>	<b>42,594</b>	<b>2,848</b>	<b>29,096</b>	<b>3,362</b>	<b>107,844</b>
<b>Carrying Amount</b>									
At 31 March 2017	<b>46,816</b>	<b>393,792</b>	<b>34,319</b>	<b>34,165</b>	<b>29,356</b>	<b>2,991</b>	<b>10,805</b>	<b>1,145</b>	<b>553,389</b>
At 31 March 2016	<b>44,603</b>	<b>300,578</b>	<b>33,884</b>	<b>114,757</b>	<b>22,401</b>	<b>3,317</b>	<b>9,187</b>	<b>1,283</b>	<b>530,010</b>
<b>Asset financing</b>									
Owned	46,816	393,792	34,319	34,165	29,356	2,991	10,805	1,145	553,389
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 31 March 2017	<b>46,816</b>	<b>393,792</b>	<b>34,319</b>	<b>34,165</b>	<b>29,356</b>	<b>2,991</b>	<b>10,805</b>	<b>1,145</b>	<b>553,389</b>
Of which:									
Trust	46,716	393,792	34,319	34,165	29,356	2,991	10,805	1,145	553,289
Charitable Trust fund	100	0	0	0	0	0	0	0	100

The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure in respect of assets held under finance leases and hire purchase contracts is £0 (2016 £0)

	2017 £000s	2016 £000s
Donations	161	76
Government grant	0	0
Lottery funding	0	0

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## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017 NOTE 5.2 Consolidated Property, Plant & Equipment - year ended 31 March 2016

	Land £000s	Buildings (excluding dwellings) £000s	Dwellings £000s	Assets under Construction £000s	Plant and Machinery (Equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Furniture and Fittings £000s	Total £000s
<b>Cost or Valuation</b>									
At 1 April 2015	42,490	283,855	33,554	73,463	58,065	5,113	32,774	4,511	533,825
Indexation	287	17,836	2,518	0	696	31	0	23	21,391
Additions	0	1,731	646	45,120	1,264	638	1,896	19	51,314
Donations / Government grant / Lottery funding	0	0	0	0	76	0	0	0	76
Reclassifications	0	1,852	(1,698)	(156)	0	0	0	2	0
Transfers	0	673	(67)	(3,670)	3,114	0	0	(50)	0
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	0	0
Revaluation	0	(872)	0	0	(663)	0	0	0	(1,535)
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	7,401	329	0	0	0	0	0	9,556
Reversal of impairments (indexn)	0	0	0	0	(1,323)	(49)	0	0	(1,372)
Disposals	0	0	0	0	0	0	0	0	0
<b>At 31 March 2016</b>	<b>44,603</b>	<b>312,476</b>	<b>35,282</b>	<b>114,757</b>	<b>61,229</b>	<b>5,733</b>	<b>34,670</b>	<b>4,505</b>	<b>613,255</b>
<b>Depreciation</b>									
At 1 April 2015	0	2,142	405	0	33,570	1,791	21,412	2,870	62,190
Indexation	0	544	83	0	433	14	0	16	1,090
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation exercise accumulated depreciation adjustment	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	226	11	0	0	0	0	0	237
Reversal of impairments (indexn)	0	0	0	0	(1,305)	(45)	0	0	(1,350)
Disposals	0	8,986	899	0	6,130	656	4,071	336	21,078
Provided during the year	0	11,898	1,398	0	38,828	2,416	25,483	3,222	83,245
<b>At 31 March 2016</b>	<b>0</b>	<b>11,898</b>	<b>1,398</b>	<b>0</b>	<b>38,828</b>	<b>2,416</b>	<b>25,483</b>	<b>3,222</b>	<b>83,245</b>
<b>Carrying Amount</b>									
At 31 March 2016	<b>44,603</b>	<b>300,578</b>	<b>33,884</b>	<b>114,757</b>	<b>22,401</b>	<b>3,317</b>	<b>9,187</b>	<b>1,283</b>	<b>530,010</b>
<b>Asset financing</b>									
Owned	44,603	300,578	33,884	114,757	22,401	3,317	9,187	1,283	530,010
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 31 March 2016	<b>44,603</b>	<b>300,578</b>	<b>33,884</b>	<b>114,757</b>	<b>22,401</b>	<b>3,317</b>	<b>9,187</b>	<b>1,283</b>	<b>530,010</b>
<b>Asset financing</b>									
Owned	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 1 April 2015	<b>42,490</b>	<b>281,713</b>	<b>33,149</b>	<b>73,463</b>	<b>24,495</b>	<b>3,322</b>	<b>11,362</b>	<b>1,641</b>	<b>471,635</b>
<b>Carrying amount comprises:</b>									
Trust at 31 March 2017	46,716	393,792	34,319	34,165	29,356	2,991	10,805	1,145	553,289
Charitable Trust Fund at 31 March 2017	100	0	0	0	0	0	0	0	100
Trust at 31 March 2016	44,503	300,578	33,884	114,757	22,401	3,317	9,187	1,283	529,910
Charitable Trust Fund at 31 March 2016	100	0	0	0	0	0	0	0	100
Trust at 31 March 2015	42,390	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,535
Charitable Trust Fund at 31 March 2015	100	0	0	0	0	0	0	0	100
Trust at 31 March 2016	42,490	281,713	33,149	73,463	24,495	3,322	11,362	1,641	471,635
Charitable Trust Fund at 31 March 2016	100	0	0	0	0	0	0	0	100

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## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 6.1 Consolidated Intangible Assets - year ended 31 March 2017

	Software Licences £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
<b>Cost or Valuation</b>									
At 1 April 2016	11,203	0	0	0	0	0	0	0	11,203
Indexation	0	0	0	0	0	0	0	0	0
Additions	1,648	0	0	0	0	0	0	0	1,648
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(57)	0	0	0	0	0	0	0	(57)
<b>At 31 March 2017</b>	<b>12,794</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,794</b>
<b>Amortisation</b>									
At 1 April 2016	4,010	0	0	0	0	0	0	0	4,010
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	(57)	0	0	0	0	0	0	0	(57)
Provided during the year	2,059	0	0	0	0	0	0	0	2,059
<b>At 31 March 2017</b>	<b>6,012</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,012</b>
<b>Carrying Amount</b>									
At 31 March 2017	<b>6,782</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,782</b>
At 31 March 2016	<b>7,193</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,193</b>
<b>Asset financing</b>									
Owned	6,782	0	0	0	0	0	0	0	6,782
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 31 March 2017	<b>6,782</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,782</b>

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

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

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## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 6.2 Consolidated Intangibles Assets - year ended 31 March 2016

Cost or Valuation	Software Licenses £000s	Information Technology £000s	Websites £000s	Development Expenditure £000s	Licences, Trademarks & Artistic Originals £000s	Patents £000s	Goodwill £000s	Payments on Account & Assets under Construction £000s	Total £000s
At 1 April 2015	9,784	0	0	0	0	0	0	0	9,784
Indexation	0	0	0	0	0	0	0	0	0
Additions	1,419	0	0	0	0	0	0	0	1,419
Donations / Government grant / Lottery funding	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
At 31 March 2016	<b>11,203</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,203</b>
<b>Amortisation</b>									
At 1 April 2015	2,122	0	0	0	0	0	0	0	2,122
Indexation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Provided during the year	1,888	0	0	0	0	0	0	0	1,888
At 31 March 2016	<b>4,010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,010</b>
<b>Carrying Amount</b>									
At 31 March 2016	<b>7,193</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,193</b>
At 1 April 2015	<b>7,662</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,662</b>
<b>Asset financing</b>									
Owned	7,193	0	0	0	0	0	0	0	7,193
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 31 March 2016	<b>7,193</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,193</b>
<b>Asset financing</b>									
Owned	7,662	0	0	0	0	0	0	0	7,662
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
<b>Carrying Amount</b>									
At 1 April 2015	<b>7,662</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,662</b>
<b>Carrying amount comprises:</b>									
Trust at 31 March 2017	6,782	0	0	0	0	0	0	0	6,782
Charitable Trust Fund at 31 March 2017	0	0	0	0	0	0	0	0	0
At 1 April 2015	6,782	0	0	0	0	0	0	0	6,782
Trust at 31 March 2016	7,193	0	0	0	0	0	0	0	7,193
Charitable Trust Fund at 31 March 2016	0	0	0	0	0	0	0	0	0
At 1 April 2015	7,193	0	0	0	0	0	0	0	7,193
Trust at 31 March 2015	7,662	0	0	0	0	0	0	0	7,662
Charitable Trust Fund at 31 March 2015	0	0	0	0	0	0	0	0	0
At 1 April 2015	7,662	0	0	0	0	0	0	0	7,662

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## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 7 FINANCIAL INSTRUMENTS

##### NOTE 7 Financial Instruments

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

	2017			2016		
	Investments £000s	Assets £000s	Liabilities £000s	Investments £000s	Assets £000s	Liabilities £000s
Balance at 1 April	5,093	0	0	5,724	0	0
Net cash inflow/(outflow)	(500)	0	0	(500)	0	0
Share of income	130	0	0	144	0	0
Share of realised gains/(losses)	33	0	0	(41)	0	0
Share of unrealised gains/(losses)	793	0	0	(234)	0	0
Balance at 31 March	<u>5,549</u>	<u>0</u>	<u>0</u>	<u>5,093</u>	<u>0</u>	<u>0</u>
Trust	0	0	0	0	0	0
Charitable trust fund	5,549	0	0	5,093	0	0
	<u>5,549</u>	<u>0</u>	<u>0</u>	<u>5,093</u>	<u>0</u>	<u>0</u>

##### NOTE 7.1 Market value of investments as at 31 March 2017

	Held in UK £000s	Held outside UK £000s	2017 Total £000s	2016 Total £000s
Investment properties	0	0	0	0
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF	5,549	0	5,549	5,093
Investments in a Common Deposit Fund or Investment Fund	0	0	0	0
Unlisted securities	0	0	0	0
Cash held as part of the investment	0	0	0	0
Investments in connected bodies	0	0	0	0
Other investments	0	0	0	0
	0	0	0	0
<b>Total market value of fixed asset investments</b>	<u>5,549</u>	<u>0</u>	<u>5,549</u>	<u>5,093</u>

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 8 IMPAIRMENTS

	2017		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	11,285	0	11,285
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	0	0	0
Reversal of impairment	(2,834)	0	(2,834)
Reversal of impairment into revaluation reserve	0	0	0
<b>Impairments charged / (credited) to Statement of Comprehensive Net Expenditure</b>	<b>8,451</b>	<b>0</b>	<b>8,451</b>
	2016		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Total value of impairments for the period	1,535	0	1,535
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	0	0	0
Reversal of impairment	(9,319)	0	(9,319)
Reversal of impairment into revaluation reserve	0	0	0
<b>Impairments charged / (credited) to Statement of Comprehensive Net Expenditure</b>	<b>(7,784)</b>	<b>0</b>	<b>(7,784)</b>

Any fall in value through negative indexation or revaluation is shown as an impairment. The reversal of impairment of £2.833m for 2016-17 relates to Indexation increases applied to Land and Buildings. This is per guidance from the Department of Health. Indices are provided by Land and Property Services (LPS) as detailed in Note 1.3. Impairment of £11.285m relates to the cost impairment of the Inpatient Ward Block at the Ulster Hospital following LPS valuation.

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2017 £000s	2016 £000s	2017 £000s	2016 £000s	2017 £000s	2016 £000s
<b>Cost</b>						
At 1 April	380	415	(1)	124	379	539
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0
(Disposals)	0	(35)	0	(125)	0	(160)
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	<b>380</b>	<b>380</b>	<b>(1)</b>	<b>(1)</b>	<b>379</b>	<b>379</b>
<b>Depreciation</b>						
At 1 April	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0
(Disposals)	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at 31 March</b>	<b>380</b>	<b>380</b>	<b>(1)</b>	<b>(1)</b>	<b>379</b>	<b>379</b>

At 31 March 2017 Non-Current Assets Held for resale comprise  
 Fields 21, 22, 23 & 24, Ardglass Road, Downpatrick (37-38 acres)  
 Seymour House, Dunmurry Belfast

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 10 INVENTORIES

Classification	2017 £000s		2016 £000s	
	Trust	Consolidated	Trust	Consolidated
Pharmacy supplies	1,597	1,597	1,449	1,449
Theatre equipment	533	533	606	606
Building & engineering supplies	73	73	73	73
Fuel	212	212	122	122
Community care appliances	0	0	0	0
Laboratory materials	177	177	178	178
Stationery	0	0	0	0
Laundry	37	37	32	32
X-Ray	54	54	83	83
Stock held for resale	5	5	6	6
Orthopaedic equipment	34	34	14	14
Heat, light and power	0	0	0	0
Other	0	0	0	0
<b>Total</b>	<b>2,722</b>	<b>2,722</b>	<b>2,563</b>	<b>2,563</b>

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 11 CASH AND CASH EQUIVALENTS

	2017 £000s		2016 £000s	
	Core Trust	Consolidated	Core Trust	Consolidated
Balance at 1st April	1,999	2,132	1,457	1,720
Net change in cash and cash equivalents	(182)	78	542	412
<b>Balance at 31st March</b>	<b>1,817</b>	<b>2,210</b>	<b>1,999</b>	<b>2,132</b>

	2017 £000s		2016 £000s	
	Core Trust	Consolidated	Core Trust	Consolidated
<b>The following balances at 31 March were held at</b>				
Commercial banks and cash in hand	1,817	2,210	1,999	2,132
<b>Balance at 31st March</b>	<b>1,817</b>	<b>2,210</b>	<b>1,999</b>	<b>2,132</b>

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### NOTE 12 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2017 £000s		2016 £000s	
	Trust	Consolidated	Trust	Consolidated
<b>Amounts falling due within one year</b>				
Trade receivables	888	888	1,364	1,364
Deposits and advances	1	1	7	7
VAT receivable	6,234	6,234	4,555	4,566
Other receivables - not relating to fixed assets	11,312	11,332	13,082	13,100
Other receivables - relating to property plant and equipment	0	0	0	0
Other receivables - relating to intangibles	0	0	0	0
<b>Trade and other receivables</b>	<b>18,435</b>	<b>18,455</b>	<b>19,008</b>	<b>19,037</b>
Prepayments and accrued income	1,123	1,123	798	798
Current part of PFI and other service concession arrangements prepayment	0	0	0	0
<b>Other current assets</b>	<b>1,123</b>	<b>1,123</b>	<b>798</b>	<b>798</b>
Carbon reduction commitment	0	0	0	0
<b>Intangible current assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Amounts falling due after more than one year</b>				
Trade receivables	0	0	0	0
Deposits and advances	0	0	0	0
Other receivables	0	0	0	0
<b>Trade and other receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Prepayments and accrued income	0	0	0	0
<b>Other current assets falling due after more than one year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>18,435</b>	<b>18,455</b>	<b>19,008</b>	<b>19,037</b>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>1,123</b>	<b>1,123</b>	<b>798</b>	<b>798</b>
<b>TOTAL INTANGIBLE CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RECEIVABLES AND OTHER CURRENT ASSETS</b>	<b>19,558</b>	<b>19,578</b>	<b>19,806</b>	<b>19,835</b>

The balances are net of a provision for bad debts of £2,320k (2016 £1,793k)

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

##### 13.1 Trade payables and other current liabilities

	2017		2016	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
<b>Amounts falling due within one year</b>				
Other taxation and social security	11,952	11,952	11,459	11,459
VAT payable	0	0	0	0
Bank overdraft	0	0	0	0
Trade capital payables - property, plant and equipment	14,673	14,673	9,091	9,091
Trade capital payables - intangibles	0	0	0	0
Trade revenue payables	12,807	12,807	15,859	15,859
Payroll payables	8,644	8,644	4,168	4,168
Clinical negligence payables	780	780	760	760
VER payables	524	524	749	749
BSO payables	2,523	2,523	2,974	2,974
Other payables	5,153	5,231	4,814	4,834
Accruals and deferred income	25,200	25,200	16,674	16,674
Accruals and deferred income - relating to property, plant and equipment	0	0	0	0
Accruals and deferred income - relating to intangibles	0	0	0	0
<b>Trade and other payables</b>	<b>82,256</b>	<b>82,334</b>	<b>66,548</b>	<b>66,568</b>
Current part of finance leases	0	0	0	0
Current part of long term loans	0	0	0	0
Current part of imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0
<b>Other current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Carbon reduction commitment	0	0	0	0
<b>Intangible current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total payables falling due within one year</b>	<b>82,256</b>	<b>82,334</b>	<b>66,548</b>	<b>66,568</b>
<b>Amounts falling due after more than one year</b>				
Other payables, accruals and deferred income	0	0	0	0
Trade and other payables	0	0	0	0
Clinical negligence payables	0	0	0	0
Finance leases	0	0	0	0
Imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	0	0	0	0
Long term loans	0	0	0	0
<b>Total non current other payables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<b>82,256</b>	<b>82,334</b>	<b>66,548</b>	<b>66,568</b>

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

#### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017** **NOTE 13 TRADE PAYABLES AND OTHER CURRENT LIABILITIES**

##### **13.2 LOANS**

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

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 14 PROMPT PAYMENT POLICY

##### 14.1 Public Sector Payment Policy - Measure of Compliance

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

	2017 Number	2017 Value £000s	2016 Number	2016 Value £000s
Total bills paid	240,033	333,260	220,544	308,590
Total bills paid within 30 days of receipt of an undisputed invoice*	221,289	310,761	202,253	289,477
% of bills paid within 30 days of receipt of an undisputed invoice	<b>92.2%</b>	<b>93.2%</b>	<b>91.7%</b>	<b>93.8%</b>
Total bills paid within 10 day target	191,822	270,974	179,952	268,396
% of bills paid within 10 day target	<b>79.9%</b>	<b>81.3%</b>	<b>81.6%</b>	<b>87.0%</b>

##### 14.2 The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	240

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

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

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

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2017

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2017 £000s
Balance at 1 April 2016	0	6,241	33,974	0	1,844	42,059
Provided in year	0	987	15,298	0	905	17,190
(Provisions not required written back)	0	(104)	(4,624)	0	(336)	(5,064)
(Provisions utilised in the year)	0	(363)	(5,619)	0	(702)	(6,684)
Cost of borrowing (unwinding of discount)	0	84	(591)	0	(46)	(553)
<b>At 31 March 2017</b>	<b>0</b>	<b>6,845</b>	<b>38,438</b>	<b>0</b>	<b>1,665</b>	<b>46,948</b>

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

#### Comprehensive Net Expenditure Account charges

	2017 £000s	2016 £'000
Arising during the year	17,190	12,480
Reversed unused	(5,064)	(2,823)
Cost of borrowing (unwinding of discount)	(553)	(502)
<b>Total charge within Operating expenses</b>	<b>11,573</b>	<b>9,155</b>

#### Analysis of expected timing of discounted flows

	Pensions relating to former directors £000s	Pensions relating to other staff £000s	Clinical negligence £000s	CSR restructuring £000s	Other £000s	2017 £000s
Not later than one year	0	363	18,962	0	1,632	20,957
Later than one year and not later than five years	0	1,451	9,544	0	31	11,026
Later than five years	0	5,034	9,931	0	0	14,965
<b>At 31 March 2017</b>	<b>0</b>	<b>6,848</b>	<b>38,437</b>	<b>0</b>	<b>1,663</b>	<b>46,948</b>

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

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2016

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

##### Analysis of expected timing of discounted flows

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

# Annual Accounts

## Notes to the Accounts

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### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 16 CAPITAL COMMITMENTS

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

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Property, plant & equipment	86,060	110,475
Intangible assets	0	0
	<u>86,060</u>	<u>110,475</u>

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 17 COMMITMENTS UNDER LEASES

###### 17.1 Operating Leases

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

	2017 £000s	2016 £000s
<b>Obligations under operating leases comprise</b>		
<b>Land</b>		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<b>0</b>	<b>0</b>
<b>Buildings</b>		
Not later than 1 year	165	181
Later than 1 year and not later than 5 years	64	195
Later than 5 years	0	1
	<b>229</b>	<b>377</b>
<b>Other</b>		
Not later than 1 year	936	937
Later than 1 year and not later than 5 years	636	1,572
Later than 5 years	0	0
	<b>1,572</b>	<b>2,509</b>

###### 17.2 Finance Leases

The Trust does not have any finance leases at either 31 March 2017 or 31 March 2016.

###### 17.3 Operating Leases

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

	2017 £000s	2016 £000s
<b>Obligations under operating leases issued by the Trust comprise</b>		
<b>Land &amp; Buildings</b>		
Not later than 1 year	47	52
Later than 1 year and not later than 5 years	35	55
Later than 5 years	0	0
	<b>82</b>	<b>107</b>
<b>Other</b>		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	<b>0</b>	<b>0</b>

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **NOTE 18 COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS**

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

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

##### **18.2 On balance sheet (SoFP) PFI Schemes**

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

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **NOTE 19 OTHER FINANCIAL COMMITMENTS**

The Trust did not have any other financial commitments at either 31 March 2017 or 31 March 2016.

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **NOTE 20 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT**

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

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

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## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 21 CONTINGENT LIABILITIES

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

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Clinical negligence	2,995	3,335
Public liability	18	0
Employers' liability	94	21
Accrued leave	0	0
Injury benefit	0	0
Other	2	0
Total	<b>3,109</b>	<b>3,356</b>

A new discount rate which courts must consider when awarding compensation for future financial losses in the form of a lump sum in personal injury cases came into effect in England and Wales on 20 March 2017. The Department of Justice has power to prescribe the discount rate for Northern Ireland (in consultation with the Government Actuary and Department of Finance). The discount rate is under active consideration by the Department but will require Ministerial consideration once a Minister is in post and any change would require secondary legislation. As such, it has not been possible at this time to quantify the potential impact on SEHSCT of any change in the discount rate.

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

#### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

##### **NOTE 22 Related Party Transactions**

The South Eastern Health and Social Care Trust is an arm's length body of the Department of Health and as such the Department is a related Party and the ultimate controlling parent with which the Trust has had various material transactions during the year. The Trust has received income during the year of £607 million (£578million 2015/16). During the year the Trust has had a number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent. These entities include the Health and Social Care Board, the other five HSC Trusts and the Business Services Organisation.

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

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

Mr Neil Guckian, Director of Finance and Estates, is the brother of the Chairman of the Western Health and Social Care Trust. His brother resigned from that position on the 31<sup>st</sup> July 2017. During the 2016/17 financial year the Trust entered into £42k (£58k 2015/16) of material transactions for goods and services received from the Western Trust. The Trust also entered into £6k (£44k 2015/16) of material transactions for goods and services provided to the Western Trust. At 31 March 2017, the Trust owed £11k (£18k 2015/16) to the Western Health and Social Care Trust and was owed £0k (£5k 2015/16) by the same Trust.

##### **NOTE 23 THIRD PARTY ASSETS**

The Trust held £3,981,238 cash at bank and in hand at 31/3/17 (page 127) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand amounts reported in the accounts. A separate audited account of these monies is maintained by the Trust.

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### NOTE 24 FINANCIAL PERFORMANCE TARGETS

##### 24.1 Revenue Resource Limit

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

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

	2017 Total £000s	2016 Total £000s
HSCB	552,030	526,686
PHA	3,940	3,861
SUMDE & NIMDTA	7,495	7,330
DoH ( excludes non cash)	950	903
Other Government Departments	0	0
Non cash RRL (from DHSSPS)	48,053	24,440
<b>Total agreed RRL</b>	<b>612,468</b>	<b>563,220</b>
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	(161)	(76)
Adjustment for PFI and other service concession arrangements/IFRIC 12 *	0	0
Adjustment for Research and Development under ESA10	487	0
<b>Total Revenue Resource Limit to Statement Comprehensive Net Expenditure</b>	<b>612,794</b>	<b>563,144</b>

##### 24.2 Capital Resource Limit

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

	2017 Total £000s	2016 Total £000s
Gross capital expenditure	52,087	52,809
Prepayment for Capital Scheme	0	(833)
Less charitable trust fund capital expenditure	(161)	(76)
Less IFRIC 12/PFI and other service concession arrangements spend *	0	0
(Receipts from sale of fixed assets)	(124)	(181)
Net capital expenditure	51,802	51,719
Capital Resource Limit	52,305	51,722
Adjustment for Research and Development under ESA10	(487)	0
Overspend/(Underspend) against CRL	(16)	(3)

# Annual Accounts

## Notes to the Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

#### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

##### NOTE 24.3 Financial Performance Targets

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

	2016/17 £000s	2015/16 £000s
Net Expenditure	(612,740)	(563,091)
RRL	612,794	563,144
Surplus / (Deficit) against RRL	54	53
Break Even cumulative position(opening)	(3,723)	(3,776)
Break Even cumulative position (closing)	<u>(3,669)</u>	<u>(3,723)</u>
<b>Materiality Test:</b>		
	2016/17 %	2015/16 %
Break Even in year position as % of RRL	<u>0.01%</u>	<u>0.01%</u>
Break Even cumulative position as % of RRL	<u>-0.60%</u>	<u>-0.66%</u>

# Annual Accounts

## Notes to the Accounts

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### **SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **NOTE 25 POST BALANCE SHEET EVENTS**

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

#### **NOTE 26 DATE AUTHORISED FOR ISSUE**

The Accounting Officer authorised these financial statements for issue on 23<sup>rd</sup> June 2017.

# Annual Accounts

## Patient & Resident Monies Accounts

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**SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST**

**PATIENTS' / RESIDENTS MONIES ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

# Annual Accounts

## Patient & Resident Monies Accounts

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### **STATEMENT OF TRUSTS RESPONSIBILITIES IN RELATION TO PATIENTS/RESIDENTS MONIES**

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

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

# Annual Accounts

## Patient & Resident Monies Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST - PATIENTS' AND RESIDENTS' MONIES

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

I certify that I have audited South Eastern Health and Social Care Trust's account of Monies held on behalf of Patients and Residents for the year ended 31 March 2017 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

#### Respective responsibilities of the Trust and auditor

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

#### Scope of the audit of the account

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

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

#### Opinion on Regularity

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

#### Opinion on account

In my opinion:

- the account properly presents the receipts and payments of the monies held on behalf of the patients and residents of South Eastern Health and Social Care Trust for the year ended 31 March 2017 and balances held at that date; and
- the account has been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

# Annual Accounts

## Patient & Resident Monies Accounts

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### Matters on which I report by exception

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

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

### Report

I have no observations to make on this account.



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

*23 June 2017*

# Annual Accounts

## Patient & Resident Monies Accounts

### SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

### PATIENTS'/ RESIDENTS MONIES ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

Previous Year	RECEIPTS		
£		£	£
	<u>Balance at 1 April 2016</u>		
918,739	1. Investments (at cost)	-	
2,514,690	2. Cash at Bank	3,777,491	
2,000	3. Cash in Hand	2,000	3,779,491
4,164,698	Amounts Received in the Year		4,156,563
661	Interest Received		-
<b>7,600,788</b>	<b>TOTAL</b>		<b>7,936,054</b>
PAYMENTS			
3,821,297	Amounts Paid to or on behalf of Patients/Residents		3,954,816
	<u>Balance at 31 March 2017</u>		
-	1. Investments (at cost)		
3,777,491	2. Cash at Bank	3,979,238	
2,000	3. Cash in Hand	2,000	3,981,238
<b>7,600,788</b>	<b>TOTAL</b>		<b>7,936,054</b>
Schedule of investments held at 31 March 2017			
	<b>Investment</b>	<b>Nominal Value</b>	<b>Cost Price</b>
		£	£
-		-	-

Cost Price	Schedule investments held at March 2017	Nominal value	Cost Price
£	Investment	£	£
-		-	-

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

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

Director of Finance  
Date

*[Signature]*  
2/6/17

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

Chief Executive  
Date

*[Signature]*  
2/6/17





