



South Eastern Health
and Social Care Trust



Annual Report & Accounts 2019 / 2020



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South Eastern Health and Social Care Trust
Annual Report and Accounts
For the year ended 31 March 2020

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South Eastern Health and Social Care Trust

Annual Report and Accounts

For the year ended 31 March 2020

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On

16 July 2020

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Chairman's Report

I am delighted to present to you the 13th Annual Report of the South Eastern HSC Trust, as I take up the role of acting Chairman. I have served as a non-executive Director of this Trust since 2017, so I have had the opportunity to meet many of our dedicated and devoted staff and I look forward to working with many more of them in my time as acting Chairman.

The year has ended with probably the defining global health crisis of our lifetime and I must pay tribute to our staff for their self-sacrifice and professionalism in responding to the Covid-19 emergency.

However painful and difficult this pandemic has made our lives, it would be wrong to allow it to overshadow the amazing work that has gone on in the life of the Trust throughout the year.

In October, the 10th annual Chairman's Awards were held at La Mon House, following an inspiring Leadership Conference. The overall winner was the Ambulatory Heart Failure Diuretic Service at Lagan Valley Hospital. Congratulations again to the team, and to all the other finalists and winners. I am always so impressed by the calibre and ingenuity of our staff and the projects they submit each year.

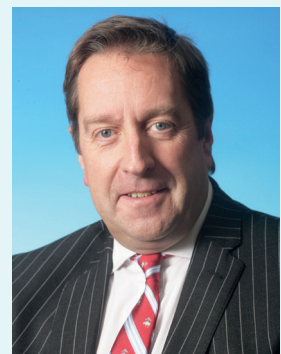
Volunteers are an integral part of the Trust and their contribution enables us to enhance care and improve the service user experience. In 2019/20 we increased the number of new volunteers by 14% compared to the previous year. We are looking forward to working with more and more volunteers in the future and engaging the local community in how we shape and deliver our services.

This Trust and our staff have always been exceedingly generous and willing to help others less fortunate especially in the work of my Chairman's charity, Kiwoko Hospital. Fortunately, the Trust team visiting Kiwoko this year was able to travel to Uganda and back before lockdown. They were able to take out a significant amount of supplies and equipment with them and found the hospital running well with good leadership and making preparations for the pandemic. Our events have been well supported in the past year but there will be challenges to come with our normal fund-raising events cancelled due to Covid-19.

I would like to take this opportunity to record my gratitude to my predecessor Deep Sagar and wish him well for the future. It is also vitally important that I thank my colleagues on Trust Board for their support and steadfast commitment to the work and life of the South Eastern HSC Trust.



Jonathan Patton
Acting Chairman



Chief Executive's Report

It has been an extraordinary 12 months. This time a year ago, I was writing about how we were facing probably the biggest challenge of our time in embracing Transformation to ease the pressures on our acute hospitals.

Then along came EU Exit, a sustained period of industrial action and Covid-19 in quick succession. Who would have thought that so much could happen in one short year? However, one thing was never in doubt and that is the ability of our staff to meet major challenges head on.

Covid-19 was an unknown quantity and a learning curve for all. Our staff were endlessly professional while probably quite frightened, and engendered an amazing team spirit as they supported one other. Some stepped easily into unfamiliar roles, while others found innovative new ways of continuing to provide services. The wider community has taken inspiration from them.

During the past year, we adopted new shared values for Health & Social Care in Northern Ireland to shape everything we do. These are Working Together, Excellence, Openness & Honesty and Compassion. And I think recent times have shown that our staff really do live these values, every single day.

However, the shadow of Covid-19 only fell over the very end of a positive year. It is excellent to note progress in constructing new state of the art facilities across the Trust, with the Acute Services Block at the Ulster Hospital nearing completion and approval and funding secured for 53 extra beds. Work on the new Chemotherapy Unit and support services in partnership with Macmillan Cancer Support is underway on the Ulster site, while construction has begun on the new Primary and Community Care Centre at Lagan Valley which will provide excellent facilities for our population there. In enhancing our patient care, we were delighted to be selected to provide two centres for day case elective care, in Downe and in Lagan Valley.

I am delighted to see innovation right across the Trust with new models like the Multidisciplinary teams for primary care in the Down area with patients able to self refer to a wide range of services, projects like the Multi Agency Street Triage Teams where mental health staff provide crisis care alongside police and paramedics and the great work going on in Children's Safeguarding through the Signs of Safety restorative practice approach. I would also like to commend the Trust Workplace Health and Wellbeing action plan which has been implemented after extensive staff engagement. The wellbeing of our staff is always paramount but it is reassuring to have a framework in place in a year of pandemic.

In the past year we were sorry to bid farewell to Director of Finance, Neil Guckian who left to take up a post in the Western Trust. I would like to thank him for his excellent work over the past decade and wish him well for the future.

Once again, I have to thank our staff for their innovation and commitment to improving services which has resulted in many awards coming to the Trust this year. Each and every one of them was well deserved. My heartfelt thanks to you all.



A handwritten signature in blue ink that reads "Seamus McGoran". The signature is fluid and cursive, written in a professional style.

Seamus McGoran
Interim Chief Executive

Performance Overview

Hospital Services

As Interim Director of Hospital Services, I am very proud of how our Teams have delivered high quality services across the Ulster, Lagan Valley and Downe Hospitals. The Teams have managed to do this despite the many challenges associated with unscheduled care and elective care pressures during 2019/20.

Medical Specialties

- Ambulatory care centres in Cardiology, Gastroenterology, Respiratory, Frail Elderly and Diabetes have delivered improved flow from our EDs, facilitating earlier discharge from wards and supporting patients to manage their conditions from home
- Cardiology has implemented a new diagnostic software system to aid decision making for angiograms
- The DNav insulin titration service has been incorporated into the Diabetes Service for outpatients
- The Renal Team have developed their outpatient services and have patient access monitoring via an online portal. They were placed in the top 8 units in the UK in the recent PREM evaluation
- The Dermatology Team commenced an internal photo-triage service for red flag patients
- Palliative Care opened their community hub in Ards Hospital, providing much greater access to GPs and patients
- Outpatient services introduced new rapid access services and virtual reviews
- Medical Records are in the process of implementing the iFIT electronic case note tracking system. This will improve timeliness of retrieval of patient information, across all 3 acute sites and will aid the process in moving to all digital records, via the Encompass programme.

Many staff have achieved academic and other qualifications. 82 international staff completed their required OCSE to become NMC registered nurses.

- The Heart Failure team in Lagan Valley Hospital were awarded the Chairman's Prize for their ambulatory diuretic titration service
- Gastroenterology was the first unit in the UK to implement the GI Framework and won a category at the NI Healthcare Awards
- The Cardiology Chest Pain service achieved a 'highly recommended' award for improvements in streamlining the rapid access chest pain clinic, in the NI Healthcare Awards
- Iris Hume was commended in the Outstanding MS Specialist Nurse Category in the UK Celebration of Excellence in MS.

Performance Overview

Hospital Services

Surgical Specialties

We are excited to work with Macmillan Cancer Support to build a new chemotherapy unit to improve services for patients and carers. We have also started to develop a bespoke Plastics Theatre and Treatment Unit as the Trust takes responsibility for the Regional Single Service for Plastics.

- Downe and Lagan Valley Hospitals were developed as the Regional Assessment and Surgical Centres to provide cataract and varicose vein surgery, respectively. The model is working well and other routine surgical procedures are being considered for implementation
- Theatres introduced therapeutic endoscopy procedures to provide alternatives to surgery
- Urology introduced a new approach for trans-perineal biopsies for patients on suspect prostate cancer pathways
- A regional sentinel lymph node biopsy service for melanoma was introduced
- Cancer Nurse Practitioners and Clinical Nurse Specialists now prescribe Systemic Anti-Cancer Treatments in Oncology and Haematology.

Congratulations to the following:

- Successful National Peer Review visits for Urology and Chemotherapy Services
- Sheena Stothers, Complex Skin Cancer CNS, was awarded a Florence Nightingale Travel Scholarship
- Dawn Mellon, Acute Oncology Nurse Specialist received a Macmillan Professional Excellence Award
- Dr Nicola McCurley graduated from the Scottish Leadership and Improvement Programme
- Radiographer Helen Ong and her Team won the Ensure Safety, Improve Quality and Test Experience category in the Chairman's Awards for their project 'Healing Hearts'
- Everyone completed their Proqual Vocational Qualifications.

Unscheduled Care

The Unscheduled Care sub-directorate was formed in 2019 with the appointment of Marc Neil as Assistant Director.

- Despite another challenging year and an increase in the numbers of patients waiting more than 12 hours for admission, the % of patients seen within 60 minutes in ED was the same as last year
- The Paediatric Assessment and Treatment Unit (PATU) was opened in the Ulster ED 7 days per week. From November 2019, the Team averaged over 300 attendances per month - a much improved experience for children, parents and staff
- The Transition Unit and Discharge Lounge were further developed to ensure timely access to Adult Acute Inpatient beds.

Performance Overview

Hospital Services

Women and Acute Child Health

- In Acute Paediatrics, the Neonatal Unit Team were Regional winners of BLISS Neonatal Excellence Awards and are finalists in National BLISS Awards for project of the year. The Team were also recipients of the 2019 HSC QI Innovation and Transformation Award and are finalists in the overall HSC Quality Improvement Awards
- Maternity Services staff were nominated for the following regional Awards:
 - Best Hospital Mentor - Julie Dunlop
 - Best Community Team - Lagan Valley Community Midwives)
 - Best Mentor Team - Emergency Obstetrics Unit
 - Best Community Midwife mentor - Ciara O'Hagan
- Within Gynaecology, Fiona Rice and Hannah Elliott were nominated for the Cavell Star Awards in recognition of their outstanding care and compassion
- Pharmacy were shortlisted for the Chairman's Award in the best team category for their work in developing and introducing a 7 day clinical and dispensary service on the Ulster site
- In Audiology, the Paediatric Audiology Team delivered 1301 episodes of diagnostic testing, fitting hearing aids and ongoing rehabilitation for children requiring Cochlear Implants
- The Laboratory seamlessly introduced a suite of new 'state of the art' analysers.

Performance Overview

Nursing, Primary Care & Older People

Practice Education Team

In response to the increasing numbers of Pre-Registration Nursing & Midwifery students, the Practice Education Team have worked in collaboration with Ward Sisters / Charge Nurses to develop and open new Practice Learning Placements for both pre and post registration students. In partnership, over 83 Practice Learning Educational Audits have been undertaken to enable a substantial number of clinical areas to increase student capacity.

Infection Prevention & Control

This year work was undertaken with Queen's University to explore the feasibility of offering longer placements for nursing students. Following an audit / assessment process by the university the IPCT now offer 6 week placements to 2nd and 3rd year Student Nurses. It is hoped that this placement will offer an enriching learning environment which helps to develop the future nurse's critical thinking around infection prevention and control measures as a whole and imbed stringent IPC practice into their ethos from the start of their career. This commenced in September 2019 and the first student found their placement extremely valuable in widening their knowledge.

Nurse Recruitment

In 2019, the workforce team and service worked collaboratively with a renewed focus on staff recruitment activities to promote South Eastern HSC Trust as an employer of choice. These have included innovative use of social media, targeted, bespoke recruitment events and personal engagement with potential new staff. This has resulted in an upward trend with 173 new staff joining the Trust.

The Trust has also welcomed 47 nurses from the Philippines and India this year. Comprehensive regional and local preparation programmes are provided to maintain the 100% success rate, of achieving NMC registration, within a 12 week timeframe. Induction and orientation covers everything from meeting colleagues, becoming familiar with the Trust and the local area, navigating the public transport system to opening bank accounts. Dedicated pastoral care, kindness and support are central to ensuring the nurses settle quickly into their new home.

Safe and Effective Care

The team continues to support Safety, Quality and Experience through implementation of evidence based practice and improvements guided by: NICE guidelines, Safety Alerts and Audit and Patient feedback. The Trust welcomes the incoming regional online user feedback system (Care Opinion) system as a useful addition to user feedback mechanisms. Meaningful feedback from service users is essential to inform the developments within our services as we seek to provide safe and effective care.

In celebration of the Year of the Nurse 2020 the Trust has joined the Nightingale Challenge global movement and have launched a new Leadership Development Programme for 20 nurses under 35 years of age who are being given an opportunity for personal development, to learn about leadership and the wider organisation through a mix of formal course, mentoring, shadowing or learning from other professionals or sectors.

The Quality Improvement and Innovation Centre continues to grow in strength each year through the developments within the QI Academy to offer a wider range of training programmes and support to staff working to improve care and services using Improvement Science tools. The team have also been leading on the development of a Quality Management System Framework within

Performance Overview

Nursing, Primary Care & Older People

the Trust in conjunction with OWD and Performance Improvement colleagues. This Framework demonstrates our firm commitment to using Improvement Science tools and methods to improve the safety, quality of care and experience for our patients and service users along with supporting to develop our staff as leaders.

Primary Care - Enhanced Care at Home

The Enhanced Care at Home (ECAH) Service has been developed through an Integrated Care Partnership (ICP) to provide person-centred care for individuals with acute illness in their own home as an alternative to hospitalisation, additionally facilitating early discharge. The ECAH service delivery model has been refined to reflect the different levels/tiers of care required from GP (tier 1) care at home to Consultant support (tier 2 geriatrician, tier 3 hospital consultant), all within a distinct team. We have expanded as a multi-disciplinary team to include two further Physiotherapists, access to occupational therapists and a Pharmacist working alongside our nursing teams. We are also developing our nursing staff to the level of Advanced Nurse Practitioner and are expecting our first team member to graduate in Autumn 2020. 89% of completed interventions by the service between August - October 2019 resulted in avoided hospital admissions equating to 2,958 saved bed days.

Mental Health Services for Older People - Virtual Dementia Tour Training

Quality care for people living with dementia begins with caregivers who are sensitive, patient and kind. The 'Virtual Dementia Tour training' is a scientifically proven method of helping others understand what people with dementia experience every day, and is 'A window into their world'. In a nurse led innovative collaboration, the Trust facilitated provision of the Dementia Bus within the NIPS, PSNI, local carers, Trust staff and independent sector colleagues. The feedback was exceptional from all areas prompting the delivery of more training of this valuable experiential style. The team were also Finalists in the "Continuing to Improve" Category of the Chairman's Awards 2019.

Cognitive Behavioural Therapy Team (CBT)

The Ards MHSOP Cognitive Behavioural Therapy team, showcased their innovative CBT prototype at the joint University of Ulster / South Eastern HSC Trust Psychological Therapies Conference in June 2019 and won the 'First place poster presentation award'.

In the MHSOP CBT prototype, they reduced the waiting list from 321 days to 29 days for a new patient assessment and demonstrated an 80% recovery and 67% reliable improvement rate in patients over 65 years, who often have difficulties accessing psychological therapy. The team were also finalists for the Trust Chairman's Award, 2019, in the 'Ensure Safety, Improve Quality and Test Experience' category.

Neighbourhood District Nursing

The new Neighbourhood District Nursing model of care is being prototyped in one of the 4 clusters in the Downe locality, within the Trust. This model is based on a new Neighbourhood District Nursing team who are an integral part of the enhanced multi-disciplinary primary care team. This team takes a public health approach, caring for a designated population, aligned to GP Practices, promoting independence, safety, quality and experience with the ethos of home being the best and first place of care. The prototype is being evaluated regionally and the data collected to date has been very encouraging.

Performance Overview

Nursing, Primary Care & Older People

Older People - Reform of Care and Support at Home

The Trust has participated in a regional review of the model of care and support at home along with service modelling. The In-House Domiciliary Care Team and four Independent Sector providers have been testing the concepts of locality based Social Wellbeing Teams providing person centred care using an outcomes approach rather than time / task.

Positive Outcomes have resulted such as improved satisfaction by service users and staff, reduced absence of staff, reduced missed calls. The holistic wellbeing of service users has been monitored closely and an improvement in mental wellbeing has been demonstrated to date.

Short Term Assessment Team

On 4 November 2019, the Older Peoples Short Term Assessment Team (STAT) was launched in the North Down & Ards area aimed at improving accessibility, responsiveness and better outcomes for service users. Via single point of access the STAT offers multidisciplinary assessment, rehabilitation and support within residential care settings and the service users own home.

Supporting service users and families in times of crisis and uncertainty, the team responds to all new referrals for assessment of need, ensuring statutory resources are provided to those most in need; whilst also promoting independence, living well and engagement in the local community by using signposting to voluntary services.

In addition to contributing to admission avoidance where possible, The STAT also accepts complex discharges from the Trust and regional hospitals, supporting people to return home and in their subsequent journey to recovery.

In recognition of the importance of support for Trust carers, the team have also established a new Carers Support Programme in partnership with Mindwise, promoting resilience and providing education and emotional support.

Further developments are planned for 2020/21, with the roll out of the Short Term Assessment Team into Lisburn and Down areas.

Complex Discharge from Hospital Performance

In 2019/20 the Trust exceeded planned projected performance for the % of complex discharges from hospital taking place within <48hours, and the Trust's performance was best in the Region.

Primary Care Multi-Disciplinary Teams (MDTs)

A new model for primary care multi-disciplinary teams (MDTs) has been rolled out in the Down area.

First Contact Physiotherapists, Social Workers and Mental Health Practitioners are working alongside existing practice teams to provide enhanced access to health and social care services within a primary care setting. Patients registered to a GP practice in the Down area are able to book an appointment directly with any of these new services, without first having to see their GP.

Performance Overview

Nursing, Primary Care & Older People

Allied Health Professionals

Physiotherapy

The South Eastern HSC Trust MSK Physiotherapy team continues to develop and grow its core treatment service with the introduction of the ESCAPE pain programme (Enabling Self-Management and Coping with Arthritic Pain using Exercise). The programme was successfully shortlisted for the National Advancing Healthcare Awards In London in April 2019.

The Physiotherapy service was well represented at the Annual Chairman's Recognition Awards. The Physiotherapy Paediatric teams were the overall winners of the Promoting Health and Wellbeing category. Their project involved working in partnership with Lecky, an external company, in the development and evaluation of a supportive mobility aid which enabled children with severe learning difficulties and complex medical needs have increased opportunities for physical activity. The ICATS / MSK services were shortlisted in the Empower your Staff category, for their work in redesigning the MSK pathway. This work has culminated in the improved flow of patients across MSK related services within the trust.

The Community Respiratory Team was shortlisted for their "Breathing Better Behind Bars" project with Prison Healthcare.

The Lymphoedema Team were shortlisted for the Health Leg Project, working alongside tissue viability services managing simple leg oedema in Primary Care. In total 12 GP practices across the Trust are involved providing much needed health promotion, early diagnosis and treatment of chronic venous disease and lower limb oedema.

Podiatry Diabetic Foot Pathway Launch

The regional Diabetic Foot Pathway was launched in Ballymena in November 2019. A multi-professional, multi-Trust working group was formed to review delivery of diabetic foot services across the region. Foot protection teams have been established across community podiatry in the South Eastern HSC Trust and an enhanced foot protection team established in the Diabetes Centre in the Ulster Hospital.

Children's Speech and Language Therapy Pinterest site (CYP SLT)

Pinterest is an online 'scrapbook' allowing sharing of information in a user-friendly format. Online resources, information and advice regarding all aspects of speech, language and communication have been gathered and categorised for easy access by parents. The site is also valuable for anyone who works with, or cares for children of all ages, with or without speech, language and communication difficulties.

The number of followers has risen significantly, to well over 400, enabling more and more families quick and easy access to advice and information that is quality assured by Trust staff.

Performance Overview

Adult Services & Prison Health

Clinical Psychology and Psychological Therapies

Clinical Psychology and Psychological Therapy Services experienced a high level of demand across all programmes of care which resulted in long waiting lists and the need to develop new ways of delivering care. The Service has developed a range of group-based interventions delivered both within the Service and through working in partnership (eg. Recovery College).

The Service has developed input into new clinical specialisms: for example the Regional Trauma Network and Dermatology Services. Finally, Psychological Therapies won 2 Chairman's Awards for the categories *'Engage with you'* for the co-development of a mental health comic book and *'Empower our staff'* for our Children's Autism Intervention Service.

Mental Health Services

The Multi-Agency Street Triage Team (MATT) was delighted to be announced as winners of the *'Outstanding Team'* category in this year's Chairman's Awards. The MATT service enables mental health staff to work alongside dedicated Police Officers and Paramedics, to provide individuals experiencing a mental health crisis with care.

Another highlight of 2019/20 was the relaunch of the Wellness Recovery Network. The Network has evolved over the past few years and is now expanding in to other areas of the Trust. What people love most about coming along to the Network is that they can be themselves, even when they are struggling, they are always met with support, compassion and understanding.

Adult Disability Services

In line with the reform and modernisation of learning disability day services in the South Eastern HSC Trust, a Men's Shed has been established for men with learning disabilities. It is the first of its kind in Northern Ireland and is aligned to the mainstream Men's Shed movement. It is a fully co-produced initiative, which is led by the men and facilitated by Orchardville Society in partnership with Adult Disability Services.

The Disability Hub, Ardarragh is a co-designed and co-produced project based in the Downpatrick area. The Project involves people with disabilities, community, voluntary organisations and Trust staff. It provides a range of opportunities for adults living with physical disability, hearing loss and sight loss.

We are delighted that Siobhan Brady and Aoife Mills were jointly awarded the Learning Disability Nurse of the Year Award for their work on managing obesity.

Prison Healthcare

The Prison Healthcare team won the national Royal College of General Practitioners Bright Ideas award for their communication project with community GP's - this was shared with Welsh prisons who have replicated their template.

2019 saw the introduction of Medicine Management Technicians; the first Pharmacy Technicians in Northern Ireland to carry out medicines administrations directly to patients. An automated dose dispensing robot was installed in the PHC Pharmacy in HMP Maghaberry in November 2019.

A Comic Book *'Biz in the Pris'* version 1 *'Craving the Blues'* was co-produced with young men in HMP Hydebank Wood College and eight relevant services in PHC, highlighting the dangers of abuse of prescription drugs and signposting where to get help. Biz in the Pris won the PHA Chairman's Involvement Award for best Community and Voluntary initiative 2019.

Performance Overview

Children's Services & Social Work

Safeguarding Children

The Trust is now into its second year of implementation of Signs of Safety. This approach sets out the principles for a restorative practice approach for engaging children and families. Intensive training has been provided to staff within Children's Services and particularly in Safeguarding Children, and significant awareness raising undertaken across partner agencies.

The Trust implementation steering group is chaired by the Assistant Director for Safeguarding Children and regular reports on implementation are provided to the Health and Social Care Board and the Department of Health. The Trust is working towards the implementation of dashboards to reflect activity using the range of tools available alongside the use of Collaborative Case Audit to measure outcomes.

A celebration event for Trust social workers took place at the beginning of March to showcase good Signs of Safety practice from the front door Single Point of Entry Gateway Service through to Adoption.

Children and Young Peoples Care Services

The Trust celebrated the launch of HSC Northern Ireland Adoption and Foster Care with an event that included Trust staff foster carers and community representative to shine a light on a transformational approach to the recruitment and support of Adoptive and Foster Carers in Northern Ireland.

The Northern Ireland Adoption and Foster Care will move forward as one recruitment agency as opposed to 5 HSC Trusts and the Regional Adoption and Fostering Service and have developed social media platforms, re-designed their web site and progressed a one system approach to the management of enquiries from individuals interested in fostering and adoption.

The occasion was also used to celebrate all that foster carers do for the children and young people and special recognition was given to a couple who have been foster carers for 30 years within the Trust (Mr & Mrs Tennis).

Child Health

Public Health Nursing continues to deliver on the Healthy Child, Healthy Futures Child Health Promotion programme. Renewed focus on ante natal contact aims to improve health outcomes, with early intervention assisting in the early identification and response, to perinatal mental ill health.

Partnership working across Specialist Support Services, internal and external to the Trust, has assisted over 170 families. These services include Tiny Life, ABC Pip and Barnardo's.

Within Community Paediatrics, the neuro-developmental model is now well established. This multi-disciplinary model of assessment and intervention prior to diagnosis aims to address the needs of the child, young person and family, at the time of referral.

Rise NI have also implemented a new regional model, with work into nursery school settings enabling intervention to commence, where required, at a much younger age.

Performance Overview

Children's Services & Social Work

Prevention and Population Health

A number of new initiatives have commenced in the Early Years Team including the Thrive Child-minding and Mentoring service, and a Dad's Mentoring Service. In Health Development, the Diabetes Prevention Programme is achieving positive outcomes.

Further innovation, in close partnership with Cardiology, Psychology and the British Heart Foundation, has been the creation of the first Cardio-Vascular Disease Prevention Programme. The introduction of the Cure Stop Smoking model, achieving UNICEF baby friendly accreditation and the introduction of a peer-led Breastfeeding support scheme have been welcomed.

The Trust's Sure Start continue to provide a range of quality services for young children, including the Programme for Two Year Olds which is a statutory education provision.

Social Work Learning and Improvement

The Trust hosted the 8th Regional Social Work Awards. Service users co-produced many aspects of the awards and supported the entire event throughout with a special performance by Adult Disability Choir and design of the spectacular award trophy.

Service users from across all directorates within the Trust sent handwritten messages outlining how social work has made a difference in their lives.

The Trust was delighted to have had winners in the category for Co-Production (The HOPE Team Co-production Interns) and the Newly Qualified Social Worker of the Year. A number of other staff from the Trust were shortlisted as finalists.

Thanks to all the staff from across the Trust who donated Christmas presents to Cash for Kids NI.

A video showing the making of the day is available here: <https://www.youtube.com/watch?v=r6EWMGHvUw8&feature=youtu.be>

Performance Overview

Medical

Clinical Risk

The Clinical Risk Director continues to work flexibly 20 hours each week. Situations requiring input are many and varied including adverse incidents, complaints and data breaches. Advice and support is offered to staff and working closely with the Medical Director, Associate Risk Director and Assistant Director Risk Management a consensus is reached in the more complex cases as to the best approach in dealing with each situation to provide robust investigation, honesty and transparency and learning to reduce the risk of recurrence.

We continue to work closely with Directorate of Legal Services (DLS) and the Coroner's Office. Support is offered to staff attending Coroners Inquests or Court for litigation cases and learning for the organization is carried forward based on Counsel Advice. A talk was given to the solicitors in DLS regarding the role of the Clinical Risk Director with particular emphasis on litigation in Obstetrics and Gynaecology and staff from the Trust were invited to DLS when the Coroner spoke at one of their professional development sessions. Collaborative working and mutual respect between these departments is useful going forward.

A '*Lessons from Litigation*' newsletter is sent electronically three times annually to all permanent medical staff and all medical trainees working in the Trust at that time, based on cases where learning has been identified which can be relevant to others within the Trust.

We continue to work with the Safety and Quality Department and Multiprofessional Audit Department aiming to '*Close the Loop*' and provide reassurance that recommendations coming from complaints and adverse incidents are actioned and result in improvement, learning and reducing risk of recurrence of incidents.

Challenges continue with working with the Department of Health on the Inquiry into Hyponatraemia Related Deaths in Northern Ireland. This will include changes to the Serious Adverse Incident Review process and an introduction of Duty of Candour as well as many other changes.

It is embedded that all deaths in the Trust are reviewed through the Regional Morbidity and Mortality Review System and last year it was encouraging to see an increase in the number of learning opportunities identified.

Medical Appraisal and Job Planning

The Office of the Medical Director continues to oversee and quality control the medical appraisal processes in accordance with the requirements of the General Medical Council. Regular contact is maintained with the local GMC Employment Liaison Adviser and a formal meeting is held quarterly. In addition, the Trust Responsible Officer (RO) attends the regional and national RO Forums.

During the 2019 Appraisal round (covering the appraisal period January to December 2018), the number of doctors appraised by year end was 99%. A new Trust Policy in regards to Medical Revalidation and Appraisal is currently undergoing a consultation period with key stakeholders.

The Trust Revalidation recommendations were as follows:

Year	Number due to Revalidate	Number Revalidated	Number Deferred
2019	90	85	5

Two key training initiatives were delivered during 2019. The early part of the year involved training all medical staff in the use of the new electronic Regional Appraisal System (RAS). Usage of the system during 2019 was high, with approximately 47% of medical staff conducting their appraisal electronically. The Trust requires all appraisals to be conducted electronically from 2020 onwards.

Performance Overview

Medical

Representatives from all Trusts, NIMDTA, the RQIA and the PHA have contributed to the development of the Regional Appraisal System (RASP). This system not only includes electronic versions of all documentation but enables all supporting information to be uploaded and stored electronically. Phase 2 of the system development has recently commenced and is ongoing. Ultimately this system will facilitate a more timely and efficient appraisal process, with greater quality assurance.

Training sessions also occurred for new and existing appraisers, which have increased the number of fully trained medical appraisers to 68.

Medical Education

The Department of Medical Education continues to provide teaching to QUB undergraduates and supervises the training of over 200 doctors in training on behalf of NIMDTA. This requires consultants and specialist doctors providing teaching and supervision. We presently have over 140 doctors recognised as Trainers by the GMC to provide this across the Trust.

We have also welcomed 15 overseas Medical Students for elective periods of training and have also provided work experience to 160 sixth form students.

The Simulation Team has recently been highlighted by QUB as providing excellent teaching to the undergraduate students and GMC survey results reassure that the quality of supervision and training of junior doctors remains high

Physician Associate Programme

The Trust continues to work with the University of Ulster in facilitating Student Physician Associates (PA's). The PA is a new healthcare professional who, while not a doctor, works to the medical model, with the attitudes, skills and knowledge base to deliver holistic care and treatment under defined levels of supervision.

It is envisaged that the introduction of PAs to the HSC locally would help to alleviate a number of immediate and pressing difficulties, including:

A Physician Associate is able to undertake many of the more routine tasks undertaken by junior doctors. Their introduction is considered important to the development of skills mix across HSC and supports the transformation agenda. Experience has shown elsewhere that PAs have the potential to become stable and committed components of healthcare teams complementing the work of medics with the potential to reduce their workload. They can have a very positive impact on the experience of Foundation doctors in particular, handling many routine tasks that would otherwise negatively impact on their training experience. PAs may therefore also have a useful role enhancing the training experience of doctors in training.

Performance Overview

Human Resources & Corporate Affairs

Human Resources

The Human Resources Department provide a range of services to approximately 13,000 staff including Bank Staff. These include Employee Resourcing, Organisation & Workforce Development and Employee Relations.

Workforce 2019/20

Gender	Male	Female	Total
Headcount	2,703	10,603	13,333

No of Applicants - **11,707**

No of Posts filled - **1,947**

Flu Vaccine Programme

With the introduction of a peer vaccination programme, the Trust exceeded the PHA Target (40%) and vaccinated 43.6% of its workforce compared to 32.3% last year.

Trust Corporate Bank

During 2019/20 the Trust Corporate Bank service filled 145,571 Bank and Agency shifts equating to over 1 million hours (1,143,986) a 25.6% increase on filled shifts for last year. At 31 March 2020, 259 services are accessing the Corporate Bank - up 11% on last 2018/19.

Investors in People

A Final Stage assessment for 2017-2020 took place in March 2020 and the Trust was awarded We Invest in People, Silver accreditation. The continued focus on creating the culture and opportunities for staff to grow and be the best that they can be will serve the organisation well into the future and will deliver the best care to the people we serve.

Health & Wellbeing

The South Eastern HSC Trust Workplace Health and Wellbeing action plan has been resourced and implemented in line with identified needs. There continues to be increased levels of staff engagement in Health and Wellbeing planning and activity including partnership working with the trade union. Since the launch of the LiveWell Hub in June 2017, just over 68,000 visits have been made to the site.

First Steps Nurseries and Child Care Facilities

The Trust childcare facilities continue to provide quality childcare across the Trust incorporating Day Nurseries, Summer Schemes and After Schools Clubs. This year we have completely refurbished the outdoor play area at the Lagan Valley site and also completed a business case to create a new 'forest play area' on the Lagan Valley site. The Childcare facilities will continue to provide safe and high quality childcare to our staff and their children.

Patient Experience Department

The Patient Experience Department provide a comprehensive range of customer focused services to Patients, Visitors, Clients and Staff, which support the Trust's Service Delivery Plan.

Performance Overview

Human Resources & Corporate Affairs

Environmental Cleanliness

The regional cleanliness target is consistently exceeded across the Trust - the 7 weeks of Industrial Action had a detrimental impact on High Risk areas within the Ulster Hospital; however very high Risk areas maintained or exceeded the DoH standard of 90%

Catering

All food production areas inspected during the year by the EHO received a food hygiene rating of 5. Community catering in partnership with Speech & Language and Dietetic departments developed a Trust wide menu adaptable to meet the new IDDSI guidelines. This Dysphagia Friendly menu has been rolled out to all EPH's, LARC and Thompson House - Patient Experience Manager was recognised by the Royal College of Speech and Language and presented with a 'Giving Voice' Award.

Central Sterile Supplies Department (CSSD)

CSSD retained ISO13485:2016 and MDD/93/42/EEC accreditation. CSSD have focused on succession training, staff development and offering staff opportunities to attend conferences to ensure they are abreast of all new technological advancements that could be used to enhance our service. Three staff recently attained the Institute of Decontamination Sciences Technical Certificate.

Risk Management & Governance

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

Some interesting facts for 2019/2020:

- 772 complaints were received from services users (similar numbers to 2018/19 - 768)
- 4,501 compliments received from service users (slight increase from 2018/19 - 4070)
- 6,075 requests for information (20% increase from 2018/19); overall compliance rates with legislative timeframes was 83%, (consistent with the previous year)
- 15,432 incidents (reduction in numbers from 2018/19 - 19,809, due to the bedding in of the new DatixWeb online incident reporting) system
- 4 potential major incident alerts - all stood down and none resulted in the activation of the Trust's Major Incident Plans
- 2 declared major incidents - no casualties brought to UHD for either incident
- 2 business continuity incidents (ICR stood up for Industrial Action from 25 November 2019 to 14 January 2020 and Coronavirus pandemic from 16 March 2020).

The online Complaints User Survey has been ongoing throughout the year to enable the Trust to receive feedback from complainants in relation to their experiences of using the complaints process and has been used to inform service improvements and in training with staff. Likewise, the lessons learnt from our litigation and coroners cases are disseminated widely across the organisation.

Communications

Our new Trust website is in the final stages of completion and a number of multi-media health campaigns have been successfully run. The team also made the videos for the Chairman's Awards.

Performance Overview

Planning, Performance & Informatics

Personal and Public Involvement

The Trust's Personal and Public Involvement strategy, developed and designed with service users, carers, volunteers and staff, continues to be implemented across the Trust.

Rural Needs Act 2016

As outlined in the Rural Needs Act 2016, the Trust has a legal duty to ensure due regard is paid to the consideration of the social and economic needs of service users in rural areas when designing and delivering our services. The Trust has implemented systems to ensure adherence to the requirements of this Act. As per correspondence received from DEARA, the Trust is preparing for reporting of information for the year 2019/20 in September 2020.

Encompass Programme

Encompass is an HSC-wide initiative to introduce a digital integrated care record to Northern Ireland which will replace, modernise and consolidate many of HSC's fragmented and isolated patient care record systems. The Trust is delighted to be selected as the first Trust to 'go-live' with Encompass, which is anticipated in 2022.

Contracts, Social Care Procurement and Commissioning

During 2019/20 the Contracting and Commissioning Team has played a key role in the Trusts Independent Sector Governance Review, establishing revised governance arrangements and is a central point of contact to monitor performance information and lead on escalation of issues identified.

Performance & Improvement

The Performance and Improvement Department continues to support the operational directorates to ensure the Trust achieves its strategic aims and objectives. The department delivers its programme of work through three key teams:

- 1. Performance and Information** co-ordinate Trustwide performance monitoring and data analysis against targets, standards and key performance indicators as well as indicators of outcomes for the population. Clinical Coding is vital to enable the Trust to understand its performance and last year the team continued to transform their processes and achieved the ministerial coding target. This directly led to the achievement of a CHKS Top 40 Hospital Award.
- 2. Planning and Service Improvement** supports operational directorates in developing plans to meet statutory and operational functions and to reform services. This is a critical role to ensure the Trust is adhering to performance targets, implementing agreed service and budget levels, demonstrating quality outcomes and delivering safe and effective care for our Service Users. The team also seeks to research and implement best practice in the areas of service improvement and quality including managing the internationally recognised ISO 9001 Quality Management System across the Trust with almost 70 teams now accredited.
- 3. Transformation** - Many projects funded through the programme have produced successful outcomes. The Trust was selected to introduce two regional day case elective care centre prototypes for Varicose Veins and Cataracts. In addition the Planning team supported operational services in their planning for successful introduction of new ways of working across a range of services including Multi-disciplinary teams, Enhanced Care at Home, Multi-agency Triage team for mental health etc.

Performance Overview

Planning, Performance & Informatics

Technology and Telecommunications

2019/20 was another exceptional year for the ICT Department. Technology continues to be a key enabler for delivery of safer, faster, better 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.

Notable achievements in 2019/20 include:

- Successful Investment of £2.3m in Digital solutions and infrastructure
- Mobilisation ensures our staff have the right device to access health and care information to directly inform patient and client care. ICT devices used by Trust staff to enable mobile working has increased to 49%
- Continued rollout and development of the Kainos Evolve Electronic Medical Records System and Northern Ireland Electronic Care Record throughout the Trust, to minimise use of paper and provide instant access to medical records in any setting to directly support patient / client care. Further development of community based systems to directly support professionals providing care to our community
- Support of Trust staff using ICT devices to deliver care, for example ICT Department maintain 13,800 devices, 49% of which enable mobile working, 300 Acute, Mental Health and Business Systems and circa 11,000 staff accounts
- ICT successfully led the Regional WiFi project to successful completion in 2019/20, installing 1400 WiFi points across all sites and chairing the group that installed over 11000 WiFi points across all regional HSC organisations leading to a WiFi capability for any HSC staff to work in any HSC location
- Leading the way with the enhancement of patient flow via the use of eHealth solutions including electronic Whiteboards & personal voice activated communication devices (Vocera) to improve, simplify and speed up effective communication among care professionals at the point of care
- A Digital Champions programme has been rolled out to enable greater digital inclusion of all Trust staff to maximise the opportunity to deliver safe effective care to our community.

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 2020, with a comparative position at March 2019.

Hospital Services			
Target 2019/20	Commentary	March 2019	March 2020
Inpatient & Daycase Waits: Minimum of 55% of inpatients and day cases to be treated within 13 weeks and no patient to wait longer than 52 weeks	Increased demand in unscheduled care and an increase in red flag and urgent cases have impacted on routine waits, and have resulted in capping of electives and medical outliers in elective beds.	52% (13 wk)	44% (13 wk)
		82% (52 wk)	77% (52 wk)
Outpatient Waits: 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	Demand continues to increase across all areas of outpatient activity whilst capacity has remained largely unchanged. Non-recurrent waiting list initiative and Independent Sector transfers to address risk areas only have been funded.	19.8% (9 wk)	16.2% (9 wk)
		59.4% (52 wk)	51.8% (52 wk)
Diagnostic Test Waits: 75% of patients should wait no longer than 9 weeks for the following diagnostic tests	Imaging – ie. X-Rays There is pressure on the service due to increased demand and this position has been achieved with the use of Waiting List Initiatives and Independent Sector. Pressures continue in modalities that have no Independent Sector availability.	65.8%	51.8%
	Physiological Measurement There has been increased demand for this service with no additional funding for Waiting List or Independent Sector additionality.	51.4%	46%
Diagnostic Reporting (Urgent): all urgent diagnostic tests should be reported within 2 days of the test being undertaken.	Diagnostic reporting has improved due to the funding of Independent Sector reporting services for routine patients to enable urgent reporting to be undertaken in house.	70.1%	76%
Hip Fractures 95% of patients to have inpatient treatment for hip fractures within 48 hours	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.	97%	92%
Other Fractures From April 2014, 95% of patients, where clinically appropriate, wait no longer than 7 days for inpatient fracture treatment	The Trust is meeting this target.	100%	96.6%

Performance Analysis

Performance Informatics

Cancer Services

Target 2019/20	Commentary	March 2019	March 2020
All urgent breast cancer referrals should be seen within 14 days.	The number of referrals to the Symptomatic Breast Service has continued to increase throughout 2019/20. In 2019/20 the average number of referrals received each month rose to 172 from 161 in the previous year.	98.6%	98.3%
98% of cancer patients should commence treatment within 31 days of decision to treat.	Performance has been over 90% on 10 of the last 12 months with the use of Independent Sector and Waiting List Initiatives.	94%	96%
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 2018/19 the Trust received on average 1425 referrals each month. This increased to 1530 in 2019/20. Significant additional Waiting List Initiatives and Independent Sector activity have been required across dermatology, plastics, endoscopy and radiology to achieve this level of performance.	49%	45%

Community Services and Services for Older People

Target 2019/20	Commentary	March 2019	March 2020
Allied Health Professional Outpatient Waits: no patient should wait longer than 13 weeks from referral to commencement of treatment.	Performance has been steady over the year. The main area of pressure is Adult Speech and language Therapy where demand has increased threefold due to the number of referrals for swallowing assessments.	100%	93.4 %
Assess & treat older people - older people should have the main components of their care needs met within 8 weeks of the completion of assessment.	Each person's assessment of need is risk assessed and the care package required is offered out twice daily to all care providers. Other options for care and support through Self Directed Support and direct payments are discussed with every service user.	100%	97%

Children's Services

Target 2019/20	Commentary	March 2019	March 2020
All children admitted to residential care should, prior to admission, have had their placement matched through the Children's Resource Panel Process.	The Trust is meeting this target.	100%	100%
Care leavers in education, training or employed. Ensure that at least 75% of all care leavers aged 19 are in education, training or employment.		80%	67%
Autism. No child to wait more than 13 weeks for assessment following referral.	The Trust is meeting this target.	100%	100%
Autism. No child to wait more than 13 weeks for the commencement of specialist treatment following assessment.	The Trust is meeting this target.	100%	100%

Performance Analysis

Performance Informatics

Adult Services			
Target 2019/20	Commentary	March 2019	March 2020
Discharges: 99% of patients admitted to Mental Health services for assessment and treatment to be discharged within 7 days of the decision to discharge.	The Trust were unable to meet this target due to the limited community options available to meet the needs of an increasingly complex patient population who require specific specialised accommodation. It is anticipated that the Trust will continue to experience difficulties in meeting this target as we progress through 20/21.	100%	87.0%
No patient to wait longer than 13 weeks from referral to assessment and commencement of psychological therapies.	Deterioration in performance is due to increased demand; increase in complexity and staff recruitment challenges.	51.3%	29.6%

Within the 2019/20 year the Trust launched a new integrated accountability report for Trust Board which measures the Trust's Performance against:

- Agreed population health and wellbeing outcome measures as outlined in the Draft Programme for Government (PfG 2016-21)
- Targets and indicators of performance drawn from the Health and Social Care Draft Commissioning Plan 2019/20.

The gathering of information to demonstrate the Trust's contribution to the achievement of PfG population level outcomes has commenced and continues to be implemented in a phased approach. The reports help to demonstrate the Trust's contribution to the achievement of the following PfG Outcomes:

- We enjoy long, healthy active lives
- We care for others and help those in need
- We give our children and young people the best start in life
- We have a safe community where we respect the law and each other
- We have a more equal society.

This approach focuses on measuring the contribution that our services are making in order to improve outcomes for our patients and clients.

Performance Analysis

Strategic & Capital Development

The Strategic & Capital Development Department has successfully progressed a number of large scale capital projects during 2019/20.

Notable achievements include:

- Ulster Hospital Redevelopment
- Acute Services Block
- New Laundry
- Emergency Department Car Park
- Lisburn Primary and Community Care Centre (PCCC)
- Colin town centre - Stewartstown Road Health Centre.

The team continue to progress plans to develop new models of care across a range of services in partnership with operational services. This includes plans for a new Acute Mental Health Inpatient Unit and Learning Disability Resource Centres in Ards and North Down. An updated Capital Plan has been developed, setting out the Trust's capital priorities over the period 2019 - 2029 and the Trust awaits the outcome of the Regional Capital Plan (2019 - 2029) which is currently awaiting Ministerial approval.

Performance Analysis

Finance Report

The South Eastern HSC Trust had an operating expenditure budget of £800.5 million (including non cash expenditure of £43.5 million) and a capital expenditure budget of £36.96 million in 2019/20.

The Trust's Revenue Resource Limit (RRL) represents the funding provided to it primarily by the Department of Health, either directly or through the Health & Social Care Board. For the 2019/20 financial year, this was made up of £712.9 million of cash RRL and £43.5 million of non cash RRL.

This funding is used to provide a wider range of health and personal social care services to the population of North Down, Down, Ards and Lisburn local government districts - a population of approximately 360,000 people. In addition, the Trust also provides services to a wider population, mainly via the Ulster Hospital, Dundonald, due to its proximity to Belfast.

Financial Environment

Health & Social Care, as well as the wider public sector, is facing an increasingly challenging financial climate and this continued to be felt by the Trust during 2019/20. The Trust had a financial savings target during the year of £14.3m, of which £0.9m was achieved through recurrent savings derived from a range of efficiency measures. The remainder of the target was met by non-recurrent measures, including vacancy controls, in-year slippage on developments, savings due to natural delays in the recruitment process and other efficiency measures. The Trust also delivered its annual breakeven duty, reporting an overall surplus of £49k.

During the year the Trust has progressed a number of service developments and improvements. As part of the Confidence & Supply funding for Northern Ireland, the Trust has supported over 100 transformation projects during the year equating to a revenue spend of £20.2m and a capital spend of £0.7m.

Financial Performance

The Trust's performance against its key financial targets summarised in the following table.

	Target (£'000)	Actual (£'000)
1. Financial Breakeven - Surplus / (Deficit)	0	49*
2. Capital Resource Limit	36,960	35,063

In the year, the Trust's surplus on its revenue funding was £49k, meeting its breakeven requirement. Of this, £1k (deficit) related to the Confidence and Supply funding which the Trust received, the remaining £50k (surplus) related to normal core operations within the Trust.

Despite the financial challenges and increased demands for our services, the Trust achieved financial balance in 2019/20, whilst continuing to drive our Safety, Quality and Patient Experience (SQE) agenda. This has been achieved through a combination of sound financial management and the continued efforts of our staff to deliver on the SQE ethos within the Trust.

The Trust continues to deliver on a significant capital expenditure programme of £35.063m comprising of £20.5m associated with the Ulster Hospital redevelopment, acute services block, £4.3m specific capital projects and £10.3m for various minor capital projects funded from the Trust's General Capital allocation. Covid-19, and the associated lockdown, had a significant impact on the construction and delivery of the Trust's capital programme, which generated a capital underspend of £1.9m. This is an unprecedented position, reflecting the challenging circumstances of lockdown during March 2020.

Performance Analysis

Finance Report

The Trust has also continued to focus on improving on its Prompt Payment Performance. This is the measure of the speed by which we pay our invoices. The Trust has continued to make improvements in 2019/20.

The Trust's cumulative Prompt Payment Performance during 2019/20 is summarised in the table below.

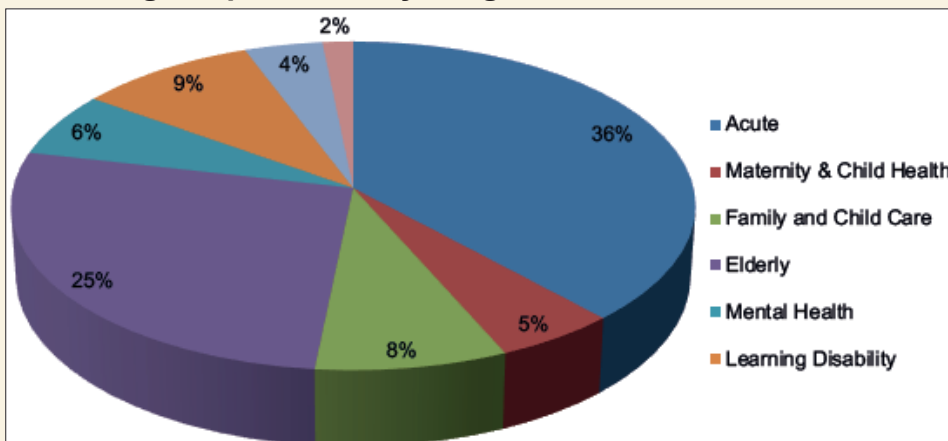
Measure	Target	2019/20	2018/19
Payment in 30 days	95%	95.29%	94.82%
Payment in 10 days	70%	79.57%	81.28%

Trust exceeded the 95% target for payment of invoices within 30 days, at 95.29% cumulatively for the financial year, further improving its performance in comparison to the previous financial year (94.82% in 2018/19). The Trust is performing well above the 70% target for the payment of invoices within 10 days, at 79.57%.

Income and Expenditure

Health and Social Care services are classified into different programmes of care and an analysis of the Trust's revenue expenditure across these programmes is illustrated in the following chart.

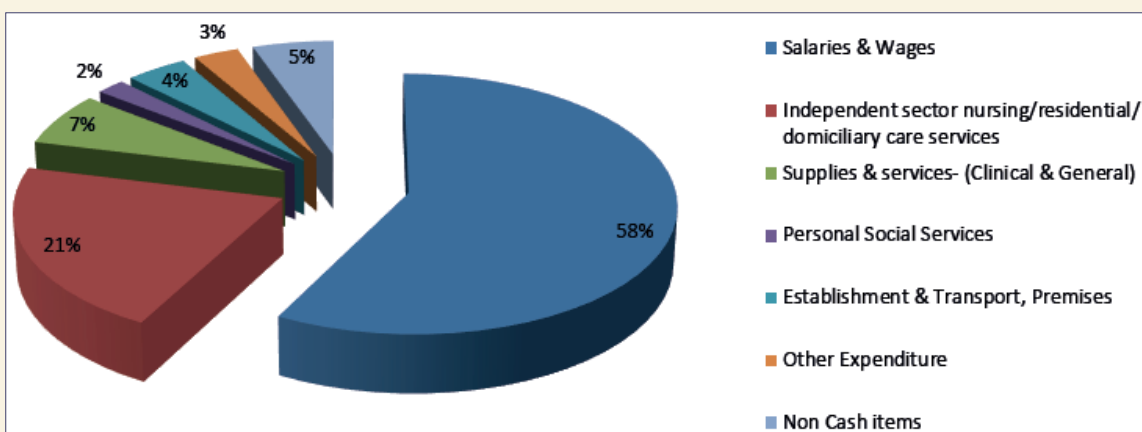
Percentage Expenditure by Programme of Care:



The largest area of revenue expenditure is within Acute services, with 36% of the Trust's total expenditure.

The following chart illustrates how the Trust spent its revenue funding in 2019/20.

How we spent our funding in 2019/20:



Performance Analysis

Finance Report

The Trust is dependent on its skilled and dedicated workforce to deliver high quality services to patients and clients and therefore the largest area of expenditure is in respect of these pay costs, £462.5m. Within this pay total, the Trust spent £85.6m on doctors and dentists, £159.0m on nurses and midwives and £77.7m on social work / social care and domiciliary homecare staff.

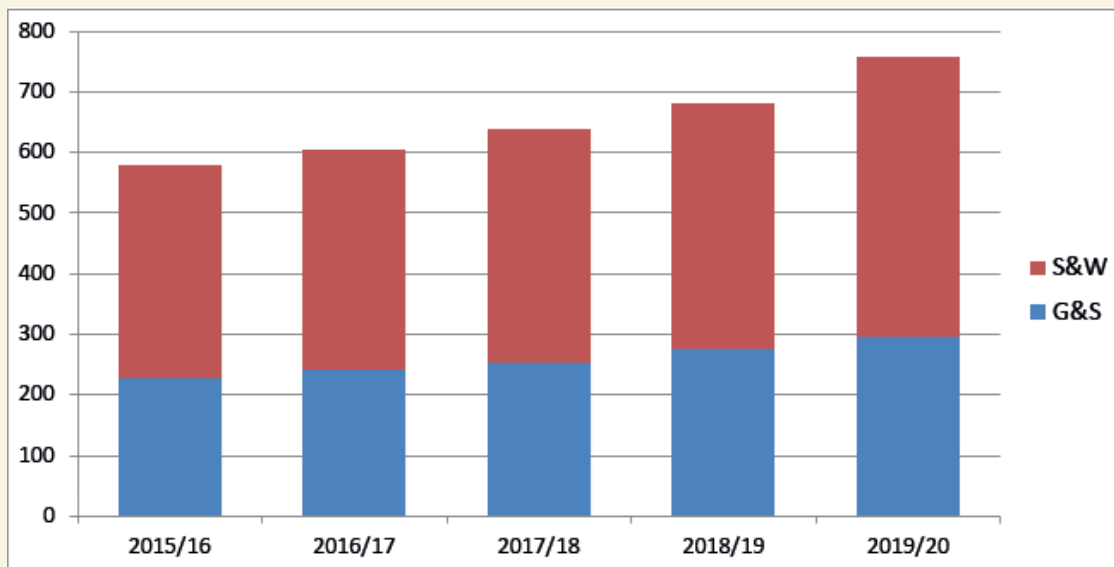
Non-pay revenue costs of £294.5m include £168.4m (21% of total expenditure) for residential, nursing and domiciliary care delivered by other organisations on the Trust's behalf and £53.4m (7% of total expenditure) for clinical and general supplies such as drugs and minor medical equipment.

Non-cash expenditure of £43.5m includes items such as depreciation, amortisation and impairment on non-current assets. This also relates to non-cash costs associated with provisions, such as clinical negligence and employer liability litigation cases. This expenditure is met by separate (RRL) funding from the Department of Health.

Long Term Expenditure Trends

The chart below shows actual revenue expenditure, broken down by pay costs, i.e. salaries and wages (S&W) and non-pay, ie. goods and services (G&S) categories, incurred by the Trust from 2015/16 to 2019/20.

Revenue Expenditure (£m) from 2015/16 to 2019/20:



Pay expenditure is just over 60% of the total of these two categories of spend in 2019/20, which excludes other elements of non-cash revenue expenditure, such as depreciation on assets.

Performance Analysis

Finance Report

Capital Investment

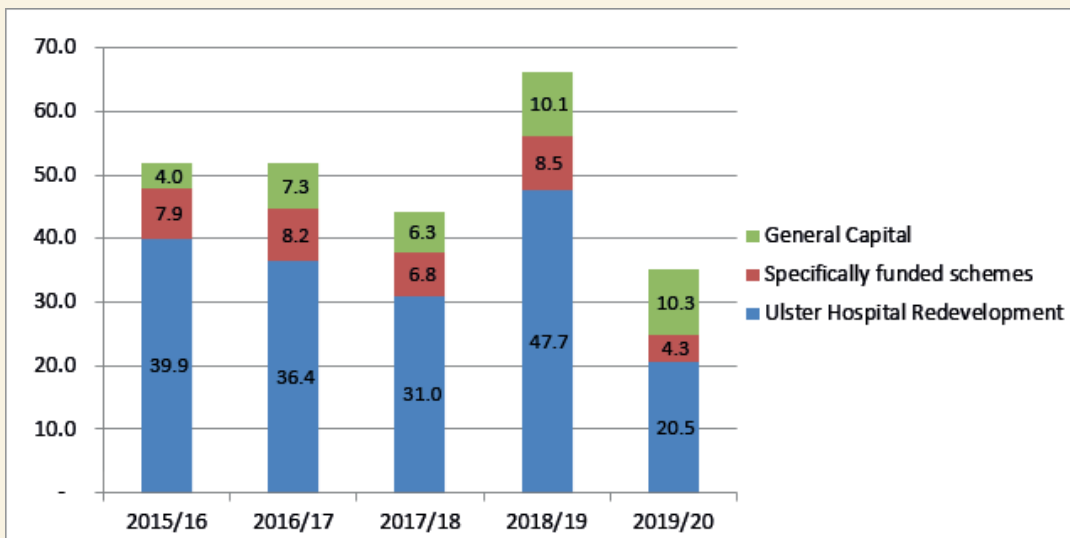
In addition to the annual spend on paying staff and other expenses, the Trust is involved in a continuous process of improving its facilities and equipment. During the year, £35.063m was spent on capital investments, the main elements of which are summarised in the following table.

Capital investment 2019/20	£'000
Ulster Hospital Redevelopment, Acute Services Block and Laundry	20,486
Buildings, estates and maintaining essential services	6,076
Plant & Equipment	4,825
ICT	2,059
Vehicles	1,137
Covid-19	480
Total (excluding charitable funds)	35,063

The Trust's funding and spending each year on specific capital investments will fluctuate, based on the number, scale and stage to which approved schemes have reached. Other areas of capital investment are also dependent on the capital funding received from the Department of Health each year. Note, the general capital spend is after the capital resource limit adjustment for disposals.

The following chart illustrates the Trust's capital expenditure over the period from 2015/16 to 2019/20.

Capital Expenditure (£m) from 2015/16 to 2019/20:



Whilst 2020/21 will be a challenging year financially for the Trust, the Health & Social Care Board and the Department of Health are working with all stakeholders to finalise savings requirements for the Trust and to develop a financial strategy which addresses all pressures and emphasises the need for continued efficiency. The Trust is currently planning to identify Directorate savings and to identify high impact proposals for residual savings gap if no funding for this residual gap is forthcoming from Department of Health.

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

Performance Analysis

Finance Report

Expenditure from Charitable Donations

In addition to the funding allocations that the Trust receives from the Department of Health, the Trust also receives charitable donations from members of the public. During the financial year 2019/20, the Trust received £0.458m in charitable donations.

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

The underlying principle of the management of the Trust's charitable donations is that they can only be used for the purpose for which they were donated. Expenditure in respect of the Trust's charitable funds was £0.556m in 2019/20. This expenditure is categorised in the table below.

Charitable Trust Fund expenditure 2019/20	£'000
Purchase of new equipment	297
Patient Education and welfare	119
Administration	66*
Staff education and welfare	32
Other	42
Total	556

* Excluding notional Audit Fee of £6k

Charitable donations are not used to fund core services. They are used to provide or purchase services that are not centrally funded, and examples of expenditure the Trust has made during 2019/20 as a result of donations, include:

- An Ultrasound system for the Renal Department
- Scantrainer for Hospital Services
- Sentimag Probe system for Cancer Services
- New seating for the Maternity Department
- Supporting patient education and welfare by the use of Clown Doctors within Children's wards.

A separately audited set of Charitable Funds Accounts are published on the Trust's website and are available on request from the Trust's finance department.

If you would like to make a donation to the Trust to help us to 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 throughout the year.

Performance Analysis

Sustainability Report

Clinical Waste tonnage showed increase in 2019/20 in line with increased activity.

Contractor was awarded price uplift of 2.7% for general clinical waste and 1.15% for pharmaceutical waste in May 2018 followed by a further increase of 1.9% and 1% respectively in June 2019 which together with the increased tonnage accounts for the continuing rise in costs.

Community clinical waste collection costs down slightly in 2018/19 due to facilities closing / transferring to hospital premises. This has stabilised in 2019/20.

Non-Clinical Waste

Non-Clinical Waste	2017/18	2018/19	2019/20	3yr % Change
Domestic Waste				
Tonnage	1416.587	1486.28	1650.09	
% change yr-yr	-0.87%	4.92%	11%	16.5%
Disposal Cost	£188,056	£214,729.23	£230,095.20	
% change yr-yr	4.91%	14.18%	7.16%	22.4%
Food Waste				
Tonnage	76.844	140.037	218.88	
% change yr-yr	NA	82.24%	56.3%	184.8%
Disposal Cost	£12,098.65	£24,604.00	£26,520	
% change yr-yr	NA	103.36%	7.8%	119.2%
Bulky Skip Waste				
Tonnage	239.37	223.5	246.58	
% change yr-yr	3.12%	-6.63%	10.3%	30%
Total weight Landfilled	135.3	133.86	144.71	
% change yr-yr	2.54%	-1.06%	8.1%	6.9%
Total Weight Recycled	104.07	89.64	101.88	
% change yr-yr	3.89%	-13.87%	13.6%	-2.1%
Disposal Cost	£22,394	£21,297.67	£22,676.74	
% change yr-yr	31.10%	-4.90%	6.47%	1.3%
Confidential Waste				
Disposal Cost	£17,705	£21,054.00	£23,932.47	
% change yr-yr	19.07%	18.92%	13.7%	35.2%
Other Non-Clinical Waste				
Disposal Cost	£2,357	£5,548.00	£5,077	
% change yr-yr	-14.22%	135.36%	-8.5%	115.4%
Total Cost NonClinical	£242,611	£287,233	£308,301.68	
% change yr-yr	13.39%	18.39%	7.34%	27.08%

Performance Analysis

Sustainability Report

South Eastern HSC Trust performance year on year was:

Utility		2018/19	2019/20	Variation
Gas	Expenditure	£2,894,073.45	£2,613,565.97	(-) 9.7%
kWh	Consumption	69,635,948	72,021,011	(+) 3.43%
Elec	Expenditure	£3,871,542.02	£3,673,565.47	(-) 5.11%
kWh	Consumption	32,563,699	30,332,984	(-) 6.85%
Oil	Expenditure	£781,970.49	£752,955.99	(-) 3.71%
mWh	Consumption	15,737	16,285	(+) 3.48%
Biomass	Expenditure	£51,944.69	£32,113.42	(+) 38.18%
mWh	Consumption	1,251	808	(-) 35.37%
Water	Expenditure	£679,354.30	£924,488.69	(+) 36.08%
	Consumption	230,287	327,814	(+) 42.35%
Budget Expenditure		£8,278,885.00	£7,996,689.54	(-) 3.41%
Estate mWh Consumption		119,180	119,448	(+) 0.22%
Trust Carbon Emissions		16,263	16,818	(+) 3.41%
Degree Day Correlation		-	-	-
CRC Regulated core emissions		21,094	20,374	(-) 3.41%
CRC Cost		£370,000.00	£361,797.00	(-) 2.27%

Clinical Waste

Clinical Waste	2017/18	2018/19	2019/20	3yr % Change
Tonnage	738.398	753.023	797.65	
% change yr-yr	-2.52%	1.98%	6%	8%
Disposal Cost	£330,506.05	£348,298.60	£373,615.67	
% change yr-yr	-0.94%	5.38%	7.2%	13%
Community Collection Cost	£53,018	£47,873.00	£47,954.00	
% change	6.79%	-9.70%	0.17%	-9.6%
Total Cost Clinical	£383,524.05	£396,171.60	£421,569.72	
% change yr-yr	0.06%	3.30%	6.4%	9.9%

Performance Analysis Sustainability Report

Domestic Waste covers all recyclable and non-recyclable 'household type' waste

Sustained increase in tonnage reflecting increased activity

A new regional contract commenced January 2018 with increased unit costs; 2018/19 is first full final year with new prices. Cost increased relatively less than tonnage in 2019/20 due to increased levels of recycling

Food Waste is separately collected food waste from food production areas. 2017/18 is first full year of data.

Very large increase in tonnage over 2018/19 - could reflect more thorough segregation . Tonnage doubled again in 2019/20.

New Regional Food Waste contract commenced January 2018 with significantly increased unit prices. 2019/20 costs did not increase in line with tonnage as charge is per bin not per kg. There is some doubt over the accuracy of the contractor's weights.

Bulky Skip waste is primarily discarded furniture and equipment.

Overall increase in tonnage but amount recycled increased more than amount landfilled.

Cost increases are less than total tonnages as we do not pay for the materials that are recycled.

Confidential Waste is primarily paper which requires security shredding prior to recycling.

New regional contract awarded in October 2018 with significant unit price increase. A price reduction was negotiated in January 2020 in return for an extension.


Other Waste includes WEEE, Chemicals and compostable waste. Very small amounts and arise sporadically.

Overall

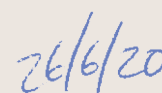
	2017/18	2018/19	2019/20	3 year % change
Grand Total Tonnage	2471.199	2602.840	2913.2	
% change yr-yr	2.17%	5.33%	11.9%	17.9%
Grand Total Cost	£626,135.09	£683,404.50	£729,871.40	16.6%
% change yr-yr	4.84%	9.15%	6.8%	

There continues to be an upward trend in overall tonnages due to increased activity but costs have had a relatively smaller increase due to contract negotiations and improved recycling rates.

Increases are expected to continue due to increased activity and the opening of ASB.



Seamus McGoran
Accounting Officer



Date

Accountability Report

Non-Executive Directors Report

The primary role of the South Eastern Health & Social Care Trust (the Trust) Non-Executive Directors (NEDs) is to provide support, challenge, and an independent voice, at corporate level, across all the work of the Trust. There are six NEDs who provide a wide range of expertise on public sector and commercial matters.

The year saw immense activity, development, change and challenge for the Trust Board. For example, the NEDs welcomed the appointment of Mr Neil Guckian, as Interim Chief Executive of the Trust followed by Mr Seamus McGoran, who continues to hold this role. However, NEDs want to pay tribute to all our Executive colleagues for their hard work and dedication during this time of change. We know that all members of the Trust Board have a common goal regarding the health and wellbeing of the local population and the recognition and further development of our wonderful staff. The NEDs want to applaud all our staff, and volunteers, who always go the extra mile for patients, clients, and families.

As a general principle, the Board meets 8 times per year and has 4 strategic workshops. In addition, the NEDs participate in the extensive Corporate Committee infrastructure and have a range of other duties. But in terms of our meeting schedules, this year was different, mainly because of the pressures arising from industrial action relating to HSC pay and safe staffing levels, and more latterly due to the Covid-19 pandemic. A number of meetings were cancelled, and other ways of working were sought to promote and maintain the corporate governance of the Trust.

Each Board meeting starts with a Patient/Client story. Such stories provide the NEDs with an opportunity to hear, at first hand, from individuals and their family members. It is also an opportunity to listen to staff on how particular services benefit people and also how services could be improved. Such stories set the context for the rest of the Board meeting, reminding us all on why the Trust exists.

Throughout the year, the NEDs have had active discussions at Board level on many topics including: -

- *Trust's finances and performance*, recognising the need to “break even” in financial terms but understanding the tremendous human cost to individuals when our performance and waiting lists are not at the required levels;
- the *Transformation Programme* - including the development of new ways of working - for example, through the Regional Assessment and Surgical Centres at the Downe and Lagan Valley Hospitals, but also the challenges on sustainability of all service developments at both regional and local levels;
- the *Development of the Ulster Hospital Site* – the wonderful opportunities in treatment and care that such investment brings to patients and staff - but also its ongoing challenges; and
- the need for change and ongoing action arising from catastrophic events, such as arising from the *Inquiry into Hyponatraemia – Related Deaths*.

The NEDs pay particular attention to corporate governance. All NEDs participate in the Trust's extensive infrastructure, including Audit, Governance Assurance, Finance and

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Non-Executive Directors Report

Performance, Corporate Control, Safety and Quality, Remuneration, and Charitable Funds Committees. Audit, Governance Assurance, and Charitable Funds Committees are chaired by NEDs and report directly to the Board.

The NEDs recognise the importance of documentation, management, and regular review of corporate risks, as contained in our Corporate Risk Register. Whilst many of these appear annually on the Register, new ones in 2019/2020 included:

- EU Exit – and the inherent risks to healthcare supply chains e.g. medicines, equipment and vaccines, cross border working, and data transfer risks;
- Assurance of Independent Providers and Governance Arrangements – and the challenges and actions required to promote the care and wellbeing of vulnerable people in our community;
- The Mental Capacity Act – the need for further protections for those who cannot make specific decisions for themselves, and the challenges and risks that preparation and implementation of this new Act brings for the Trust; and
- Workforce issues – which in 2019/2020 brought extra challenges for the Trust, including those arising from Government changes to taxation arrangements.

COVID-19

In early 2020, the world realised the significance of a new Corona Virus, called Covid-19. A pandemic was announced by the World Health Organisation on 11 March 2020. The NEDs wish to end this report by acknowledging the devastating impact this virus has had on our society, our way of life, and on our economy. We particularly want to extend our heartfelt sympathies to the families of those who suffered an untimely death, because of this virus.

Our health and care services had to adapt rapidly under tremendous pressure. We want to say a big thankyou to all staff, returnees, and volunteers of the South Eastern Trust and acknowledge that without your individual and team efforts more death would have occurred. We know that you did your best to comfort individuals through their last hours and provide solace to grieving relatives. As NEDs, we recognise that this was done willingly and at potentially great emotional cost to yourselves and to your families.

Thank you all.

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

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;
- The Trust's Chief Executive is a member of the regional Transformation Implementation Group (TIG), chaired by the Permanent Secretary for Health, alongside other leaders and clinicians from across the Department and the Health and Social Care system. The Transformation Implementation Group provides the strategic leadership to oversee and make decisions on the design, development and implementation of the Health and Wellbeing 2026: Delivering Together Transformation Programme;
- The Director of Children's Services is a member of the regional Children's services Improvement Board, chaired by HSCB, alongside DoH and other regional Directors of Children's Services. This Improvement Board provides strategic leadership, agreeing priorities for the transformation of children's services and standardising services and practice regionally;
- The Director of Hospital Services is a member of the regional Cancer, Unscheduled Care, Major Trauma, Diabetes and Critical Care networks and these networks include Directors of Acute Services from all Trusts. The networks provide strategic leadership, agreeing priorities for the transformation of services and standardising services and practice regionally;
- The Director of Planning and Performance is a member of the Directors of Planning and Performance Forum which meets regularly with HSCB, DOH colleagues and other leaders across Health and Social Care. This forum collaborates and adopts a consistent approach to strategic planning, service improvement, transformation, commissioning, contracting and eHealth matters in accordance with regional policy direction;
- The Director of Adult Services is a member of the regional Mental Health and Learning Disability Improvement Board, chaired by HSCB, which has membership at director level from across all Trusts, the DoH and RQIA. The Improvement Board provides strategic leadership, agreeing priorities for the transformation of Mental Health and Learning Disability services and standardising services and practice regionally. The Directors of Adult Services

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in the five HSC Trusts have also established a Collaborative Board which includes representatives from Academic Institutions and the PHA to work on the Towards Zero Suicide Initiative;

- The Director of Human Resources and Corporate Affairs works closely with the DoH and other Director of HR colleagues to agree and deliver the strategic workforce agenda for HSC;
- The Executive Director of Nursing /Older People & Primary Care is a member of the Central Nursing & Midwifery Advisory Committee (CNMAC) chaired by the Chief Nursing Officer Its function is to provide relevant, timely and resolved advice to the DOH

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 2020 the Trust completed its eighth 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

The Board Governance Self Assurance Template (BGSAT) was due to be presented at the Governance Assurance Committee on 18 March 2020, but this meeting was postponed due to the Coronavirus emergency and was rescheduled for 13 May 2020. The BGSAT was on the agenda for discussion at the meeting and one Board Impact Case Study was identified and agreed for inclusion in the report. This will cover the area of Performance issues (in the area of quality, resources / finance, HR, Estates or Service Delivery) and the Board's role in bringing about change in respect of services delivered to children with Autism Spectrum Disorder. This will be presented at the next meeting of the Committee on 17 June 2020 and for approval by Trust Board thereafter.

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 – 17 out of 17 were rated as Green. These criteria are grouped under the following areas; Board composition and commitment, Board evaluation, development and learning, Board insight and foresight, Board engagement and involvement, and the Board impact case study. An action plan was developed detailing actions to achieve any areas of non-compliance with good practice and/or red flag areas on completion of the assessment.

Governance Framework

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

- A schedule of matters reserved for Board decisions;

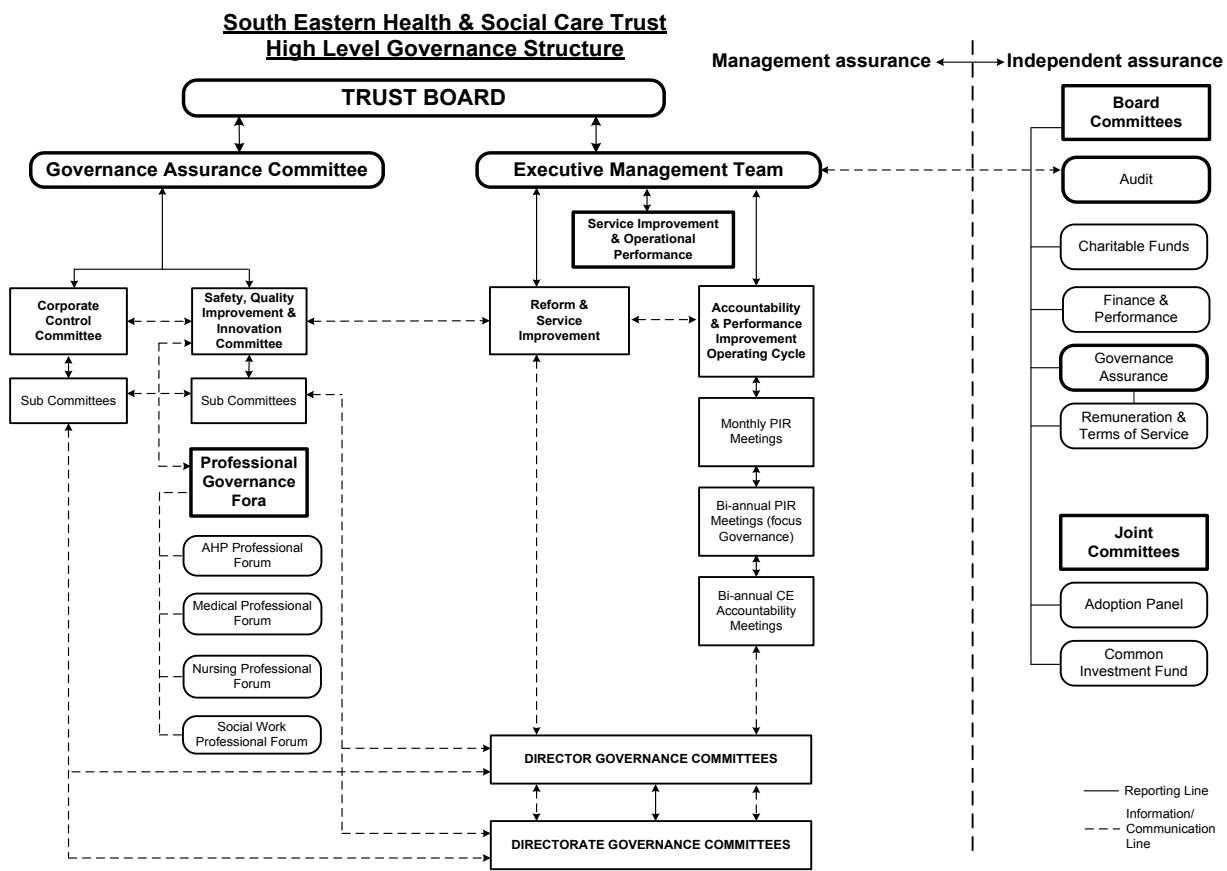
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- A scheme of delegation, which delegates decision making authority within set parameters to the Chief Executive and other officers;
- Standing Orders and Standing Financial Instructions;
- Register of Interests;
- Code of Conduct & Accountability for Board members and staff;
- Standards of Business and Gifts and Hospitality Policies and other relevant policies.

In addition, 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 2019/20 (see table 1 below) is further supported by the Trust's own Assurance Framework, Risk Management and Governance Strategies. The Governance infrastructure was last reviewed by the Corporate Control Committee at its meeting in 17 October 2018 and owing to industrial action and subsequent COVID-19 preparations, the next scheduled review will take place in 2020/21. Table 1, below, depicts the Trust's 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:-

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- Audit;
- Charitable Funds;
- Finance & Performance;
- Remuneration & Terms of Service; and
- Governance Assurance.

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

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

Board/Committee	Number of meetings	% Attendance
Trust Board	9	91
Audit Committee	4	90
Charitable Trust Funds Committee	3	100
Finance & Performance Committee	4	94
Remuneration & Terms of Service Committee	2	100
Governance Assurance Committee	2	79

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. The Committee also provides an Annual Report to the Trust Board at the year-end which provides assurances detailing that it is satisfied in respect of the reliability and integrity of the assurances received during the year and of their comprehensiveness in the meeting the needs of the Board and the Accounting Officer.

In addition, the Trust's Audit Committee annually reviews its effectiveness and application of good practice through the Audit Committee Self-Assessment checklist, issued by the National Audit Office. The last assessment was completed and presented to the Audit Committee on 22 May 2020 and all areas were compliant with the checklist.

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

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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 and Performance Committee, chaired by a Non-Executive Director, meets five times a year (previously bi-monthly), 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 will meet a minimum of once annually. Its main function is to advise the Board on performance, development, succession planning and appropriate remuneration and terms of service for the Chief Executive and all Senior Executives, guided by Departmental policy. The Committee reports, on an annual basis, to the Trust Board (in a confidential meeting) the basis for its decisions and recommendations and seeks the necessary approval to its recommendations (circa June). Two meetings of the committee were held during 2019/20 and the outcome reported at a Confidential Trust Board meeting.

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.

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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. The Committee also provides an Annual Report to the Trust Board at the year-end which provides assurances detailing that it is satisfied in respect of the reliability and integrity of the assurances received during the year and of their comprehensiveness in the meeting the needs of the Board and the Accounting Officer.

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.

The Hyponatraemia Implementation Oversight Group, chaired by the Medical Director, oversees the implementation of the recommendations arising from the Inquiry into Hyponatraemia Related Deaths and met on a bi-monthly basis during 2019/20. Regular reports in terms of the work of the group were submitted to the Safety, Quality Improvement & Innovation Committee, the Governance Assurance Committee and the Trust Board during the year. The Trust also participates in the Department of Health's programme of work in response to the Inquiry Report's recommendations.

The Coronavirus Strategic Liaison Group, chaired jointly by the Medical Director and the Executive Director for Nursing, Older People and Primary Care, was established on 5/2/20 to oversee the Trust's response to the Covid19 pandemic. Regular reports and updates from this group were shared with the Incident Control Room and the Strategic Coordinating Group and forwarded to the Governance Assurance Committee and Trust Board.

Business Planning and Risk Management

Business planning and risk management is at the heart of governance arrangements in order to ensure that statutory obligations and ministerial targets are prioritised in the management of business at all levels across the organisation.

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.

The current Corporate Plan (2017-2021) was approved in May 2017. This is delivered on an annual basis by Directorates through their Directorate Management Plans. All plans are closely aligned to the objectives and outcomes set out in the four year Corporate Management Plan.

Monitoring of compliance with the Trust Delivery Plan is via the Planning and Performance Operating Cycle. This is facilitated through enhanced integrated performance accountability arrangements which include monthly Performance meetings for all Operational Directorates, regular reports presented to Finance and Performance Sub-Committee, Trust Board scorecard reports and Dashboard presentation 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.

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On 23/03/20 the Minister of Health wrote to Chief Executive advising that in light of the rapidly developing Covid-19 situation, work by DOH on the development of the Commissioning Plan Direction (CPD) for 2020/21 was suspended. The Trust was advised to plan and deliver services in line with the CPD for 2019/20, and to prioritise patient safety and clinical risk. This will have an impact on the development of HSCB Commissioning Plan, as well as local Commissioning Plans. As a result of this the Trust will not be in a position to develop a Trust Delivery Plan for 2020/21 but will continue to report against the targets outlined in 2019/20 TDP with a focus on patient safety and clinical risk. Further potential impact is anticipated in relation to Corporate Plan, Directorate Management Plans and Accountability processes. A plan will be developed to ensure any risks arising from this are adequately mitigated.

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

During 2019/20, the Trust continued to implement its Integrated Governance framework which links corporate governance and risk management (including organisational controls), safe and effective care (clinical and social care governance), and financial governance. A new three year Board Assurance Framework (2018/2021); Risk Management Strategy (2018/2021) were developed and approved by the Trust Board at its meeting on the 11 February 2019. A complementary Integrated Governance Strategy is also currently being developed. 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.

The Trust's extant Risk Management Strategy is based on the principles of ISO 31000: 2018 (Risk Management Guidelines). It is reviewed on an annual basis by the Corporate Control Committee (taking account of problems and/or significant external developments that arise during the course of the year). It is updated on an annual basis (circa December each year).

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

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

The strategy is delivered and embedded in the organisation through the work of the Corporate Control Committee and its supporting sub committees. In addition, Directorates in their individual Directorate Management Plans include a range of governance and risk management

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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. 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. On 10 March 2020, the Executive Management Team reviewed the 2019/20 Corporate Risk Register and determined those items that would be closed off and those which would be carried forward onto the 2020/21 Corporate Risk Register. Following the conclusion of the meeting, it was agreed that:

Two CRRs were closed:

- 2562 - EU Exit and;
- 2750 - Industrial Action

18 existing Corporate Risk Register (2019/20) topics will be carried forward from 2019/20 onto the 2020/21 Corporate Risk Register with new action plans developed, as appropriate. All forms were reviewed for accuracy and updated for scoring, control measures and new action plans inserted, as appropriate.

- One new item to be added to 2020/21 Corporate Risk Register relating to Covid19:

A total of 17 items were on the Corporate Risk Register for 2019/2020. Three further items were added during the year:

- ID 2744 – Mental Capacity Act (added September 2019)
- ID 2750 – Industrial Action (added December 2019)
- ID 2753 – Lakewood Regional Secure Care Centre (added March 2020)

There were a total of 77 action point items (across all 20 CRR proformas) and the majority of all items have been closed off as at 31 March 2020 and any outstanding areas are being followed up as a priority.

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

Staff are trained and equipped to manage risk in a way appropriate to their authority and duties. Risk management support and guidance is made available to staff. Managerial staff are 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.

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Corporate Governance Statement

During the year the main focus on risk management training was on General Risk Assessment, and Control of Substances Hazardous to Health (COSHH). A range of other training was delivered for e.g. Induction, Practical Manager, Incident Reporting, Complaints Training, Emergency Preparedness, and Information Governance courses. In addition, a number of additional training programmes were delivered during 2019/20:-

- Effective Written Responses to Complaints Training (March 2020) was held again which focussed on providing staff investigating complaints with effective response writing skills;
- Training sessions continued for reviewers and approvers of incidents within the Datixweb incident reporting system.

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.

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.

The last annual internal audit of the Trust's risk management and governance systems was undertaken in March 2019 – Satisfactory assurance was confirmed.

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 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 annual Department of Health

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Information Management assurance programme (formerly the Controls Assurance programme).

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 2018, the General Data Protection Regulation (EU) 2016/679 (GDPR) and the Code of Practice on Protecting the Confidentiality of Service User Information. The Director of Human Resources & Corporate Affairs is the nominated SIRO and the Director of Planning, Performance & Informatics is the appointed deputy SIRO. 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. Information Assets Assistants (IAAs) have also been identified as 4th line managers.

The IGSC continued to roll-out a challenging programme of work during 2019/20 primarily based around the implementation of recommendations arising out of the Business Services Organisation (BSO) Internal Audit of Information Governance & GDPR in November 2018. The Trust has developed an action plan to take the audit recommendations forward and the IGSC has continued to monitor progress. Significant progress has been made in taking forward these recommendations.

Each Directorate holds an extant information asset register (which will be reviewed in line with the audit finding) 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 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.

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. The IGSC receives quarterly reports on all information governance incidents. In addition, all reported incidents of data loss or confidentiality breach in 2019/2020 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 reported 2 incidents to the Information Commissioner's Office (ICO) during this period. The ICO has concluded on all of their investigations and has taken no further action based on the prompt remedial works undertaken by the Trust.

In accordance with the ICO training audit (August 2019) the Trust, via its IGSC, reviews and monitors staff training compliance.

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. No issues were escalated during 2019/2020.

The Trust is also committed to ensuring the security of information held in electronic form in accordance with its ICT security Policy. The Trust is aware of the international risk of Cyber Security. The Corporate Risk Register includes a high level Cyber Security risk which was added to the register in 2017/18.

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Covid-19

The World Health Organisation (WHO) declared the outbreak of Coronavirus disease (COVID-19) a global pandemic on 11 March 2020. Following which the Department and its ALBs immediately enacted emergency response plans across the NI Health sector. There is UK-wide coordinated approach guided by the scientific and medical advice from respective Chief Medical Officers and Chief Scientific Advisers informed by the emergent evidence nationally and internationally. Evidence-based UK-wide policies and guidelines continue to be carefully followed in conjunction with the PHA issuing local guidelines and ensuring readily accessible and continually updated advice. The pandemic has had extensive impact on the health of the population, all health services and the way business is conducted across the public sector. Protecting the population, particularly the most vulnerable, ensuring that health and social care service were not overwhelmed, saving lives through mitigating the impact of the pandemic and patient and staff safety has remained at the forefront throughout health's emergency response. This has required a number of measures to urgently repurpose and temporarily reconfigure the provision of services, and to identify additional capacity including the need to ensure availability of appropriate Personal Protective Equipment. Financial measures have been put in place by the NI Executive to enable NI to tackle the response to COVID-19 and Health has obtained essential financial support from this package of measures to assist in the ongoing fight against COVID-19.

Contingency arrangements have been in operation including the establishment of an Emergency Operations Centre within the Department to support HSC colleagues' frontline response to the pandemic. Given the wide ranging impact and the need to react immediately to changing healthcare needs, this has had an effect on the ability to conduct routine health business with a need to curtail non-urgent healthcare activity in order to re-direct resources to deal with the pandemic. There have been substantial resourcing impacts across the Department and ALBs to scale up the response to ensure adequate staff resourcing to meet increasing demands which included calling on volunteers, retired medical staff and medical students to rally together to strive to enable an optimum response to the pandemic.

Social distancing measures were implemented in line with The Health Protection (Coronavirus, Restrictions) (Northern Ireland) Regulations 2020 and the health sector played an important part in ensuring the NI population were aware of the need to adhere to the measures to reduce risk of transmission. The actions of the health sector throughout the continued response to the pandemic are based on the ongoing assessment of three key criteria: the most up-to-date scientific evidence; the ability of the health service to cope; and the wider impacts on our health, society and the economy. Across healthcare, leading on the testing of COVID-19 in NI has and continues to be a key priority with testing centres being set up across the country including mobile testing. The Department's Expert Advisory Group has overseen the strategic approach to testing in NI. The Minister of Health is a member of the Ministerial Testing Taskforce, chaired by the Secretary of State for Health, and so NI is fully engaged with the strategy for testing at a national level. NI testing capacity has also been increased through Health's facilitation of the UK Coronavirus National Testing Programme. Northern Ireland Contact Tracing Service began contact tracing all confirmed cases of COVID-19 on 18 May 2020. Volunteers have been recruited and redeployed across the health sector and the team is being scaled up to strive to ensure that every conceivable effort is made to continue to limit transmission as lockdown measures across the region are eased. The Department has prepared a COVID-19 Test, Trace and Protect Strategy which sets out the public health approach to minimising COVID-19 transmission in the community in Northern Ireland. The Chief Medical Officer has established a Strategic Oversight Board for the NI COVID-19 strategy which will bring all of the key elements together – namely testing,

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contact tracing, information and advice, and support - working together with colleagues across the HSC to endeavour to maintain community transmission at a low level and respond to clusters of infection localised in NI. The early outcome is more favourable than the modelling of the reasonable worst case scenario and the Department and HSC are no longer in emergency response mode, some areas have been able to be stood down in recent times although there is a need to continue to remain vigilant and in a state of operational readiness to react should a resurgence occur.

Alongside the ongoing and changing needs of response to COVID-19 there is an urgent need to seek to rebuild wider healthcare services and confidence in the community. Officials have over recent weeks carried out an urgent project to assess the impact of COVID-19 on HSC services delivery. On 9 June 2020 a new Strategic Framework was launched aimed at rebuilding health and social care services. The key aim will be to incrementally increase HSC service capacity as quickly as possible across all programmes of care, within the prevailing COVID-19 conditions. A new Management Board for Rebuilding HSC Services has also been created. This will broadly consist of senior Department of Health officials, Trust Chief Executives and other HSC leaders. COVID-19 has had a profound impact on the delivery of health and social care services and across the HSC plans are incrementally being enacted to begin recovery whilst planning for a potential second wave. The Department is continuing to work closely across the HSC to support and define the requirements and opportunities to meet continuing and rapidly changing pressures in these unprecedented and challenging times.

Fraud and Whistleblowing

The Trust takes a zero tolerance approach to fraud in order to protect and support our key public services. We have put in place an Anti-Fraud Policy and Fraud Response Plan to outline our approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud, whether originating internally or externally to the organisation. Our Fraud Liaison Officer promotes fraud awareness, coordinates investigations in conjunction with the BSO Counter Fraud and Probity Services team and provides advice to personnel on fraud reporting arrangements. Staff are provided with fraud awareness resources in support of the Anti-Fraud Policy and Fraud Response Plan, which are kept under review and updated as appropriate or every 5 years.

The Trust also has in place an Anti-Bribery Policy and an Anti-Bribery Response Plan which reinforces the Trust's zero tolerance approach to bribery and corruption and outlines the Trust's commitment to conduct all of its business in an honest and ethical manner through bribery and corruption prevention and the mitigation of specific bribery and corruption risks.

The Trust's Raising Concerns (Whistleblowing) Policy is the Trust's statement on 'Your Right to Raise a Concern', as agreed through the regional Task and Finish Whistleblowing Group. This Policy promotes a culture of openness and transparency, underpinned by an ethos of confidentiality and safety for those who speak up and provides specific, practical information as to how to raise a concern. The Raising Concerns Policy was launched in the Trust in June 2018. Information is available to staff on the Trust intranet system which includes the Policy, Toolkit and a Raising Concerns Hotline. Posters have been distributed across the organisation and training on the application of the policy has been carried out, including training of staff who will act as Advocates. The Trust strives to handle all concerns fairly, impartially and properly and to comply with the Public Interest Disclosure (NI) Order 1998.

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During 2019/20, 5 cases of concerns were reported via the Employee Relations route for staff within the Trust. All 5 have been investigated and are now closed.

In keeping with the How to Raise a Concern (Whistleblowing) Policy, the Trust aims to promote a culture of openness and honesty and to ensure issues are dealt with and taken seriously by listening to our staff, learning lessons and striving to improve patient care.

All identified concerns/whistleblowing cases within the Trust for the year 2020/21 onwards will be reported to the Safety Quality Improvement and Innovation Committee (SQIIC).

Public Stakeholder Involvement

The Trust aims to ensure that those who use our services and their representatives have an opportunity to influence and shape policy and service delivery decisions. Our Personal and Public Involvement Strategy outlines our commitment to involving key stakeholders and their representatives in the development of our services. Service user engagement and involvement is mainstreamed into key policy development process.

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

- 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. The Trust also operates a User Experience Leadership Sub Committee, the key function of which is to lead the strategic development of User Experience across the Trust and to ensure that User Experience principles, programmes and initiatives are embedded at service level. In addition, there is a Trust-wide User Forum and specific Service User Forums in operation across the Trust which also provide 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.

The Trust has continued to gather and analyse patient experience stories as part of the regional 10,000 Voices project. In addition, Patient/Client experience stories are provided at public sessions of the Trust Board and shared with managers and staff.

Assurance

The Trust has an Assurance Framework (Sept 2018-2021) 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

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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 Organisational Controls Assurance process (formerly Controls Assurance), 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 HSC 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.

Key sources of assurance are the reports from Internal Audit. The annual Audit Plan is based on key risks and systems within the organisation. The last annual Internal audit on Risk Management (March 2019) reported Satisfactory Assurance on the system of internal control for Risk Management.

Both the Audit Committee and Governance Assurance Committee provide an Annual Report to the Trust Board at the year-end both of which provide assurances detailing that they are satisfied in respect of the reliability and integrity of the assurances and of their comprehensiveness in meeting the needs of the Board and the Accounting Officer. Furthermore, this information is used to demonstrate that a sound system of Internal Control is in place. In addition, other self-assessments such as the Board Governance Self-Assessment Tool, the NIAO Self-Assessment Tool for Audit Committees and Review of Effectiveness Reports completed by all Trust Board sub committees and other sub committees are used to assure the Trust Board as to the quality of work provided by respective sub committees.

The Organisational Controls Group (formerly the Controls Assurance Group) is chaired by the Director of Human Resources & Corporate Affairs, supported by the Assistant Director, Risk Management & Governance as the Project Manager. During the year the team developed appropriate transitional arrangements and an alternate model for the management of the former 22 organisational controls standards. With effect from April 2018, ALBs are required to provide proportionate assurance to relevant policy leads in the Department. Where applicable, assurance will be provided in mid-year assurance/governance statements. Unlike the previous programme when all standards had to submit the level of compliance to the DoH, only a small number of standards are now required to submit assurance to the relevant DoH Policy Lead.

Sources of Independent Assurance

The South Eastern Health and Social Care Trust obtain 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.

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In 2019/20 Internal Audit reviewed the following systems:

Audit Area	Level of Assurance**
Finance Audits	
Payments to Staff (specifically focusing on the Primary Care, Older People and Nursing Directorate)	Limited
Non Pay Expenditure (specifically focusing on the Children's Services and Social Work Directorate)	Satisfactory – Non Pay Expenditure Limited – Social Care Procurement*
Budgetary Control	Satisfactory
Pharmacy Procurement and Management of Contracts	Satisfactory
Charitable Funds	Satisfactory
Management of Client Monies in Independent Homes	Satisfactory – 3 out of 4 Independent Sector homes visited in SEHSCT area Limited – 1 Independent Sector home visited in the SEHSCT area Limited – 1 Independent Sector home visited on behalf of 4 Trusts outside the SEHSCT area
Corporate Risk Based Audits	
Management of Appointments Process (including Management of Private and Paying Patients)	(Draft report) Satisfactory – Management of Appointment Process Limited – Management of Private and Paying Patients
Management of Medical Locums	Limited
Governance Audits	
Fraud & Whistleblowing Processes	Satisfactory – Fraud Processes Limited – Whistleblowing Processes
Cyber Security IT Audit – Managing User Privileges and ICT Risk Management	Satisfactory
Medication Incident Management	Limited

* Relates to a Limited Assurance provided by Internal Audit in 2017/18 respect of Social Care Procurement. This limited assurance opinion remains in 2019/20.

** Internal Audit's definition of levels of assurance:

Satisfactory: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.

Limited: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Unacceptable: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

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Internal Audit provided limited / partially limited assurance within the following areas:

- Payments to Staff

Limited assurance has been provided on the basis of increased risk of error and fraud from off-system processing of timesheets, of inaccuracies identified in sampled payments and inadequacies in the Staff in Post process. Work is currently ongoing within the Trust to address the areas highlighted in the report.

- Non Pay Expenditure

Whilst Internal Audit provided a Satisfactory assurance on this audit, they noted that they provided Limited assurance in relation to Social Care Procurement in 2017/18, and this remains in 2019/20. Work related to this area continues, in particular within the regional Social Care Procurement workstreams with BSO Procurement and Logistics Service, the Health and Social Care Board and the Department of Health. During 2019/20, a revised regional plan has been produced which indicates this work is now planned to complete by 2029.

- Management of Client Monies in Independent Homes

This report was issued with satisfactory assurance for the majority of (3 out of 4) Homes visited. In the one home out of four which received limited assurance, this assurance related to one recommendation regarding the reconciliation of client monies in a pooled residents bank account rather than in the residents individual ledger account, with bank reconciliations not being performed on the residents account regularly. This has been raised with the Independent Sector (IS) Home in question and actions agreed and progressed to rectify this.

In the one IS Home (outside SEHSCT area) in which an audit was carried out on behalf of four Trusts where a limited assurance was provided, there were no specific recommendations within the report in respect of the one service user / resident from SEHSCT. In addition, a number of the generic recommendations also did not apply to SEHSCT's service user. The remaining recommendations have been progressed internally and alongside our Finance colleagues in the three other Trusts.

- Management of Medical Locums

Limited assurance has been provided by Internal Audit on the basis of the lack of audit trail around decisions to utilise non-contract agencies, agree individual payment rates with medical agency staff and also completion of pre-employment checks. An internal working group has commenced within the Trust to specifically progress improvements in this area. An action plan with associated timeframes is in place.

- Fraud and Whistleblowing Processes

Internal Audit provided Satisfactory assurance in relation to Fraud Processes. Satisfactory assurance has been provided on the basis that fraud is being regularly reviewed and reported at Audit Committee, procedures are established for the capture of suspected fraud while the investigations are generally conducted in a robust manner.

Internal Audit provided Limited assurance in relation to Whistleblowing Processes. Limited assurance was provided on the basis that, at the time of audit, appropriate governance oversight was not in place in respect of reporting whistleblowing activity at Board and Sub

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Committee, procedures were not established to provide assurance that all whistleblowing concerns are being captured and reported centrally and Whistleblowing training is not being delivered, monitored or reported in line with guidance. Recommendations from this report are being addressed and Whistleblowing will be reported through to the relevant Board Sub-Committee.

- Medication Incident Management

Internal Audit provided Limited assurance in relation to the management of medication incidents within the SEHSCT. Limited assurance has been provided on the basis that, at the time of audit, there was under-reporting of medication incidents regarding the independent sector. The recommendations and actions required from this audit are currently being actioned with relevant managers to improve processes in relation to medication incident reporting and the Trust has recently established an Independent Sector Forum sub-committee to provide assurance and overview of all Independent Sector Providers' governance issues to Trust Board. This Forum has been in place from February 2020.

Draft Audit Reports

- Management of Appointments Process (including Management of Private and Paying Patients)

Due to the Covid-19 pandemic, key Management within the Trust have not been available to respond to one 2019/20 internal audit draft report regarding Management of Appointments Process including Management of Private and Paying Patients. This report remains in draft format pending Management consideration and response to it. There are 3 significant findings in the draft report, impacting on the assurance in respect of Management of Private and Paying Patients. The draft content of this report has been considered by the Head of Internal Audit when forming her overall annual opinion in 2019/20.

Consultancy / Non-Assurance Assignments

No consultancy or non-Assurance work was conducted during 2019/20.

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, 80% of the recommendations examined were fully implemented, a further 18% were partially implemented and 2% were not implemented at the time of review.

In the context of Covid-19, the Trust did not provide an updated position for 4 recommendations at year end. If these 4 are excluded from the figures above, the Trust has fully implemented 81% of the recommendations reviewed at year end, 18% were partially implemented and 1% were not implemented.

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Shared Services Audits

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

Shared Services Audit	Level of Assurance
Payroll Shared Service – as at September 2019	Limited
Payroll Shared Service – as at March 2020	Satisfactory - Elementary Payroll Processes Limited - Timesheets, Management of Overpayments and RTI Data HMRC/SAP
Recruitment Shared Service	Satisfactory - RSSC recruitment processes Limited - eRecruit system functionality
Accounts Receivable	Satisfactory
Accounts Payable	Satisfactory

Overall Opinion

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

*Overall for the year ended 31 March 2020, I can provide **Satisfactory** assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.*

Although I am content to provide overall Satisfactory assurance, it is important to note that Limited assurance has been provided in a number of areas, most notably in Payments to Staff and Whistleblowing Processes.

Counter Fraud and Probity Services

During 2019/2020, 11 cases of suspected fraudulent activity were reported within the Trust. 9 cases were successfully brought to a conclusion during the year, and the remainder are under investigation.

In keeping with the position set out in the Trust Fraud Policy Statement, SEHSCT 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:

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- 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 the services provided by BSO;
- 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), Nursing & Midwifery Council (NMC) and various Royal Colleges;
- ISO accreditations;
- Various self-assessments regarding Board business, for example, Board Governance Self-Assessment Tool, NIAO Self-Assessment Checklist regarding the Audit Committee;
- Annual report to the Trust Board by the Audit Committee at the year-end providing assurances to the Trust Board that it is satisfied in respect of the reliability and integrity of the assurances received by the Committee during the year and of their comprehensiveness in the meeting of the needs of the Board and the Accounting Officer;
- Annual report to the Trust Board by the Governance Assurance Committee at the year-end providing assurances to the Trust Board that it is satisfied in respect of the reliability and integrity of the assurances received by the Committee during the year and of their comprehensiveness in the meeting the needs of the Board and the Accounting Officer;
- Reports of the Review of Effectiveness by Board Sub Committees to the Trust Board – Audit, Charitable Funds, Finance & Performance and Governance Assurance.
- Investors in People - The South Eastern Health and Social Care Trust was awarded “We invest in people”, Silver accreditation in March 2020. This involved 9,940 assessment surveys being issued to staff and 2,839 responses received. Internal reviewers met with 555 staff and a Final Stage assessment conducted. Our next rolling assessment cycle will be 2020-2023.
- Regional Staff Survey - The Northern Ireland Statistics and Research Agency (NISRA) conducted the 2019 staff survey on behalf of the HSC. The survey went live on 4 March 2019 and remained open for a six-week period, closing on 12 April 2019. It was a full census survey of all staff within the 16 HSC organisations. A total of 19,094 completed responses were received regionally by NISRA (13,423 for online and 5,671 paper responses), providing an overall regional response rate of 24.5% (28.1% for online and 18.9% for paper). 3,181 responses were received from South Eastern Trust staff, providing a response rate of 26%.

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

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

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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 and the Governance Assurance Committee (supported by the 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 4 occasions during 2019/20 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 Head of Internal Audit Opinion and recommends approval of the draft Governance Statement to the Board. In addition, it reviews progress on implementing internal and external audit recommendations.

The Governance Assurance Committee also met on 2 occasions during 2019/20, in July and September 2019, and considered the effectiveness of the Trust's governance arrangements. The meeting scheduled for December 2019 was cancelled due to ongoing Industrial Action, and the March 2020 meeting postponed due to the Coronavirus emergency situation. 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 overseeing the establishment and maintenance of effective systems of internal control, and oversees the work and outputs of Internal Audit. It also reports directly to the Trust Board. The Corporate Control and Safety & Quality Committees and their associated committees form the main strands within the governance framework for the delivery of governance and risk agendas and report to the Governance Assurance Committee.

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

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The Trust completed its self-assessment of the Board Governance Self-Assessment Tool which was scheduled to be approved by Trust Board on 25 March 2020. This unfortunately was delayed due to the Coronavirus emergency and it will now be submitted to the Governance Assurance Committee for approval at the meeting scheduled for 17 June 2020, and for subsequent approval at Trust Board thereafter. An action plan will be developed to address any areas of 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. The Audit Committee agreed the internal audit plan for period April 2019 to March 2020 at its meeting on 9 May 2019.

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 published on the Trust's website. In addition, Board members provide an annual statement confirming compliance with the Code of Conduct and Accountability.

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

Internal Governance Divergences

Update on prior year control issues which have now been resolved and are no longer considered to be control issues:

- Business Case approval

A condition of the Confidence and Supply funding to the Trust was approval of each business case by the Trust Senior Management Team, and then HSCB approval, by 31 March 2019. Of the total 102 schemes, all 102 had been approved by the Trust senior management team by 31 March. At 31 March, 2 (£17k) were not approved by HSCB and these were subsequently approved by HSCB in early April 2019.

Update on prior year control issues which continue to be considered control 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

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remain and some patients continue to wait longer than 12 hours in the Emergency Department. A bed modelling exercise identified capacity gaps.

Update as at 31 March 2020: The Trust has devised and implemented its resilience plan for this winter, which has been under the heading of 4 pillars:

- Increasing community capacity
- Increasing hospital capacity
- Enabling flow
- ED Readiness

This has allowed us to increase our capacity in ED to see, treat and assess patients, increased the number of patients discharged with care and support at home, scaled our Think Home First project through our Short Term Assessment team, scale our home for 1 project in 5 more wards, reduced the number of beds closed due to staffing, and for January and February, increased Transition Unit capacity to 30.

Whilst this has increased our overall capacity, we have seen a significant increase in length of stay over the past months, due to increasing complexity, dependency and acuity of patients, which included a particularly challenging flu virus. This work has been effective in preventing our bed capacity challenge from increasing further, however has not reduced the overall bed capacity shortfall, currently circa 70 beds. This can contribute to waiting times for emergency services.

There has been no resilience plan funding from HSCB this year, so investment was limited to only a very small number of schemes on top of normal activity. We have faced further challenges this winter in relation to industrial action, which has taken the form of industrial action short of strike and strike action. We have introduced a creative additional shift, a Critical Bank shift, with enhanced payment for registered nursing staff to fill a shift that will open additional escalation beds or prevent beds from having to close. This has been successful in that we have had significant more escalation beds open this year, compared to last year.

On 21 February 2020 The Trust received approval from DoH to provide 53 additional inpatient beds in the Acute Services Block. This approval will enable the Trust to meet current demand for both unscheduled and elective care provision. It is anticipated that the Acute Services Block will open to patients in Autumn 2021. The Trust will continue to work with HSCB to agree revenue funding in relation to these additional beds.

Prior to the Covid-19 pandemic, it was anticipated that the Acute Services Block would open to patients in Autumn 2021, this may now be delayed as the Trust has been instructed to commission the Acute Service Block as a temporary Regional Emergency Response Hospital in response to the Covid-19 pandemic and anticipated regional capacity requirements. The Trust will continue to work with HSCB to agree revenue funding in relation to these additional beds.

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- 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. 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 and will remove inpatient facilities from the existing main ward block.

In June 2019, the Trust submitted an addendum to the Department of Health (DoH) for the Redevelopment of the Ulster Hospital - Phase B Inpatient Capacity. The main purpose of the Addendum was to consider options to provide additional inpatient beds on the Ulster Hospital site, which would provide the capacity required to meet unscheduled demand and planned elective inpatient activity. Within the Addendum, the Trust's preferred option was to finish the Phase B project as per original approved scope including stage B4 (demolition of existing ward block) with additional inpatient accommodation provided in the Acute Services Block. This would have addressed risks associated with the existing ward block while providing additional inpatient capacity. The DoH however advised that there was an affordability envelope, therefore this option was not possible.

Given the above, the Addendum concluded that option 2a, conversion of Level 6 of the Acute Services Block in to two new inpatient wards with a total of 53 additional inpatient beds (previously to be clinical support accommodation) was the preferred option. This option would however involve retention of clinical support staff and other clinical services (Day of Surgery Admission Unit, Discharge Lounge and Transition Ward) in the existing ward block until Phase C is approved. On 21 February 2020, the Trust received approval from DoH for the Phase B addendum; taking the overall approved capital investment for the Ulster Hospital Phase B redevelopment project to £278m.

Prior to the Covid-19 pandemic, it was anticipated that the Acute Services Block would open to patients in Autumn 2021. This may now be delayed as the Trust has been instructed to commission the Acute Service Block as a temporary facility in response to the Covid-19 pandemic.

The retention of clinical support staff and other clinical services in the existing ward block means that the risks and challenges previously outlined will remain and general capital funding (not provided under the addendum) will be required to mitigate these until such time as Phase C of the Redevelopment of the Ulster Hospital is complete. These risks include risk of infections such as Pseudomonas/Legionella and other water borne infections, concrete cancer, fire, electrical and sewage risks. Phase C has been profiled as a priority in the Trust's Capital Plan (2019-2029) which was submitted to the DoH in November 2018. There is no approval to proceed with this element of the redevelopment at this time. In the interim period, the Trust will continue to prioritise capital funding to address risks.

The Trust also continues to prioritise capital funding to address the condition of the Retained Estate at the Paediatrics, Outpatients, Main Entrance and Radiology at the Ulster Hospital.

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These buildings, designed in the 1960's and constructed in the 1970's, must continue in use for the short to medium term until the long term Phase C Development is funded and completes the redevelopment programme of the Ulster Hospital as the Trust's single acute Hospital.

In respect of Mental Health inpatient accommodation, during 2015/16 the Trust escalated its concerns regarding the current inpatient mental health accommodation at the Ulster, Downshire 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 and first priority in the Trust's 10 Year Capital Priorities Review 2019-2029. The Trust vision is to move from 3 Mental Health inpatient Units to 1. Due to lack of funding, this new facility has not yet 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. There has been increased pressure on Mental Health Inpatient beds, which increases the need for the new build.

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 queries several times since that time. In early 2018, due to the time delay in securing final DoH approval for this case the Trust subsequently updated the Business Case further to reflect risks associated with isolated and dispersed wards, the future service delivery requirements with changes to bed numbers and accommodation requirements. The Trust continues to work with the DoH to address risks to manage services in the interim period.

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.

Update as at 31 March 2020: In relation to the progression of a new Acute Mental Health Unit on the Ulster Hospital Site, the Trust has been given permission to progress to Stage 1 Design subject to the necessary business case approval and commissioner support being in place. Commissioner support has been received and the Trust awaits DoH approval. The Trust continues to await the outcome of the Regional Capital Plan (2019-2029) which is currently in final draft awaiting Ministerial approval.

The Trust is also working in partnership with Macmillan to refurbish existing accommodation on the Ulster Hospital to provide a much needed and improved chemotherapy unit for our local population. This facility is being jointly funded by Macmillan and the Trust. It will enable the delivery of chemotherapy treatment to patients in an enhanced environment until such times as a new unit can be provided as part of the Phase C Redevelopment of the Ulster Hospital. Work has commenced and it is anticipated that the project will complete in late Summer 2020.

- 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 impact of the

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prison regime on delivery of healthcare and the ability to recruit and retain permanent staff within Prison facilities. The Trust continues to endeavour to reduce reliance on recruitment agency staff and address vacancies.

Update as at 30 March 2020: The Trust continues to rely on agency nursing staff in Prison Healthcare. A series of actions have been taken to continue to attempt to reduce reliance on non-Trust staff, however the recruitment of nurses continues to be a challenge. It is hoped that the regional nurse bank incentive project will address this issue regionally. In addition, the Department of Health (DoH) are to commence a further regional work stream to reduce agency spend. A new model for Medicines Management has been developed and two Medicines Management Technicians have completed the bespoke training programme and are working in HMP Hydebank Wood. Their introduction has delivered efficiencies around the administration of medication which in turn has created space to develop the nursing role to engage in public health initiatives. Prison Healthcare staff remain the subject of a threat assessment (in common with other staff working in Prisons). Prison Healthcare staff, unlike all other staff located in prisons, do not receive an Environmental Allowance. The Trust submitted a business case to DoH to introduce an Environmental Allowance for Prison Healthcare staff. The DoH has indicated that they are preparing a response to the business case. Additional information was requested from the Department of Finance and this has been submitted.

- 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 Trust had not been able to attract Middle Grade Emergency Department (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 has subsequently left the Trust. 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.

Update as at 31 March 2020: The Trust was successful in recruiting consultant posts throughout 2019/2020. This has provided additional consultant cover to Downe and Lagan

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Valley sites during week days. The Trust has also been successful in recruiting two additional middle grade doctors against vacancies for Lagan Valley Hospital, with commencement dates in early 2020/21, which will provide more consistent cover to Lagan Valley. These will be joint posts with rotations of staff through the Ulster Hospital to ensure staff maintain and grow necessary skills to manage Emergency Department patients. With growth in demand in Downe and Lagan Valley Hospitals over the past number of years however, we still have significant challenges with staffing levels in these sites. Following this successful process we hope to be able to secure more substantive cover to reduce reliance on high cost 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 target, of 95% of invoices paid within 30 days, whilst improving was not being met. Payroll Shared Services continue to experience challenges. The Trust continues to be concerned that the introduction of Shared Services will not generate the required savings for South Eastern Trust.

Whilst BSO continued to receive Limited Assurance in respect of the Payroll Shared Service Centre, it should be noted that Internal Audit have, in March 2020, provided Satisfactory Assurance in respect of Elementary PSC processes and Limited Assurance in respect of a number of specific areas including the end to end timesheet process within HSC.

Update as at 31 March 2020: The Trust has made progress in achieving, and exceeding, the 30 day prompt payment of invoices target for the 2019/20 financial year and is endeavouring to continue to maintain the successful achievement of this target on a an ongoing basis.

The Trust has continued to work with Payroll Shared Services on a range of issues, including Medical and Dental and Agenda for Change pay awards, the associated HSC Pension Banding Reviews, production of P11Ds for employees and has become the pilot Trust in a Timesheet Improvement Project. The Trust is cognisant of the partially Limited assurance provided by Internal Audit on the Payroll Shared Service function and will continue to participate in the range of Trust and regional fora to continue to engage with, support and monitor progress on improvements within PSC, along with associated plans to achieve stabilisation and a satisfactory assurance level for Payroll Shared Services.

- Increased Demand for Cancer Services

The Trust previously reported an 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 real challenge due to the significant increases in red flag referrals. From 2015, the Trust has seen a 43% increase in red flag cancer referrals.

The ability to meet ever increasing demand will require recurrent investment and expansion of a number of clinical teams. The Trust will continue to work with HSCB and DoH colleagues to identify the additional resources/capacity to address this issue.

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Update as at 31 March 2020: The 62 day and 31 day target remains a challenge for the Trust and limited additional funding has been identified to address the resource issue, given the challenging financial climate for Health & Social Care NI. This issue of performance against the target in this area is unlikely to improve, and may further worsen, unless significant financial investment is progressed regionally.

- Childcare Pressures

The Trust previously reported a range of childcare pressures. The Trust 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 in line with the advice received from the HSCB.

The Trust continues to allocate all Child Protection referrals received. A waiting list has arisen for unallocated family support cases. The Trust has utilised non-recurrent funding from the HSCB to allocate a number of cases on this waiting list.

The Trust has contributed to the HSCB review of specialist regional child care facilities and the HSCB review of residential care and identification of alternative placement options. The Trust is now contributing to planning for the new Secure Care centre, which was a recommendation from the review.

Update as at 3 March 2020: Suspension on the destruction of files continues in line with HSCB advice. The number of unallocated cases has risen to 162. This increase is attributed to an increase in the number of permanent and temporary vacancies and the Industrial Action as staff members were directed not to cover cases where there are vacancies due to recruitment of sick leave.

We are primarily providing a Child Protection and Looked After Child service with an increasing number of family support cases being placed on the unallocated waiting list. In addition we have received guidance from HSCB that all cases which have not a named worker after a 6 week period will be deemed unallocated so this number is expected to rise. The difficulty the Trust is encountering is similar throughout the Region. The Unallocated Outline Business Case is with DOH for consideration. A decision is not expected until the end of March 2020. The number of Children Looked After in Foster Care is 357 (359 at September 2019) and there has been a slight increase in residential placements now at 52 (48 at September 2019). There remains continued pressure on these placements.

- Financial Breakeven Requirement and Financial Challenges

While the Trust achieved a breakeven financial position in the year to 31 March 2019, it is important to note that this was achieved following the receipt of significant non-recurring funding, one off contingency measures, expenditure reductions and planned in year slippage on investments.

The outlook for 2019/20 indicated that resources would continue to be restrained and that it will be another challenging financial year. The Trust had been set a Savings Target of £7.688m for 2019/20. In addition to this, the Trust has to achieve the balance of 2018-19

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savings that, although were achieved in year, were not achieved on a recurrent basis. This amounts to another £6.628m. Therefore the Trust will have to achieve a total savings of £14.316m in 2019-20. The Trust has also identified a number of prior year and emerging pressures which will also impact on the financial position in 2019/20.

The Trust has worked collaboratively with the Department of Health (DoH) and the Health and Social Care Board (HSCB) in respect of the financial position and continued to be committed to achieving financial breakeven in 2019/20.

Update as at 31 March 2020: The Trust is reporting a financial breakeven position (subject to external audit) for 2019/20, with a small overall surplus of £49k. This represents a small deficit on ring-fenced 'Transformation' funding of £1k and a £50k surplus on Core funding. Whilst the Trust achieved financial breakeven during the year, it is important to note that this is achieved following the receipt of significant non-recurring funding, one off expenditure reductions and planned in year slippage on investments. There remain significant financial pressures for the Trust moving into 2020/21 and beyond. The Trust will continue to engage with the Commissioner and Department of Health in this regard.

The Trust is reporting a surplus against Capital Resource Limit (CRL) of £1.9m (subject to external audit). The impact of Covid-19 and the associated lockdown had a significant impact on the Trust's capital programme, generating an underspend of £1.9m. This is an unprecedented position, brought about by a unique set of circumstances.

The Assembly passed the Budget Act (Northern Ireland) 2020 in March 2020 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2019/20 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2020 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2020/21 financial year. While it would be normal for this to be followed by the 2020/21 Main Estimates and the associated Budget (No. 2) Bill before the summer recess, the COVID-19 emergency and the unprecedented level of allocations which the Executive has agreed in response, has necessitated that the Budget (No. 2) Bill is instead authorising a further Vote on Account to ensure departments and their Arms' Length Bodies have access to the cash and resources through to the end of October 2020, when the Main Estimates will be brought to the Assembly and the public expenditure position is more stable.

- Recruitment of Health and Social Care Staff

The Trust, along with other HSC organisations, continues to face real challenges in the recruitment of key health and social care professional staff. This has created high levels of vacancies (for Nursing and Medical posts particularly) which has had a significant impact on the delivery of front-line services.

The Trust continues to work with our partners to source staff, including participating in campaigns outside Northern Ireland. The Trust continued review the impact of this approach during 2019/20 to decide on whether it continues with future campaigns. Whilst these activities may have had a positive impact in some areas, the Trust continues to experience high levels of vacancies. Thus the use of International Recruitment will continue in 2019/20.

Update as at 31 March 2020: The position remains unchanged. The Trust continues to experience high levels of vacancies and the international campaigns continue, with **two**

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suppliers now sourcing the required staff. A regional procurement plan has been initiated to replace the current contract. A HSC wide steering group and a CAG have been established to deliver the revised arrangements. Market Engagement Sessions with a range of Agencies took place week commencing 2 March 2020.

- Domiciliary Care

During 2016-17 BSO Counter Fraud and Probity Services completed a regional review of Trusts' operation of HSC domiciliary care contracts with independent sector providers (ISPs). All Trusts provided an assurance that they were examining the findings of the regional report, reviewing their existing contracts, and would implement improvements as necessary.

A Departmental Oversight Scrutiny Committee (OSC) was established in 2017 to oversee any necessary action. The OSC is led by senior Departmental officials, and has senior representation from the HSCB and Trusts. The regional Counter Fraud review found variations in relation to the hours paid and Trusts progressed a verification of the findings to cross validate the regional review. A further regional exercise concluded that service users had not experienced particular harm as a result of the potential disparity between the level of care commissioned, and the level of care delivered in outlier cases. Internal Audit carried out a lessons learned review from a HSC wide perspective in relation to the structure of the investigative review and also carried out in depth reviews of domiciliary care in Trusts in 2017/18. These internal audits were finalised after year end and the Oversight Scrutiny Committee will now move to scrutinise.

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 concerns 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. The Trust also increased its hourly rate by over 4% for 2018/19 and c5% in 2019/20, taking the current rate to £14.61, with the intention of addressing the concerns of providers. Despite this, providers consistently flag up the issue that the current rate does not give them the ability to pay their staff adequately to sustain their workforce and support recruitment.

To support providers in the independent sector to take on additional hours, the Trust trialled block contracts as a way for providers to incentivise the workforce through the arrangement where staff have a guaranteed number of hours per day. This has proved successful in some areas but demand continues to outstrip capacity. The Trust still struggles to secure the capacity required and people may have to wait longer than desired for their package.

In 2018 the Trust Domiciliary Care Service held two recruitment drives across the Trust. In June 2018, 60 posts, being a mix of backfill and additionally funded posts, were required to be recruited. Similar in October 2018, for 40 posts. These recruitment drives were very successful, and the remaining posts were filled at the end of March 2019. The service has

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also developed a new team of staff called RAPSW - Rapid Access Personal Support Workers (Band 3). These staff work alongside the Discharge to Assess Teams in our hospitals to facilitate patient flow.

In 2018/19 the Trust has participated in a regional review of the model of care and support at home along with service modelling. The Trust has also participated in the Social Care Procurement Board and has advocated for a regional service model to be agreed to enable a regional procurement exercise to take place. The Trust has continued to embed its domiciliary care inspection programme based on advice from internal audit. This programme has been augmented to review more detailed staffing and financial information, and providers are issued with an annual report and action plan. As part of the regional review, the Trust has been successful in securing transformation funding to test elements of the potential new model for care and support at home. In early 2019/20 4 pilot sites were operational to test the concept of autonomous teams.

Update as at 31 March 2020: The Trust continues to find obtaining additional capacity from its independent sector providers challenging with the number of people receiving an independent sector package remaining at the same level as 2018/19 with no growth. For the 2019/20 financial year, the 5% uplift did not have any impact to achieve more capacity and there are still waiting times that are longer than the Trust would wish for. Providers routinely comment on issues in relation to recruitment and retention of staff and have raised concerns regarding the 2020/21 year in relation to significant increases to overhead costs and the impact that it will have for sustainability.

The Trust is constantly examining ways to ensure that it can obtain additional hours and has worked with providers to develop block contracting arrangements to secure some additional capacity based on feedback from provider staff.

The In-House Domiciliary Service has continued to actively recruit to increase capacity and reduce the unmet waiting list where possible. From April 2016 to the present day the SET Domiciliary Care service has recruited an additional 83.1 WTE care workers. The number of packages of care supporting people at home increasing, however the current unmet need list for packages as of 15 May 2020 is 6. At 27 March 2020 there were 331 people on the unmet need list, however 239 people already receiving care have suspended their domiciliary calls with the in house team due to the pandemic releasing capacity to address the Unmet need list.

The in house team has recruited 30 temporary additional staff from March 2020 to enable COVID teams to be established across the Trust.

The new model of Care and Support at Home is progressing well with positive outcomes for service users. Two presentations have taken place to the Health and Social Care Board / other Trusts and the Trust is currently awaiting a decision regarding approval funding for next year. Learning from the Trust pilots will be closely reviewed and shared as appropriate to support transformation of services and inform any potential procurement on a regional basis.

The Trust has developed a centralised approach to supporting all independent sector providers throughout the pandemic and as such has been communicating regularly with providers. The Trust has put in place a number of block contracting arrangements to support the continued delivery of services.

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The Trust has put in place 3 COVID-19 domiciliary care response teams to manage care and support for those who are discharged from hospital and are recovering from COVID-19.

The Trust has been given regional approval to put in place a financial support package in response to Covid-19. This has been co-ordinated across all Trusts and a set of frequently asked questions developed to guide providers in relation to application of the guidance. All providers were initially guaranteed payment levels based on a proportion of their normal income levels. The financial support package was augmented in late April in that providers are now guaranteed a higher proportion of their normal income levels to ensure that they have financial support in respect of paying their staff during the period of Covid-19 disruption and, in relation to sick pay, ensuring that staff receive statutory sick pay and, where necessary, that the provider supplements their wages to a percentage of their normal earnings.

The Trust has also been providing and delivering a range of PPE to all independent sector providers in line with regional guidance.

- Nursing and Residential Care

The Trust previously reported on recruitment issues in independent sector nursing home providers. The Trust continues to have difficulties in accessing beds at the regional tariff. This will require an increase to the tariff rate to be satisfactorily resolved. This regional tariff is determined by HSCB on an annual basis. The out-workings of the COPNI report have also resulted in some nervousness in the sector, with a climate of risk aversion making it challenging to source and maintain placements for clients with particularly complex needs.

The regional tariff increased by over 4% in 2018/19 and, in 2019/20, there was a further 5% and 5.5% uplifts to residential and nursing home regional tariff rates respectively. The Trust hoped that these increases would assist in addressing the concerns of providers and therefore improve access to placements, however, there still remain a high number of beds that require a third party contribution and are above the allocated regional rate.

Update as at 31 March 2020: The Trust uplifted rates for nursing and residential care homes in line with Health and Social Care Board Direction for 2019/20. Providers are still indicating that they struggle to recruit and retain nursing staff in particular and many homes are reliant upon agency staff to fill shifts which cost significantly in excess of having their own staff. Providers report to the Trust that the increasing complexity of residents further impacts on staffing costs, with them having to have more staff in place to meet residents' needs. Providers will often approach the Trust for specialist rates for individuals that require a higher level of input. The Trust continues to struggle to obtain rooms at regional rate and there are certain categories of bed where availability is scarce. There are an emerging number of homes that have a higher number of vacancies than would have historically been the case and for some homes this has led to bed/ wing closures in order to maintain sustainability. One of the Trusts largest home providers has over the last year been going through a period of instability owing to financial re-structuring and potential sale. The Trust has liaised closely with the provider and has received some assurance that any potential disruption in the longer term would not be significant for the Trust area. The Trust plans to monitor this closely and will continue to link with all key stakeholders, including the Department of Health, Health and Social Care Board and other Trusts.

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The Trust has developed its governance arrangements across this sector and has developed and put into place a revised governance structure which includes improved oversight and monitoring and escalation plans to address issues in nursing and residential care. As a consequence the Trust continues to invest in this area.

The Trust has developed a centralised approach to supporting all independent sector providers throughout the pandemic and as such has been communicating regularly with providers. The Trust has put in place a care homes response hub team to ensure that providers are effectively supported with the provision of a range of supports such as

- a centralised order and delivery process for PPE;
- provision of a range of training and support, such as infection, prevention and control, moving and handling and advice and guidance;
- resident and staff testing support;
- oversight and key worker contact and support with an aligned key worker to each care home;
- disinfection and cleaning support;
- administration support;
- the supply of a range of MDT Trust care staff to support the homes where there has been covid-19 impact;
- the supply of trust nursing staff to support the homes where there has been covid-19 impact

To support care homes financially, a regionally agreed approach was introduced with co-ordination across Trusts. As a result, all homes have been provided with financial stability assistance, based on a proportion of their normal income levels from the Trust.

- 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. The Trust has introduced a weekly cap on elective capacity at the Ulster Hospital due to the demand for unscheduled services in light of the recognised bed deficit.

Waiting times for all Specialties remain a significant concern for the Trust, and we will continue to lobby for additional resources to address this issue. It has been recognised that significant investment is required to, not only to clear backlogs, but to ensure future capacity is sufficient to meet demand. This has been estimated at £750m - £1bn for the region.

Update as at 31 March 2020: Funding has been available for red flag and urgent only during 19/20. This funding has been insufficient to address the capacity gaps. In-house additionality has been affected by the issues surrounding the Consultant Pension issue. Bids have been requested by HSCB for quarter 1 for 20/21 however, the allocation for SEHSCT is significantly lower than the bid submitted.

- RQIA Acute Hospital Inspection of the Ulster Hospital

The Trust previously reported on the RQIA Inspection Programme carried out in the Ulster Hospital, Emergency Department (ED), Ward 11 and Ward 13 in February 2016.

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Update as at 31 March 2020: Ward 11 is no longer an acute medical ward. ED had an unannounced RQIA inspection in September 2019, which continued to highlight the challenges of maintaining acceptable levels of cleanliness within an overcrowded Emergency Department. A Quality Improvement Plan (QIP) was implemented follow this, and on re-inspection in December 2019, feedback from RQIA was this was a very good inspection. The QIP has been implemented by ED, in conjunction with other teams working in the department. All RQIA recommendations in relation to ward 13 have been actioned. The Trust is progressing significant capital investment in relation to Acute Services, including a new Emergency Department for the Ulster Hospital site for 2020/21.

- Social Care 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. The Light Touch regime effectively gives the Trust five years to achieve adherence with the Procurement Regulations (2015).

The Trust continues to rely on the Light Touch Regime as it will take some time to address the Procurement of Social Care. 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.

Update as at 31 March 2020: Throughout 2019/20 the Trust has been participating on behalf of other Trusts at the Regional Social Care Procurement Board. The Board has determined that the original procurement plan was not achievable and, therefore, a new regional plan has been developed for approval by the Regional Procurement Board. The Trust will continue to support this and actively participate with all regionally led procurement for Social Care. However, this revised plan will take significantly longer to implement meaning that compliance should be achieved in up to 10 years. In the meantime the Trust plans to continue with its existing contracts, complying with existing rules for procurement for social care services.

The Trust is still a participant in procurement activity as part of the existing regional plan for a range of services including, supported living services and family support services. As part of this, the Trust works with regional colleagues to develop service specifications and participate in contract adjudication groups where appropriate. In relation to domiciliary care, the Trust is testing a proof of concept model under regional transformation and as such procurement of this new model is not possible at this time. The Trust continues to advocate for a regional approach to any procurement within the context of the regional social care procurement plan.

The Trust plans to meet as part of a small task and finish group in March 2020 led by Social Care colleagues at the Health and Social Care Board to consider a procurement compliance approach that may deliver faster legislative compliance while the regional plan is implemented. This would see the potential development of an interim approach to compliance while transformation and evaluation for regional procurement is undertaken.

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- Mental Health Services

Changing patterns of drug misuse and increased levels of violence presents a challenge to Community, Inpatient and Addictions services impacting on recruitment and retention of Mental Health Practitioners. The Trust will continue to actively attempt to recruit Mental Health Practitioners.

Update as at 31 March 2020: The workforce challenges remain a significant issue and this is likely to be the case for another 3-5 years. The shortage of professional Mental Health staff, including medical, social work and nursing practitioners, is being experienced across most NI Trusts. While Universities have increased their capacity on professional courses it will be at least 3 years before services begin to feel the benefit. Meanwhile the range and scope of mental health services is increasing as new services come on stream, therefore adding to the challenges associated with workforce management, which have the potential to have a destabilising impact on core community and hospital mental health services. Various initiatives are being taken forward, for example, skill mix, growing our own professional staff through training initiatives for unqualified staff and staff support policies. Staffing issues remain on the Corporate Risk Register.

Mental Health Services regionally continue to experience significant and sustained bed pressures. The regional review of acute psychiatric inpatient services suggested a number of local and regional service improvements. The HSCB/PHA commissioned review has been completed and shared with Trusts incorporating an associated action plan. While no timetable for implementation of recommendations was agreed, the Trust convened an Acute Bed Pressures Workshop in September 2019 from which an action plan was developed. While the Trust continues to experience significant bed pressures periodically, sufficient bed capacity is regularly available to the extent that the Trust frequently admits patients from other Trusts.

- COPNI Home Truths: A Report on the Commissioner's Investigation into Dunmurry Manor Care Home

The Trust has contributed, as requested, to the response issued by DoH to the recommendations and is committed to responding positively to the issues raised in the report. An internal action plan is in place and the Trust will work with the DoH and colleagues across the system to progress the regional implementation plan.

The DoH commissioned a CPEA independent review into the actions of the HSC around Dunmurry Manor Care Home is also ongoing and the Trust welcomes and is fully co-operating with this review.

The rapid review of the Trust's governance arrangements for all services commissioned from the Independent Sector has concluded, resulting in 11 recommendations. The implementation of these recommendations is being overseen by the Trust's Governance Assurance Committee.

Update as at 31 March 2020: The Trust has implemented the 11 recommendations from its review of governance arrangements for independent sector provided services. A business case was completed and the associated resources identified have been prioritised by the Trust and phase one implemented. Full implementation will take a number of years and will be dependent on the ability to secure the resource required. To support improved oversight

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and governance arrangements the Trust has established a cross directorate monthly independent Sector Operational Governance meeting which is attended by governance leads from Mental Health, Disability, Older People's directorates, Finance, Contracts, Pharmacy and Adult Protection to collate, analyse and escalate concerns and associated action planning. In addition to this the Trust has put in place a quarterly Assistant Director Forum which is a sub-committee of the Safety, Quality Improvement and Innovation Committee.

The Permanent Placement Team is being extended in a phased approach to support all operational Directorates with named staff aligned to individual care homes. Whilst the role of the team is primarily to engage with the service user and their families, they also review the quality of care and provide a proactive partnership approach to meeting the needs of individual clients in a group care environment.

The Trust is awaiting the outcome of the CPEA Independent review, with the revised governance arrangements in place being suitably flexible and responsive to appropriately implement any learning and recommendations. It is the intention to implement processes and regionally consistent systems and standards that will emerge as a result of the review. The Trust has been engaging with HSCB and DoH to respond further to the COPNI recommendations as and when required. The Trust is participating in regional workshops with other Trusts, HSCB, DoH, RQIA and other external partners at reference groups to progress the developments in key areas such as Adult Safeguarding, Complaints, Commissioning, Contracting and Regulation.

- Non-Compliance With Lease Policy

The Trust has strengthened its approaches to the management of Trust property. Particular focus is put on ensuring lease compliance with PEL 11(01), ensuring compliance with PEL 98(01) regarding the management of retained assets, the management of property leases especially those with critical lease dates, the management of accommodation of buildings, the management of property disposals, the management of rates and rebates and meeting planned disposal targets as set out in SET's management programme.

Update as at 31 March 2020: A Senior Surveyor is in position in this area. The recruitment of a supporting officer to assist the Senior Surveyor is now complete and the selected person started post in late 2019. The Trust has continued challenges with regard to accommodation requirements and this is managed on an ongoing basis.

The Trust would welcome a draft Standard Lease Agreement prepared by BSO Directorate of Legal Services, following approval of the GP Working Groups Best Practice Paper, before entering negotiations with GPs. It is important to ensure that approval has been obtained from all relevant stakeholders within the GP Working Group, in particular Northern Ireland General Practitioners Committee (NIGPC), to the key terms of any standard Lease document. The Trust note that one of the key purposes of the GP Working Group was to address the difficulty which Trusts across the region face in agreeing Lease terms with GPs, without an agreed Standard Lease Agreement which has received approval from GP representatives, any future negotiations are unlikely to improve.

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Corporate Governance Statement

- Muckamore Abbey Hospital

A regional action plan has been agreed to resettle all delayed discharges patients by December 2019. This is a Departmental priority. This is a challenging agenda and will require investment in specialised accommodation, home treatment services and workforce to meet the complex needs of people with a severe learning disability who do not require to be in hospital.

South Eastern Trust has robust discharge planning and monitoring arrangements in place. Given the complexity of the resettlement task, the Trust is working collaboratively with the Belfast and Northern Trusts, independent providers and Housing Associations to deliver best outcomes for patients.

An ongoing safeguarding investigation of serious concerns in Muckamore by Belfast Trust has resulted in reduced hospital staffing levels which has impacted significantly on acute admissions requiring the admission of individuals with learning disability to acute general mental health wards. This has placed considerable additional pressure on South Eastern Trust's mental health and learning disability services who as a result, are managing an increased level of risk. In addition, South Eastern Trust does not employ any Consultant Psychiatrists within learning disability which may also increase the risk in this area. The Trust is actively engaged in the regional review of learning disability services to transform the service model.

Update as at 31 March 2020: The Trust continues to prioritise the discharge of all patients in Muckamore into appropriate community settings. At 31 March 2020, SEHSCT has a total of 8 patients in Muckamore Hospital, with discharge plans developed for all. The Safeguarding Investigation is continuing by PSNI and outcome is awaited.

In response to a Departmental directive to support the Belfast Trust to ensure safe staffing levels in Muckamore, SEHSCT provided in reach to the hospital from three Community Learning Disability Nurses. SEHSCT was the only Trust to make a nursing resource available to the Hospital. In response to COVID demands, two of these nurses were recalled to SEHSCT, leaving one nurse remaining in situ in Muckamore.

The Regional Transformation Project to develop a Learning Disability Service Model remains to be concluded. The Assistant Director of Disability Services remains a member of the Steering Group.

- EU Exit

During 2018/19 the Trust, along with other HSC bodies, actively scoped the potential risks associated with a "no deal" exit from the European Union, initially scheduled for the 29 March 2019. Contingency plans were in place had the UK Government decided to have left on this date. Contingency plans largely addressed potential risks in respect of maintaining staffing levels and ensuring the continued supply of goods, particularly drugs and medical supplies. There remains a risk that the UK Government may leave the European Union with a "no deal", but this risk has now been delayed until 2019/20, with an extension to article 50, until the 31 October 2019.

Update as at 31 March 2020: Following the agreement of the Withdrawal Deal by the UK Government in December 2019, the Department of Health have suspended planning for a No

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Corporate Governance Statement

Deal scenario. Communication received from TEO (23/12/19) advised that all No Deal Contingency Planning should cease forthwith.

Communication was received on 25/2/20 from the Chief Pharmaceutical Officer, indicating that EU Exit buffer stocks in respect of Medical Devices and Clinical Consumables should be maintained within Trusts as part of contingency arrangements for the current Coronavirus emergency.

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding and the UK left the EU. The future relationship between the EU and the UK will be determined by negotiations taking place during the transition period ending 31 December 2020. As uncertainty still exists regarding the Northern Ireland Protocol, this is under review in conjunction with key stakeholders. The Trust will continue to work collaboratively with colleagues during 2020/21 across the Department, HSC and wider to ensure we are appropriately prepared for the end of the transition period and the new dispensation.

- Cyber Security

The Trust has previously received an audit report during 2018/19 with recommendations to strengthen cyber security arrangements. Some of the recommendations rely on a regional approach given the nature of the HSC shared technical infrastructure. The Trust continues to work with regional colleagues through the Regional Cyber Security Programme Board to address these areas and has made significant progress in working regionally to take common / consistent actions to strengthen cyber security issues highlighted by Internal Audit.

Update as at 31 March 2020: The ICT department now have a full Cyber Security team in place. This team and ICT Leadership continue to be fully engaged in the Regional Cyber Security programme, including South Eastern Trust AD for Technology and Telecoms acting as SRO for the Network Security Review project. The Trust's ICT service received an Internal Audit report during 2019/20 for Managing User Privileges and ICT Risk Management and achieved a Satisfactory assurance rating.

Identification of new issues in the current year (including issues identified in the mid-year assurance statement) and anticipated future issues):

- Mental Capacity Act

The Department of Health and the Department of Justice delayed commencement of the Deprivation of Liberty Safeguards and the provisions relating to money and valuables in residential care and nursing homes in the Mental Capacity Act until 2 December 2019. This was to allow time for all appropriate staff (statutory and Independent sector) to access required training, to recruit professional staff to panels, to test the new processes ahead of the new operation date and to facilitate improved communication with relevant agencies including the Review Tribunal and care homes. This Trust will now be providing regular updates on progress towards implementation to the DOH via an Assurance template. The Trust has been making steady progress with implementation plans. Phase 1 business case has been submitted and the Trust has developed an interim IT solution for tracking. The main

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Corporate Governance Statement

challenge continues to be the engagement of sufficient medical practitioners for Panels and medical reports in light of the continued absence of GP participation.

Update as at 31 March 2020: The Trust continues to make steady progress with the Mental Capacity Act Phase 1 Deprivation of Liberty Safeguards implementation. Mental Capacity Act training courses with additional practice based learning modules are delivered in-house for staff with specific provision for care homes. All DoLS are documented and tracked online and are shared, where appropriate, with Attorney General and the Review Tribunal. The Trust updates DoH on activity through monthly performance returns. The main challenge continues to be the engagement of sufficient medical practitioners to complete medical reports in the community which impacts directly on activity levels. In turn, this reality and the lack of a robust alternative is likely to impact upon the Trust's ability to approve safeguards around all legacy cases

- Pension / Income Tax issues (impacting Medical Staff)

The Trust is working closely with regional colleagues to seek solution/s to reduce the service impact of HMRC regulations in relation to pensions, i.e. Clinical staff seeking to reduce their additional employment contract commitments due to tax consequences relating to HSC Pensions (Annual Allowance).

Update as at 31 March 2020: The government is currently reviewing arrangements which may include changes in tax arrangements. In the meantime, the Trust continues to provide workshop and engagement sessions to provide updates/guidance/information for medical and other staff affected by Annual Allowance.

- Potential Industrial Action

The Trust has received notice from the Royal College of Nursing (RCN) and Unison of their intention to ballot their members for potential Industrial action. At this stage it is not known what form or extent that this potential Industrial Action will take. The Trust will continue to develop and refine its Contingency Plans in order to reduce/mitigate the impact to services and clients.

Update as at 31 March 2020: The Trust received communication on 24 February 2020 from HSC TU Office accepting the proposals for pay parity and safe staffing. The Trust has also received notices from Nipsa with regard to continuous action short of strike covering Social Work and Admin and Clerical staff across the organisation.

The Trust will continue to develop contingency plans to mitigate against any potential risks to patients, clients and services.

- Trust requirement to manage the supply of high demand products

On 23 March 2020, Trust Chief Executives received a communication from the Chief Pharmaceutical Officer in the Department of Health (DoH), advising of new arrangements to be put in place for the demand management of defined high demand BSO stock products. The objectives of the measures being introduced were to ensure that products:

- Are only ordered when needed, not over-ordered or stockpiled;

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- Are only used for those most at risk and in line with published guidance;
- Are not wasted;
- Are stored safely and securely to prevent theft or loss;
- May be accessed appropriately by HSC/Trust managed services, including adult social care providers and charitable organisations within the Trust area.

The DoH advised that BSO PaLS would no longer be processing orders for products included on the High Demand Management List, where these were normally authorised at Ward (etc) level within Trusts and “Instead Trusts should work with BSO PaLS to establish a centralised system with nominated contact points for managing the ordering and delivery of these products. Enhanced arrangements for security and waste management should be introduced in Trusts where needed.”

The impact of this resulted in Trusts being required to perform functions previously carried out by BSO PaLS and set up a local Stores and distribution operation, along with the associated ordering and administrative processes, in a very short period of time. This helped to ensure that products under demand management, including PPE, could be appropriately distributed across the Trust and the Independent Sector to meet the impact of, primarily, Covid-19. As such, a number of staff were seconded into this operation from other areas of the Trust and additional costs were incurred from agency staff and the impact of the distribution of products across Trust facilities.

- **Fit Testing**

On 15 June 2020, the Trust was made aware of an issue relating to some of the fit testing that has been completed in a number of HSC Trusts, including the South Eastern Trust, during the COVID-19 surge period. It has emerged that, in a number of cases, the fit testing provider had calibrated the fit testing equipment to a setting not applied in Northern Ireland but still complied with World Health Organisation (WHO) standards. As a precautionary measure, to reassure staff that the masks are being fitted to the appropriate standards, the Trust has urgently taken forward a review of all fit testing completed during this period and is making contact with all staff whose results are affected, to advise them of the issue and to arrange to reschedule them for retesting as soon as possible. A broadcast email and helpline was also established from Monday 22 June 2020 to address any concerns raised by staff. The Trust will be implementing additional measures to review and monitor fit testing outcomes moving forward to ensure that this situation cannot recur.

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 2019/20.

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Statement of Accounting Officer Responsibilities

STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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 the Annual Report and Accounts 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 Principal Accounting Officer for health and personal social services resources in Northern Ireland has designated Seamus McGoran of South Eastern Health and Social Care Trust as the Accounting Officer (Interim) for the Trust. The responsibilities of an Accounting Officer, including responsibility for the regularity and propriety of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Trust assets, are set out in the formal letter of appointment of the Accounting Officer, issued by the Department of Health, chapter 3 of Managing Public Money Northern Ireland (MPMNI) and the HM Treasury Handbook: Regularity and Propriety.

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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:

Neil Guckian (Interim Chief Executive from 1/4/19 to 30/6/19; Director of Finance from 1/7/19 to 11/8/19). Mr Guckian left the organisation on 11/8/19.

Seamus McGoran (Director of Hospital Services to 30/6/19; Interim Chief Executive from 1/7/19)

Roisin Coulter

Charles Martyn

Bria Mongan

Nicki Patterson

Myra Weir

Paul Morgan (Interim Director of Finance from 2/4/19 to 30/6/19 and also from 12/8/19)

Don Bradley (Interim Director of Adult Services and Prison Healthcare from 25/4/19)

David Robinson (Interim Director of Hospital Services from 1/7/19).

Non-executive members:

Deep Sagar (Chairman to 27/3/20). Mr Sagar left the organisation on 27/3/20.

Jonathan Patton (Non-executive to 30/3/20; Acting Chairman from 31/3/20)

Noel Brady

Dr Maura Briscoe

Maynard Mawhinney

Joan O'Hagan

Helen Minford

History of the South Eastern Trust

The registered address of the headquarters of the South Eastern Health and Social Care Trust is:

Chief Executives Office

Trust Headquarters

Ulster Hospital

Upper Newtownards Road

Dundonald

Belfast

BT16 1RH

Tel: 028 9055 3100

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.

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Directors Report

It is an integrated organisation, incorporating acute hospital services, community health and social services and serves a resident population of over 360,000 people, and an estimated wider population of approximately 460,000 who avail of our services, primarily in the Ulster Hospital, Dundonald.

Equal Opportunities

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

Equality Responsibilities

As part of its Section 75 Responsibilities and as detailed in its Approved Equality Scheme the Trust produces an Annual Progress Report (APR) and Newsletter 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 in place an Equality and Human Rights e-Learning module which focuses specifically on 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 3,152 staff have accessed training, which includes the e-learning module, Corporate Induction, Freeze training, Directorate/Team Specific training and the Practical Manager programme. Feedback from the training 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 8,693 interpreting episodes with languages ranging from Arabic, Polish, Lithuanian, Chinese and Romanian to Russian, Bulgarian, Urdu and Tetum.

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Directors Report

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 38 staff attended 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 Business in the Community in particular to engage in the Charter Work Inspiration Programme.

During the past year the Trust facilitated 432 work experience placements. These included opportunities in Admin/Finance, Child Care, Day/Social Care, Dentistry, Labs, Medicine, Midwifery, Nursing, Physiotherapy and Radiography. A total of 106 open days were held in areas such as Dietetics, Occupational Therapy, Physiotherapy and Radiotherapy

The Trust also has in place a well-developed Employability Scheme which provides career opportunities for children in our care.

Volunteering Opportunities through Time to Read

For the past 9 years South Eastern Trust staff volunteers have been working in partnership with local primary Schools as part of the 'Time to Read' Scheme. Currently 8 Trust staff volunteer in primary schools throughout the Trust areas including:

- Ballymagee Primary School, Bangor;
- Drumlins Integrated Primary School, Ballynahinch;
- Rathmore Primary School, Bangor;
- St Finian's Primary School, Newtownards;
- Tonagh Primary School, Lisburn;
- West Winds Primary School, Newtownards.

The volunteers work with Primary 5 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. South Eastern Trust Volunteers at West Winds Primary School in Newtownards organised a workplace visit in May 2019 to Parliament Buildings for the pupils participating in the Time to Read Programme. In addition to the benefits for the pupils, Trust staff have found the experience very positive and rewarding.

Accountability Report

Directors Report

Accounts Preparation

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

Better Payments Practice Code

Details of the Trusts compliance with the code are given the Finance Report, within the Performance Report.

Late Payment of Commercial Debts Regulations 2002

Compensation in respect of late payments is disclosed in the Statement of Losses and Special Payments within the Accountability Report.

Trust Management Costs

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

Related party transactions

There are no Related Party Transactions in year, as disclosed in Note 21 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, Risk Management & Governance / Board Secretary, 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. The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020 has been

Accountability Report

Directors Report

included in the notes to the Accounts as anon-adjusting event after the reporting period. See note 24 to the Accounts for additional information.

Sickness Absence Information

The Trust's percentage figure for sickness absence for the 2019/2020 year is 6.80% (2018/19: 6.48%).

Personal Data Related Incidents

All reported incidents of data loss or confidentiality breach in 2019/2020 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 reported 2 incidents to the Information Commissioner's Office (ICO) during this period. The ICO has concluded on all of these incidents and has taken no further action based on the prompt remedial works undertaken by the Trust.

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.

Fees and Charges (Audited)

The Trust's statutory audit was performed by NIAO. The notional cost of the audit for the year ended 31 March 2020 which pertained solely to the audit of the accounts was £63k. The notional cost of the audit of Trust Charitable Funds for the year ended 31 March 2019 was £6k.

Non Audit Services

During the year the South Eastern Trust purchased no services from its auditor, the Northern Ireland Audit Office (2018/19: £3k in respect of the National Fraud Initiative).

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.

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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 10 March 2020, the extant Corporate Risk Register [CRR] (2019/20) 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 (2020/21).

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

Two CRRs were closed:

- 2562 - EU Exit and;
- 2750 - Industrial Action

18 existing Corporate Risk Register (2019/20) topics should be carried forward into the 2020/21 Corporate Risk Register with new action plans developed, as appropriate. All forms were reviewed for accuracy and updated for scoring, control measures and new action plans inserted, as appropriate.

- One new item to be added to 2020/21 Corporate Risk Register relating to Covid19:

A total of 17 items were on the Corporate Risk Register for 2019/2020. Three further items were added during the year:

- ID 2744 – Mental Capacity Act (added September 2019)
- ID 2750 – Industrial Action (added December 2019)
- ID 2753 – Lakewood Regional Secure Care Centre (added March 2020)

There were a total of 77 action point items (across all 20 CRR proformas) and the majority of items have been closed off as at 31 March 2020 and any outstanding are currently being followed up as a priority.

The risks are further described in Table 1, by the Principal Risk broken down by Principal Objectives and in Table 2, by the Risk Sub Type during 2019/20.

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Table 1 – Risks by Principal Risk by Principal Objective – 2019/2020

No	ID	Principal Objectives	Principal Risk Title
1	2547	Ensure safety, improve quality and test experience	Inability to deliver seamless mental health acute in patient services on a single site consistent with best practice
2	2561	Ensure safety, improve quality and test experience	Inability to deliver safe and effective health care in a prison environment
3	2563	Ensure safety, improve quality and test experience	Inability to provide appropriate and robust governance arrangements and assurances across all Independent Sector Providers
4	2744	Ensure safety, improve quality and test experience	Inability to deliver Phase 1 of the Mental Capacity Act
5	2753	Ensure safety, improve quality and test experience	Inability to provide security measures required following regional review of specialist residential childcare facilities
6	2548	Continue to improve	Inability to meet the financial demands against competing break even responsibility
7	2550	Ensure safety, improve quality and test experience	Inability to ensure the quality of the aged built environment and associated infrastructure
8	2556	Ensure safety, improve quality and test experience	Inability to provide safe and effective care at the Ulster Hospital
9	2557	Ensure safety, improve quality and test experience	Inability to sustain Emergency Care and/or General Medical Services at the Downe and Lagan Valley sites
10	2558	Ensure safety, improve quality and test experience	Inability to meet the staffing required to operate effective out of hours hospital services
11	2551	Ensure safety, improve quality and test experience	Inability to deliver the required qualified medical and nursing workforce
12	2552	Ensure safety, improve quality and test experience	Inability to maintain a comprehensive laundry and linen service
13	2562	Ensure safety, improve quality and test experience	Inability to plan for a potential No Deal EU Exit
14	2750	Ensure safety, improve quality and test experience	Inability to provide safe and effective care due to planned Strike Action
15	2549	Ensure safety, improve quality and test experience	Inability to deliver the full range performance and service deliver targets
16	2559	Ensure safety, improve quality and test experience	Inability to cope/meet the growing cyber threats
17	2560	Ensure safety, improve quality and test experience	Inability to deliver the transformation of HSC services due to resource and workforce constraints
18	2553	Ensure safety, improve quality and test experience	Inability to meet the threat of Healthcare associated infection
19	2554	Ensure safety, improve quality and test experience	Inability to meet the demand for Community Care packages
20	2555	Ensure safety, improve quality and test experience	Inability to provide the GP manpower to run the Out of Hours (OOH) Service

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Directors Report

Table 2 – Risk Sub Type/Total – 2019/20

	Total
Financial	1
Legal Statutory	1
Health & Safety	1
Patient Safety/Clinical	8
Service Continuity	5
Targets, Objectives & Service Provisions	4
Total	20

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 (CRR) on a quarterly basis. The meeting scheduled for 13 March 2020 was cancelled due to Covid19 and was rescheduled for 13 May 2020. At the May meeting the Committee was provided with an update on the closure of the 19/20 CRR. The 20/21 CRR will be submitted to the Committee for approval at the meeting scheduled for 17 June 2020 and subsequent approval at Trust Board thereafter. A new risk relating to Covid-19 was also added to the register for 20/21.

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

Membership of the Remuneration Committee

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

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

All Senior Executives during 2019/20, except the Medical Director (who is contracted under medical & dental terms and conditions), were employed on terms and conditions determined by the Department of Health. The contractual provisions applied to these Senior Executives, including the application of the Performance Management Scheme are detailed within HSS(SM) Circulars.

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

Accountability Report

Remuneration and Staff Report

relevant Departmental Senior Executive Circulars. The performance of each individual is assessed and rated each year.

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:

	2019-20					2018-19				
	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
Non-Executive Members										
D Sagar	30-35	0	0	0	30-35	0-5	0	0	0	0-5
M Briscoe	5-10	0	0	0	5-10	5-10	0	0	0	5-10
M Mawhinney	5-10	0	0	0	5-10	5-10	0	0	0	5-10
N Brady	5-10	0	0	0	5-10	5-10	0	0	0	5-10
J O'Hagan	5-10	0	0	0	5-10	5-10	0	0	0	5-10
H Minford	5-10	0	0	0	5-10	5-10	0	0	0	5-10
J Patton	5-10	0	0	0	5-10	5-10	0	0	0	5-10
C McKenna	0	0	0	0	0	30-35	0	0	0	30-35
L O'Neill	0	0	0	0	0	0-5	0	0	0	0-5

The remuneration and pension values, detailed in the above table, relate to the period of Directorship as outlined in the Directors Report within the Accountability Report and reflect the payments made after the application of any relevant pay awards.

Accountability Report

Remuneration and Staff Report

Table of Executive Directors Remuneration & Pension Benefits

	2019-20				2018-19				Real increase in pension and related lump sum at age 60 £000s	Total accrued pension at age 60 sum £000s	CETV at 31/03/19 £000s	CETV at 31/03/20 £000s	Real increase in CETV in CETV £000s
	Salary £000	Bonus / Performance pay £000	Kind (Rounded to nearest £100) £100	Pensions benefit (rounded to nearest £1,000) £1,000	Total £000	Salary £000	Bonus / Performance pay £000	Kind (Rounded to nearest £100) £100					
Executive Members													
S McGoran (Interim Chief Executive)	105-110	4,300	4,300	48	155-160	95-100	0	2,600	(7)	90-95	917	1,024	64
C Martyn (including clinical duties) (Medical Director)	200-205			28	230-235	195-200	0	3,900	N/A	200-205	1,827	1,895	67
D Robinson (Interim Director of Hospital Services)	65-70 (fye 85-90)			30	95-100								
R Coulter (Director of Planning / Performance)	70-75			17	90-95	70-75	0	0	3	75-80	399	445	27
N Guckian (Director of Finance/Estates)	45-50			30	75-80	85-90	0	0	11	95-100	638	696	27
Paul Morgan (Interim Director of Finance/Estates)	70-75			46	115-120						524	596	47
N Patterson (Director of Elderly & Primary Care Services)	90-95	3,600	3,600	(1)	90-95	90-95	0	3,400	(5)	85-90	743	789	11
B Mongan (Director of Children Services & Executive Director of Social work)	80-85			34	110-115	70-75	0	0	N/A	70-75	863	908	45
D Bradley (Interim Director of Adult Services & Prison Healthcare)	70-75 (fye 75-80)			66	135-140						790	917	89
M Weir (Director of HR & Corp Services)	70-75			19	90-95	70-75	0	0	1	75-80	687	725	20
H McCaughey (previously Chief Executive)	0			0	0	120-125	0	4,200	(10)	115-120			
BJ Whittle (previously Director of Childrens Services & Executive Director of Social Work)	0			0	0	70-75	0	0	7	80-85			

	2019-20	2018-19
Fair Pay Disclosure		
Band of Highest Paid Directors Total Remuneration	£200-£205k	£200-£205k
Median Total Remuneration	£30,983	£29,441
Median Total Remuneration Ratio	6.6	6.8
Median Pay Range	£18,005 - £308,694	£16,943 - £343,113

The calculation of median remuneration excludes agency staff.

The remuneration and pension values, detailed in the above table, relate to the period of Directorship as outlined in the Directors Report within the Accountability Report and reflect the payments made after the application of any relevant pay awards.

Accountability Report

Remuneration and Staff Report

Salary is the gross salary paid/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, but include Actuarial uplift factors and therefore can be positive or negative.

The pension scheme for Executive Directors is the same scheme as for all HSC staff including nursing staff. There are currently 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 19-20
£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 is not a funded scheme, but as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer, which meets the cost of Scheme benefits.

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

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

Accountability Report

Remuneration and Staff Report

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

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

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid director in South Eastern Health and Social Care Trust in the financial year 2019/20 was £200k-£205k (£195k-£200k, 2018/19). This salary includes significant remuneration in respect of Clinical (Non-Director) duties. This was 6.6 times (6.8, 2018/19) the median remuneration of the workforce, which was £30,983 (£29,441, 2018/19).

In 2019/20, 4 employees (Medical Consultants) received remuneration in excess of the highest paid director. Remuneration ranged from £222k to £309k.

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

	2020		2019	
Staff costs comprise:	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Wages and salaries	341,628	26,920	368,548	336,360
Social security costs	30,315	0	30,315	27,818
Other pension costs	64,578	0	64,578	43,677
Sub-Total	436,521	26,920	463,441	407,855
Capitalised staff costs	(978)		(978)	(530)
Total staff costs reported in Statement of Comprehensive Expenditure	435,543	26,920	462,463	407,325
Less recoveries in respect of outward secondments			(3,735)	(3,584)
Total net costs			458,728	403,741
Total Net costs of which:			£000s	£000s
South Eastern HSC Trust			462,463	407,325
Charitable Trust Fund			0	0
Consolidation Adjustments			(130)	(130)
Total			462,333	407,195

Staff Costs are inclusive of the Apprenticeship Levy of 0.5%, but exclude £978k charged to capital projects during the year (2019 £530k).

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. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions (and a change in financial assumption methodology) is used in 2019/20 accounts.

Average Number of Persons Employed

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

	2020		2019	
	Permanently employed staff No.	Others No.	Total No.	Total No.
Medical and dental	638	186	824	763
Nursing and midwifery	3,612	180	3,792	3,673
Professions allied to medicine	813	70	883	834
Ancillaries	1,354	13	1,367	1,303
Administrative & clerical	1,367	130	1,497	1,463
Ambulance staff	0	0	0	0
Works	93	0	93	92
Other professional and technical	452	0	452	422
Social services	1,455	119	1,574	1,538
Other			0	0
Total average number of persons employed	9,784	698	10,482	10,088
Less average staff number relating to capitalised staff costs	19	0	19	9
Less average staff number in respect of outward secondments	12	0	12	71
Total net average number of persons employed	9,753	698	10,451	10,008

Of which:

South Eastern HSC Trust	10,451	10,008
Charitable Trust Fund	0	0
	10,451	10,008

Gender Composition of Senior Management

The table below shows the number of persons of each gender who were senior managers in the Trust within 2019/20. Managers have been defined as non-medical staff at band 8c and above (excluding Directors). For further details of gender composition of all staff, refer to page 15.

Staff Gender Breakdown within South Eastern Health and Social Care Trust 2019/20 Senior Management (excl. Board Members)*	2019/20	2018/19
Female	40	38
Male	15	18

Accountability Report

Remuneration and Staff Report

Reporting of early retirement and other compensation scheme - exit packages

There were no early retirements and/or compensation exit packages in 2019/20 (£0 2018/19).

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at note 3. Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Trust Management Costs

	2020 £000s	2019 £000s
Trust management costs	27,072	24,669
Income:		
RRL	756,185	659,580
Income per Note 4	44,378	43,542
Non cash RRL for movement in clinical negligence provision	(10,289)	797
Less interest receivable	0	0
Total Income	790,274	703,919
% of total income	3.4%	3.5%

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

The decrease in management costs percentage reflects the increase in income this year compared to last year.

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

Off Payroll Staff Resources

The Trust had 6 'off-payroll' staff resource engagements as at 31 March 2020 (2018/19: none) which cost more than £245 per day, last longer than six months, and were in place during 2019-20.

The breakdown is contained within the following table.

Accountability Report

Remuneration and Staff Report

Off-Payroll Payments			Total
Number of off-payroll engagements at: 01 April 2019			0
Number of new off payroll engagements ((a)+(b) below)			6
Those caught by IR35 (a) Which consists of:		0	
- Number engaged directly (via PSC contracted to department) and are on the departmental payroll (c)	0		
- Number of engagements reassessed for consistency / assurance purposes during the year.	0		
- Number of engagements changed to IR35 status following the consistency review	0		
Those not caught by IR35 (b)		6	
Number of engagements which have come onto the payroll (this will include (c) above)			0
Number of engagements which have come to an end			0
Number of off-payroll engagements at: 31 March 20			6

Retirements Due to Ill-Health

During 2019/20 there were 13 early retirements from the Trust agreed on the grounds of ill-health (16 employees at cost of £30k in 2018/19). The estimated additional pension liabilities of these ill-health retirements will be £25k. These costs are borne by the HSC Pension Scheme.

Accountability Report

Funding Report

Compliance with regularity of expenditure guidance

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

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

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

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

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

Long Term Expenditure

More detail is available within the Finance Report (page 25, long term expenditure trends).

Accountability Report

The Statement of Losses

STATEMENT OF LOSSES AND SPECIAL PAYMENTS

Losses and Special Payments

Losses statement	2019-20		2018-19	
	Number of Cases	£000	Number of Cases	£000
Total number of losses	89		127	
Total value of losses		90		195

Individual losses over £250,000	2019-20		2018-19	
	Number of Cases	£000	Number of Cases	£000
Cash losses	0	0	0	0
Claims abandoned	0	0	0	0
Administrative write-offs	0	0	0	0
Fruitless payments	0	0	0	0
Stores losses	0	0	0	0

Special payments	2019-20		2018-19	
	Number of Cases	£000	Number of Cases	£000
Total number of special payments	195		195	
Total value of special payments		7,460		7,109

Special Payments over £250,000	2019-20		2018-19	
	Number of Cases	£000	Number of Cases	£000
Compensation payments				
- Clinical Negligence	4	2,860	3	4,083
- Public Liability	0	0	0	0
- Employers Liability	0	0	0	0
- Other	0	0	0	0
Ex-gratia payments	0	0	0	0
Extra contractual	0	0	0	0
Special severance payments	0	0	0	0
Total special payments	4	2,860	3	4,083

4 clinical negligence cases settled in excess of £250,000 (including costs) in 2019/20 (3 in 2018/19). These cases settled for £1,682,994, £517,646.91, £390,000 and £269,811.

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

Remote Contingent Liabilities

The Trust has no remote contingent liabilities.

Accountability Report

The Statement of Losses

Special Payments

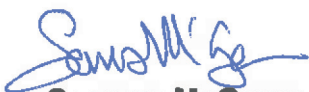
There were no other special payments or gifts made in the year.

Other Payments

There were no other payments made in the year.

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

- Non-Executive Directors Report;
- Corporate Governance Statement;
- Statement of Accounting Officer Responsibilities;
- Directors Report;
- Remuneration and Staff Report;
- Funding Report; and
- Statement of Losses and Special Payments.



Seamus McGoran
Accounting Officer (Interim)
Date 26 June 2020

Accountability Report

C&AG Audit Certificates

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST – PUBLIC FUNDS

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

Opinion on financial statements

I certify that I have audited the financial statements of the South Eastern Health and Social Care Trust for the year ended 31 March 2020 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Group and Parent Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the group's and of the South Eastern Health and Social Care Trust's affairs as at 31 March 2020 and of the group's and the South Eastern Health and Social Care Trust's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Emphasis of Matter

I draw attention to Note 1.3 of the financial statements, which describes the material valuation uncertainties for Land and Buildings due to the consequences of the COVID-19 pandemic. My opinion is not modified in respect of the matter.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of South Eastern Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs(UK) require me to report to you where:

- the South Eastern Health and Social Care Trust's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the South Eastern Health and Social Care Trust have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the South Eastern Health and Social Care Trust's ability to continue to adopt the going concern basis.

Other Information

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or

Accountability Report

C&AG Audit Certificates

otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

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

Responsibilities of the Trust and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

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

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

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

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 Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Report

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



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

10 July 2020

Annual Accounts

South Eastern Health and Social Care Trust

Annual Consolidated Accounts

For the year ended 31 March 2020

Annual Accounts Foreword

**SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST ACCOUNTS FOR THE YEAR
ENDED 31 MARCH 2020**

FOREWORD

These accounts for the year ended 31 March 2020 have been prepared in accordance with Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.

Annual Accounts Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE For the year ended 31 March 2020

	NOTE	2020 £000s		2019 £000s	
		Trust	Consolidated	Trust	Consolidated
Income					
Revenue from contracts with customers	4.1	39,989	39,859	39,481	39,351
Other operating income*	4.2	4,389	4,703	4,061	4,263
Total operating income		44,378	44,562	43,542	43,614
Expenditure					
Staff costs	3	(462,463)	(462,333)	(407,325)	(407,195)
Purchase of goods and services	3	(294,547)	(295,063)	(274,746)	(275,152)
Depreciation, amortisation and impairment charges	3	(31,410)	(31,450)	(21,645)	(21,645)
Provision expense	3	(12,031)	(12,031)	743	743
Other expenditures	3	(63)	(63)	(61)	(61)
Total operating expenditure		(800,514)	(800,940)	(703,034)	(703,310)
Net operating expenditure		(756,136)	(756,378)	(659,492)	(659,696)
Finance income	4.2	0	144	0	136
Finance expense	3	0	0	0	0
Net expenditure for the year		(756,136)	(756,234)	(659,492)	(659,560)
Revenue Resource Limit (RRL)	23.1	756,185	756,185	659,580	659,580
Add back charitable trust fund net expenditure*		0	98		68
Surplus / (Deficit) against RRL		49	49	88	88

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2020 £000s		2019 £000s	
		Trust	Consolidated	Trust	Consolidated
Items that will not be reclassified to net operating costs:					
Net gain/(loss) on revaluation of property, plant and equipment	5.1/5.2/8	29,925	29,925	9,573	9,573
Net gain/(loss) on revaluation of intangibles	6.1/6.2/8	0	0	0	0
Net gain/(loss) on revaluation of charitable assets		0	(473)	0	257
Items that may be reclassified to net operating costs:					
Net gain/(loss) on revaluation of investments		0	0	0	0
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2020		(726,211)	(726,782)	(649,919)	(649,730)

* 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. Consolidated column includes Charitable Trust Fund Accounts.

The notes on pages 100 to 134 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 2020

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	2020		2019	
		Trust £000s	Consolidated £000s	Trust £000s	Consolidated £000s
Non Current Assets					
Property, plant and equipment	5.1/5.2	695,534	695,534	659,752	659,852
Intangible assets	6.1/6.2	4,737	4,737	6,799	6,799
Financial assets	8	0	5,115	0	5,694
Trade and other receivables	13	0	0	0	0
Other current assets	13	0	0	0	0
Total Non Current Assets		700,271	705,386	666,551	672,345
Current Assets					
Assets classified as held for sale	10	0	0	0	0
Inventories	11	3,569	3,569	3,218	3,218
Trade and other receivables	13	14,908	14,961	16,476	16,496
Contract assets	13	0	0	0	0
Other current assets	13	1,873	1,873	1,928	1,928
Intangible current assets	13	0	0	0	0
Financial assets	8	0	0	0	0
Cash and cash equivalents	12	10,888	11,063	2,370	2,522
Total Current Assets		31,238	31,466	23,992	24,164
Total Assets		731,509	736,852	690,543	696,509
Current Liabilities					
Trade and other payables	14	(115,692)	(115,645)	(94,399)	(94,404)
Contract liabilities	14	0	0	0	0
Other liabilities	14	0	0	0	0
Intangible current liabilities	14	0	0	0	0
Provisions	15	(23,099)	(23,099)	(15,512)	(15,512)
Total Current Liabilities		(138,791)	(138,744)	(109,911)	(109,916)
Total Assets less Current Liabilities		592,718	598,108	580,632	586,593
Non Current Liabilities					
Provisions	15	(34,822)	(34,822)	(38,188)	(38,188)
Other payables > 1 yr	14	0	0	0	0
Financial liabilities	8	0	0	0	0
Total Non Current Liabilities		(34,822)	(34,822)	(38,188)	(38,188)
Total Assets less Total Liabilities		557,896	563,286	542,444	548,405
Taxpayers' Equity and Other Reserves					
Revaluation reserve		158,688	158,688	128,763	128,763
SoCNE reserve		399,208	399,208	413,681	413,681
Other reserves - charitable fund			5,390		5,961
Total equity		557,896	563,286	542,444	548,405

The financial statements on pages 96 to 99 were approved by the Board on 26 June 2020 and were signed on behalf by:



Chairman
Date 26 June 2020



Chief Executive
Date 26 June 2020

The notes on pages 100 to 134 form part of these Accounts.

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Primary Statements

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31 March 2020

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	2020 £000s	2019 £000s
Cash flows from operating activities			
Net surplus after interest/Net operating expenditure		(756,234)	(659,560)
Adjustments for non cash costs	3	43,544	20,963
(Increase)/decrease in trade and other receivables	13	1,590	(887)
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant and equipment		0	0
Movements in receivables relating to the sale of intangibles		0	0
Movements in receivables relating to finance leases		0	0
Movements in receivables relating to PFI and other service concession arrangement contracts		0	0
(Increase)/decrease in inventories	11	(351)	(379)
Increase/(decrease) in trade payables	14	21,241	3,475
<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	14	(246)	1,437
Movements in payables relating to the purchase of intangibles	14	6	(6)
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	(7,810)	(7,452)
Net cash inflow/(outflow) from operating activities		(698,260)	(642,409)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	(34,488)	(66,635)
(Purchase of intangible assets)	6	(536)	(1,143)
Proceeds of disposal of property, plant & equipment		119	684
Proceeds on disposal of intangibles		0	0
Proceeds on disposal of assets held for resale		0	0
Drawdown from investment fund	8	250	250
Share of income reinvested	8	(144)	(136)
Net cash outflow from investing activities		(34,799)	(66,980)
Cash flows from financing activities			
Grant in aid		741,600	710,000
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements			
Net financing		741,600	710,000
Net increase (decrease) in cash & cash equivalents in the period		8,541	611
Cash & cash equivalents at the beginning of the period	12	2,522	1,911
Cash & cash equivalents at the end of the period	12	11,063	2,522

The notes on pages 100 to 134 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 2020

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). 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
Balance at 31 March 2018		362,977	119,325	5,772	488,074
Changes in Taxpayers Equity 2018-19					
Grant from DoH		710,000	0	0	710,000
Other reserves movements including transfers		135	(135)	0	0
(Comprehensive net expenditure for the year)		(659,492)	9,573	189	(649,730)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	3	61	0	0	61
Movement - other		0	0	0	0
Balance at 31 March 2019		413,681	128,763	5,961	548,405
Changes in Taxpayers Equity 2019-20					
Grant from DoH		741,600	0	0	741,600
Other reserves movements including transfers		0	0	0	0
(Comprehensive net expenditure for the year)		(756,136)	29,925	(571)	(726,782)
Transfer of asset ownership		0	0	0	0
Non cash charges - auditors remuneration	3	63	0	0	63
Balance at 31 March 2020		399,208	158,688	5,390	563,286

The notes on pages 100 to 134 form part of these accounts.

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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 2020

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

1. Authority

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

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

1.2 Currency and Rounding

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

1.3 Property, Plant and Equipment

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

Recognition

Property, plant and equipment *must* be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the entity;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; *and*
- the item has a cost of at least £5,000 *or*
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; *or*
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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Notes to the Accounts

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

Valuation of Land and Buildings

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institution of Chartered Surveyors (RICS) Global Standards & UK National Supplement in so far as these are consistent with the specific needs of the HSC.

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

As a result of the recent and ongoing COVID-19 pandemic events, and in line with current RICS guidance, LPS have advised that market evidence gathered as part of the recent 5-yearly valuation has attached to it, due to the worldwide impact of the pandemic, an increased level of uncertainty in terms of informing opinions of value. Whilst at this stage there is no evidence of impairment as at year-end, the future impact of COVID-19 on land and building values cannot yet be accurately assessed therefore the need for further future valuations will remain under consideration, subject to resources.

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 Arms’ Length Body (ALB) services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Fair values are determined as follows:

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

Modern Equivalent Asset

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

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

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Notes to the Accounts

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 similarly, amortisation is applied to intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over the lower of their estimated useful lives and the terms of the lease. The estimated useful life of an asset is the period over which the ALB 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 (*the below listed are suggested useful lives and each Trust should consider and include useful lives relevant to their own asset base*).

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 – 15 years

1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure within the Statement of Comprehensive Net Expenditure. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of

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Notes to the Accounts

Comprehensive Net Expenditure Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.6 Subsequent expenditure

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

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

1.7 Intangible assets

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

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

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the ALB'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.

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Notes to the Accounts

Intangible assets acquired separately are initially recognised at fair value.

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

1.8 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. In order to meet this definition IFRS 5 requires that the asset must be immediately available for sale in its current condition and that the sale is highly probable. A sale is regarded as highly probable where an active plan is in place to find a buyer for the asset and the sale is considered likely to be concluded within one year. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value, less any material directly attributable selling costs. Fair value is open market value, where one is available, including alternative uses.

Assets classified as held for sale are not depreciated.

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

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

1.9 Inventories

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

1.10 Income

Income is classified between Revenue from Contracts and Other Operating Income as assessed necessary in line with organisational activity, under the requirements of IFRS 15 and as applicable to the public sector. Judgement is exercised in order to determine whether the 5 essential criteria within the scope of IFRS 15 are met in order to define income as a contract. Income relates directly to the activities of the Trust and is recognised when, and to the extent that a performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Where the criteria to determine whether a contract is in existence is not met, income is classified as Other Operating Income within the Statement of Comprehensive Net Expenditure and is recognised when the right to receive payment is established.

Grant in aid

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

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Notes to the Accounts

1.11 Investments

The Trust does have investments and the Charitable Trust Fund investments have been consolidated.

1.12 Research and Development expenditure

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

1.13 Other expenses

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

1.14 Cash and cash equivalents

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

1.15 Leases

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

The Trust as lessee

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

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Notes to the Accounts

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

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

- Financial liabilities

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

Financial liabilities are initially recognised at fair value.

- Financial risk management

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

ALBs 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 ALBs in undertaking activities. Therefore the HSC is exposed to little credit, liquidity or market risk.

- Currency risk

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The ALB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The HSC bodies have 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 ALB has low exposure to credit risk.

- Liquidity risk

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

1.18 Provisions

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

Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using DoF-issued discount rates of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	0.51%
	Medium term (5 – 10 years)	0.55%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.9%
	Year 2	2.0%
	Into perpetuity	2.0%

as at 31 March 2020. Note that PES issued a combined nominal and inflation rate table to incorporate the two elements – please refer to this table as necessary, as included within issuing email of circular HSC(F) 37-2019.

The discount rate to be applied for employee early departure obligations is -0.5% with effect from 31 March 2020.

The Trust has also disclosed the carrying amount at the beginning and end of the period,

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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 **Contingent liabilities/assets**

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

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

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

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

1.20 **Employee benefits**

Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been

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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 2020. 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 provisions of the HSC Pension Scheme.

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

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

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions and a change in financial assumption methodology will be used in 2019-20 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 other than donated assets.

1.22 Value Added Tax

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

1.23 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the ALB has no beneficial interest in them. Details of third party assets are given in Note 22 to the accounts.

1.24 Government Grants

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

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Notes to the Accounts

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

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

1.26 Charitable Trust Account Consolidation

HSC Bodies are required to consolidate the accounts of controlled charitable organisations and funds held on trust into their financial statements. As a result the financial performance and funds have been consolidated. The HSC Bodies have accounted for these transfers using merger accounting as required by the FReM.

It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

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

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

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 2021-22, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the latest advice from HM Treasury and the Financial Reporting Advisory Board, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2021.

Management consideration of the impact on introduction of IFRS 16 on initial application remains under consideration and will be fully determined in 2020-21.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT

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 £49k surplus this year (£1k deficit in respect of Transformation and £50k surplus in Core Services), compared to £88k surplus in 2018/19.

<u>Directorate</u>	2020			2019		
	Staff Costs £000s	Other Expenditure £000s	Total Expenditure £000s	Staff Costs £000s	Other Expenditure £000s	Total Expenditure £000s
Hospital Services	(203,536)	(59,677)	(263,213)	(181,902)	(52,902)	(234,804)
Adult Services	(55,023)	(61,499)	(116,522)	(48,499)	(56,037)	(104,536)
Children's Services & Social Work	(47,014)	(28,327)	(75,341)	(43,193)	(28,237)	(71,430)
Primary & Elderly Services	(89,438)	(111,125)	(200,563)	(77,998)	(106,080)	(184,078)
Support Services & Other Trust Directorates	(53,809)	(27,290)	(81,099)	(47,755)	(25,954)	(73,709)
Transformation Services	(13,643)	(6,629)	(20,272)	(7,978)	(5,536)	(13,514)
Unallocated Expenditure	0	0	0	0	0	0
Expenditure for Reportable Segments net of Non Cash Expenditure	(462,463)	(294,547)	(757,010)	(407,325)	(274,746)	(682,071)
Non Cash Expenditure			(43,504)			(20,963)
Total Expenditure per Net Expenditure Account			(800,514)			(703,034)
Income Note 4			44,378			43,542
Net Expenditure			(756,136)			(659,492)
Revenue Resource Limit			756,185			659,580
Surplus / (Deficit) against RRL			<u>49</u>			<u>88</u>

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 3 EXPENDITURE

	2020		2019	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Operating Expenses are as follows:-				
Staff costs ¹ :				
Wages and salaries	367,570	367,440	335,830	335,700
Social security costs	30,315	30,315	27,818	27,818
Other pension costs	64,578	64,578	43,677	43,677
Purchase of care from non-HSC bodies	168,424	168,424	154,034	154,034
Personal social services	15,466	15,466	14,229	14,229
Recharges from other HSC organisations	8,825	8,825	7,522	7,522
Supplies and services - Clinical	46,168	46,168	44,684	44,684
Supplies and services - General	7,262	7,262	6,919	6,919
Establishment	8,622	8,622	9,022	9,022
Transport	3,014	3,014	2,242	2,242
Premises	19,671	19,671	19,789	19,789
Bad debts	(190)	(190)	(118)	(118)
Rentals under operating leases	1,762	1,762	1,105	1,105
Interest charges	0	0	0	0
Research & development expenditure	287	287	200	200
BSO services	5,199	5,199	5,547	5,547
Training	786	786	1,206	1,206
Patients travelling expenses	117	117	125	125
Costs of exit packages provided for	0	0	0	0
Other charitable expenditure	0	516	0	406
Miscellaneous expenditure	9,134	9,134	8,240	8,240
Non cash items				
Depreciation	24,935	24,935	25,393	25,393
Amortisation	2,598	2,598	2,792	2,792
Impairments	3,936	3,936	(5,995)	(5,995)
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(59)	(19)	(545)	(545)
Increase/Decrease in provisions (provisions provided for in year less any release)	12,194	12,194	(317)	(317)
Cost of borrowing of provisions (unwinding of discount on provisions)	(163)	(163)	(426)	(426)
Auditors remuneration	63	69	61	67
Add back of notional charitable expenditure	0	(6)	0	(6)
Total	800,514	800,940	703,034	703,310

¹ Further detailed analysis of staff costs is located within the Remuneration and Staff Report within the Accountability Report.

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

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 4 INCOME

4.1 Revenue from contracts with customers	2020		2019	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
GB/Republic of Ireland Health Authorities	0	0	0	0
HSC Trusts	21	21	1	1
Non-HSC:- Private patients	476	476	470	470
Non-HSC:- Other	1,895	1,895	1,765	1,765
Supported People Income - NIHE	1,991	1,991	2,056	2,056
Clients contributions	29,217	29,217	28,443	28,443
Seconded staff	3,735	3,605	3,584	3,454
Research and development	200	200	200	200
Revenue from non-patient services	2,454	2,454	2,962	2,962
Total	39,989	39,859	39,481	39,351

4.2 Other Operating Income	2020		2019	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Other income from non-patient services	4,190	4,190	4,007	4,007
Charitable and other contributions to expenditure by core trust	0	0	5	5
Donations / Government grant / Lottery funding for non current assets	199	199	49	49
Charitable income received by charitable trust fund	0	314	0	202
Investment income	0	144	0	136
Profit on disposal of land	0	0	0	0
Interest receivable	0	0	0	0
Total	4,389	4,847	4,061	4,399

TOTAL INCOME	44,378	44,706	43,542	43,750
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Refer to accounting policy note 1.10 for further information.

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020 NOTE 5.1 Consolidated Property, Plant & Equipment - year ended 31 March 2020

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 2019	51,875	475,584	41,442	114,171	82,584	7,027	45,413	4,991	823,087
Indexation	0	0	0	0	1,232	96	0	0	1,337
Additions	60	5,571	387	20,544	4,936	1,210	1,758	61	34,527
Donations / Government grant / Lottery funding	0	0	0	0	199	0	0	0	199
Revaluation exercise accumulated depreciation adjustment	0	(68,497)	(5,596)	0	0	0	0	0	(74,093)
Transfers	0	1	0	0	0	0	0	0	1
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	860	29,986	1,800	0	0	0	0	0	32,646
Impairment charged to the SoCNE	(2,826)	(128)	(128)	0	0	0	0	0	(5,739)
Impairment charged to the revaluation reserve	0	(2,826)	(241)	0	0	0	0	0	(3,067)
Reversal of impairments (indexn)	0	1,720	56	0	103	0	0	0	1,879
Disposals	(100)	0	0	0	0	(120)	0	0	(220)
At 31 March 2020	49,869	438,754	37,720	134,715	89,054	8,213	47,171	5,061	810,557

Depreciation									
At 1 April 2019	0	57,295	4,705	0	56,667	4,461	36,134	3,973	163,235
Indexation	0	0	0	0	915	68	0	8	991
Revaluation exercise accumulated depreciation adjustment	0	(68,498)	(5,596)	0	0	0	0	0	(74,094)
Transfers	0	0	0	0	0	0	0	0	0
Reclassifications	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	0	0	0	76	0	0	0	76
Disposals	0	0	0	0	0	(120)	0	0	(120)
Provided during the year	0	13,346	1,065	0	6,567	770	2,926	261	24,935
At 31 March 2020	0	2,143	174	0	64,225	5,179	39,060	4,242	115,023

Carrying Amount									
At 31 March 2020	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
At 31 March 2019	51,875	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,852

Asset financing									
Owned	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0

Carrying Amount									
At 31 March 2020	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
Of which:									
Trust	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
Charitable Trust fund	-	0	0	0	0	0	0	0	-

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 (2018/19, £0). Refer to note 1.3 for information relating to the LPS 5 yearly HSC estate valuation.

The fair value of assets funded from the following sources	2020 £000s	2019 £000s
during the year was:		
Donations	199	49
Government grant	0	0
Lottery funding	0	0

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 5.2 Consolidated Property, Plant & Equipment - year ended 31 March 2019

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 Fixings £000s	Total £000s
At 1 April 2018	49,154	457,612	39,696	65,050	75,956	6,165	42,112	4,819	740,564
Indexation	344	9,218	1,115	0	842	96	0	50	11,765
Additions	19	4,672	585	49,121	6,498	833	3,301	98	65,147
Donations / Government grant / Lottery funding	0	0	0	0	49	0	0	0	49
Reclassifications	0	0	0	0	0	0	0	0	0
Transfers	249	1	0	0	0	0	0	0	1
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 (index)	2,109	3,980	46	0	75	0	0	0	6,234
Disposals	0	0	0	0	(836)	(87)	0	0	(923)
At 31 March 2019	51,875	475,584	41,442	114,171	82,584	7,027	45,413	4,991	823,087
Depreciation	0	42,672	3,537	0	50,083	3,728	32,693	3,612	136,325
At 1 April 2018	0	1,357	121	0	608	66	0	40	2,192
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 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 (index)	0	162	4	0	54	0	0	0	239
Disposals	0	0	0	0	(836)	(78)	0	0	(914)
Provided during the year	0	13,104	1,043	0	6,758	745	3,441	302	25,393
At 31 March 2019	0	57,295	4,705	0	56,667	4,461	36,134	3,973	163,235
Carrying Amount	51,875	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,852
At 31 March 2019	49,154	414,940	36,159	65,050	25,873	2,437	9,419	1,207	604,239
At 1 April 2018	51,875	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,852
Owned	0	0	0	0	0	0	0	0	0
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount	51,875	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,852
At 31 March 2019	49,154	414,940	36,159	65,050	25,873	2,437	9,419	1,207	604,239
Owned	0	0	0	0	0	0	0	0	0
Finance leased	0	0	0	0	0	0	0	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0	0	0	0	0	0	0	0
Carrying Amount	49,154	414,940	36,159	65,050	25,873	2,437	9,419	1,207	604,239
At 1 April 2018	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
Trust at 31 March 2020	-	0	0	0	0	0	0	0	-
Charitable Trust Fund at 31 March 2020	49,869	436,611	37,546	134,715	24,829	3,034	8,111	819	695,534
Trust at 31 March 2019	51,775	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,752
Charitable Trust Fund at 31 March 2019	100	0	0	0	0	0	0	0	100
At 1 April 2018	51,875	418,289	36,737	114,171	25,917	2,566	9,279	1,018	659,852
Trust at 31 March 2018	49,054	414,940	36,159	65,050	25,873	2,437	9,419	1,207	604,139
Charitable Trust Fund at 31 March 2018	100	0	0	0	0	0	0	0	100
At 1 April 2018	49,154	414,940	36,159	65,050	25,873	2,437	9,419	1,207	604,239

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6.1 Consolidated Intangible Assets - year ended 31 March 2020

	Software Licenses £000s	Total £000s
Cost or Valuation		
At 1 April 2019	17,794	17,794
Indexation	0	0
Additions	536	536
Donations / Government grant / Lottery funding	0	0
Reclassifications	0	0
Transfers	0	0
Revaluation	0	0
Impairment charged to the SoCNE	0	0
Impairment charged to the revaluation reserve	0	0
Disposals	0	0
At 31 March 2020	18,330	18,330
Amortisation		
At 1 April 2019	10,995	10,995
Indexation	0	0
Reclassifications	0	0
Transfers	0	0
Revaluation	0	0
Impairment charged to the SoCNE	0	0
Impairment charged to the revaluation reserve	0	0
Disposals	0	0
Provided during the year	2,598	2,598
At 31 March 2020	13,593	13,593
Carrying Amount		
At 31 March 2020	4,737	4,737
At 31 March 2019	6,799	6,799
Asset financing		
Owned	4,737	4,737
Finance leased	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0
Carrying Amount		
At 31 March 2020	4,737	4,737

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

	2020 £000s	
Donations	0	
Government grant	0	
Lottery funding	0	

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6.2 Consolidated Intangibles Assets - year ended 31 March 2019

	Software Licenses £000s	Total £000s
Cost or Valuation		
At 1 April 2018	16,645	16,645
Indexation	0	0
Additions	1,149	1,149
Donations / Government grant / Lottery funding	0	0
Reclassifications	0	0
Transfers	0	0
Revaluation	0	0
Impairment charged to the SoCNE	0	0
Impairment charged to the revaluation reserve	0	0
Disposals	0	0
At 31 March 2019	17,794	17,794
Amortisation		
At 1 April 2018	8,203	8,203
Indexation	0	0
Reclassifications	0	0
Transfers	0	0
Revaluation	0	0
Impairment charged to the SoCNE	0	0
Impairment charged to the revaluation reserve	0	0
Disposals	0	0
Provided during the year	2,792	2,792
At 31 March 2019	10,995	10,995
Carrying Amount		
At 31 March 2019	6,799	6,799
At 1 April 2018	8,442	8,442
Asset financing		
Owned	6,799	6,799
Finance leased	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0
Carrying Amount		
At 31 March 2019	6,799	6,799
Asset financing		
Owned	8,442	8,442
Finance leased	0	0
On B/S (SoFP) PFI and other service concession arrangements contracts	0	0
Carrying Amount		
At 1 April 2018	8,442	8,442
Carrying amount comprises:		
Trust at 31 March 2020	4,737	4,737
Charitable Trust Fund at 31 March 2020	0	0
	4,737	4,737
Trust at 31 March 2019	6,799	6,799
Charitable Trust Fund at 31 March 2019	0	0
	6,799	6,799
Trust at 31 March 2018	8,442	8,442
Charitable Trust Fund at 31 March 2018	0	0
	8,442	8,442

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 7 FINANCIAL INSTRUMENTS

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

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 8 INVESTMENTS

NOTE 8.1 Investments

	2020			2019		
	Non Current Assets £000s	Assets £000s	Liabilities £000s	Non Current Assets £000s	Assets £000s	Liabilities £000s
Balance at 1 April	5,694	0	0	5,551	0	0
Net cash inflow/(outflow)	(250)	0	0	(250)	0	0
Share of income	144	0	0	136	0	0
Share of realised gains/(losses)	71	0	0	74	0	0
Share of unrealised gains/(losses)	(544)	0	0	183	0	0
Balance at 31 March	<u>5,115</u>	<u>0</u>	<u>0</u>	<u>5,694</u>	<u>0</u>	<u>0</u>
Trust	0	0	0	0	0	0
Charitable trust fund	5,115	0	0	5,694	0	0
	<u>5,115</u>	<u>0</u>	<u>0</u>	<u>5,694</u>	<u>0</u>	<u>0</u>

NOTE 8.2 Market value of investments as at 31 March 2020

	Held in UK £000s	Held outside UK £000s	2020 Total £000s	2019 Total £000s
Investment properties	0	0	0	0
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF	5,115	0	5,115	5,694
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
Total market value of fixed asset investments	<u>5,115</u>	<u>0</u>	<u>5,115</u>	<u>5,694</u>

Analysis of expected timing of discounted flows

	Non-Current £000s	Assets £000s	Liabilities £000s	Non-Current Assets £000s	Assets £000s	Liabilities £000s
Not later than one year	0	0	0	0	0	0
Later than one year and not later Later than five years	5,115			5,694		
	<u>5,115</u>	<u>0</u>	<u>0</u>	<u>5,694</u>	<u>0</u>	<u>0</u>

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 9 IMPAIRMENTS

	2020		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	3,067	0	3,067
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	3,936	0	3,936
		0	0
Total value of impairments for the period	7,003	0	7,003
	2019		
	Property, plant & equipment £000s	Intangibles £000s	Total £000s
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	0	0	0
Impairments charged / (credited) to Statement of Comprehensive Net Expenditure	(5,995)	0	(5,995)
Total value of impairments for the period	(5,995)	0	(5,995)

Any fall in value through negative indexation or revaluation is shown as an impairment. The reversal of impairment of £1.8m for 2019-20 relates to Indexation. This is per guidance from the Department of Health. Indices are provided by Land and Property Services (LPS) as detailed in Note 1.5.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 10 ASSETS CLASSIFIED AS HELD FOR SALE

	Land		Buildings		Total	
	2020 £000s	2019 £000s	2020 £000s	2019 £000s	2020 £000s	2019 £000s
Cost						
At 1 April	0	379	0	0	0	379
Transfers in	0	0	0	0	0	0
Transfers out	0	(249)	0	0	0	(249)
Revaluations	0	0	0	0	0	0
(Disposals)	0	(130)	0	0	0	(130)
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	0	0	0	0	0	0
Depreciation						
At 1 April	0	0	0	0	0	0
Transfers in	0	0	0	0	0	0
Transfers out	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0
(Disposals)	0	0	0	0	0	0
Impairment charged to the SoCNE	0	0	0	0	0	0
Impairment charged to the revaluation reserve	0	0	0	0	0	0
At 31 March	0	0	0	0	0	0
Carrying amount at 31 March	0	0	0	0	0	0

At 31 March 2020 Non-Current Assets as Held for Sale are £0.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 11 INVENTORIES

Classification	2020 £000s		2019 £000s	
	Trust	Consolidated	Trust	Consolidated
Pharmacy supplies	2,524	2,524	2,139	2,139
Theatre equipment	583	583	556	556
Building & engineering supplies	0	0	0	0
Fuel	193	193	258	258
Laboratory materials	203	203	263	263
Laundry	8	8	2	2
X-Ray	58	58	0	0
Stock held for resale	0	0	0	0
Orthopaedic equipment	0	0	0	0
Total	3,569	3,569	3,218	3,218

The year-end programme of manual stock counts was significantly affected by Covid-19 and the associated lockdown and therefore was possible only in respect of Fuel stock. Year-end manual stock measurement was therefore modelled on the basis of the trend in stock changes over preceding years. Pharmacy stock count is not manual but based on the pharmacy system perpetual stock check process.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 12 CASH AND CASH EQUIVALENTS

	2020		2019	
	£000s		£000s	
	Core Trust	Consolidated	Core Trust	Consolidated
Balance at 1st April	2,370	2,522	1,780	1,911
Net change in cash and cash equivalents	8,518	8,541	590	611
Balance at 31st March	10,888	11,063	2,370	2,522

	2020		2019	
	£000s		£000s	
	Core Trust	Consolidated	Core Trust	Consolidated
The following balances at 31 March were held at				
Commercial banks and cash in hand	10,888	11,063	2,370	2,522
Balance at 31st March	10,888	11,063	2,370	2,522

NOTE 12.1 Reconciliation of Liabilities arising from Financing Activities

There are no liabilities arising from financing activities during 2019/20 (none during 2018/19).

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 13 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2020		2019	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Amounts falling due within one year				
Trade receivables	0	0	0	0
Deposits and advances	0	0	2	2
VAT receivable	4,323	4,323	5,799	5,799
Other receivables - not relating to fixed assets	10,585	10,638	10,675	10,695
Other receivables - relating to property plant and equipment	0	0	0	0
Other receivables - relating to intangibles	0	0	0	0
Trade and other receivables	14,908	14,961	16,476	16,496
Prepayments	1,873	1,873	1,928	1,928
Accrued income				
Contract assets	0	0	0	0
Current part of PFI and other service concession arrangements prepayment	0	0	0	0
Other current assets	1,873	1,873	1,928	1,928
Carbon reduction commitment	0	0	0	0
Intangible current assets	0	0	0	0
Prepayments and accrued income	0	0	0	0
Other current assets falling due after more than one year	0	0	0	0
TOTAL TRADE AND OTHER RECEIVABLES	14,908	14,961	16,476	16,496
TOTAL OTHER CURRENT ASSETS	1,873	1,873	1,928	1,928
TOTAL INTANGIBLE CURRENT ASSETS	0	0	0	0
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	16,781	16,834	18,404	18,424

The balances are net of a provision for bad debts of £2,379k (2019, £2,569k).

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 14.1 TRADE PAYABLES, FINANCIAL AND OTHER LIABILITIES

	2020		2019	
	£000s		£000s	
	Trust	Consolidated	Trust	Consolidated
Amounts falling due within one year				
Other taxation and social security	22,954	22,954	13,479	13,479
Trade capital payables - property, plant and equipment	18,159	18,159	17,913	17,913
Trade capital payables - intangibles	0	0	6	6
Trade revenue payables	8,070	8,070	5,960	5,960
Payroll payables	10,881	10,881	12,362	12,362
Clinical negligence payables	1,161	1,161	330	330
Voluntary Early Retirement payables	0	0	188	188
BSO payables	11,816	11,816	6,372	6,372
Other payables	4,078	4,031	4,177	4,182
Accruals	38,142	38,142	33,265	33,265
Deferred income	431	431	347	347
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
Contract liabilities	0	0	0	0
Trade and other payables	115,692	115,645	94,399	94,404
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 PFI contracts and other service concession arrangements	0	0	0	0
Other current liabilities	0	0	0	0
Carbon reduction commitment	0	0	0	0
Intangible current liabilities	0	0	0	0
Total payables falling due within one year	115,692	115,645	94,399	94,404
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	115,692	115,645	94,399	94,404

14.2 Loans

The Trust did not have any loans payable at either 31 March 2020 or 31 March 2019.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2020

	Pensions relating to other staff £000s	Clinical negligence £000s	Other £000s	2020 £000s
Balance at 1 April 2019	5,807	46,303	1,590	53,700
Provided in year	641	10,868	1,661	13,170
(Provisions not required written back) *	(204)	(462)	(310)	(976)
(Provisions utilised in the year)	(361)	(6,329)	(1,120)	(7,810)
Cost of borrowing (unwinding of discount)	(29)	(117)	(17)	(163)
At 31 March 2020	5,854	50,263	1,804	57,921

* 'Provision not required written back' primarily relates to the change in discount rates.

Comprehensive Net Expenditure Account charges	2020 £000s	2019 £000s
Arising during the year	13,170	9211
Reversed unused	(976)	(9,528)
Cost of borrowing (unwinding of discount)	(163)	(426)
Total charge within Operating expenses	12,031	(743)

Analysis of expected timing of discounted flows

	Pensions relating to other staff £000s	Clinical negligence £000s	Other £000s	2020 £000s
Not later than one year	360	20,947	1,792	23,099
Later than one year and not later than five years	1,443	6,792	12	8,247
Later than five years	4,051	22,524	0	26,575
At 31 March 2020	5,854	50,263	1,804	57,921

Provisions have been made of 3 types of potential liability: Clinical Negligence, Other - Employer's and Occupier's Liability and thirdly, Pensions Early Retirement and Injury Benefit. 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.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2019

	Pensions relating to other staff £000s	Clinical negligence £000s	Other £000s	2019 £000s
Balance at 1 April 2018	6,429	53,543	1,923	61,895
Provided in year	40	8,436	735	9,211
(Provisions not required written back)	(319)	(8,822)	(387)	(9,528)
(Provisions utilised in the year)	(362)	(6,443)	(647)	(7,452)
Cost of borrowing (unwinding of discount)	19	(411)	(34)	(426)
At 31 March 2019	5,807	46,303	1,590	53,700

Analysis of expected timing of discounted flows

	Pensions relating to other staff £000s	Clinical negligence £000s	Other £000s	2019 £000s
Not later than one year	360	14,044	1,108	15,512
Later than one year and not later than five years	1,448	9,966	482	11,896
Later than five years	3,999	22,293	0	26,292
At 31 March 2019	5,807	46,303	1,590	53,700

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 16 CAPITAL COMMITMENTS

	2020	2019
	£000s	£000s
Property, plant & equipment	5,878	14,251
Intangible assets	0	0
	<u>5,878</u>	<u>14,251</u>

The capital commitments relates to the Ulster Hospital redevelopment programme Phase B.

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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 2020

NOTE 17 COMMITMENTS UNDER LEASES

17.1 Finance Leases

The Trust does not have any finance leases at either 31 March 2020 or 31 March 2019.

17.2 Operating Leases

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

	2020 £000s	2019 £000s
Obligations under operating leases comprise		
Land		
Not later than 1 year	20	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	20	0
Buildings		
Not later than 1 year	93	116
Later than 1 year and not later than 5 years	96	48
Later than 5 years	0	0
	189	164
Other		
Not later than 1 year	1,513	910
Later than 1 year and not later than 5 years	2,309	1,602
Later than 5 years	660	0
	4,482	2,512

17.3 Operating Leases Under Lessor Arrangements

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

	2020 £000s	2019 £000s
Obligations under operating leases issued by the Trust comprise		
Land & Buildings		
Not later than 1 year	11	20
Later than 1 year and not later than 5 years	42	6
Later than 5 years	0	0
	53	26
Other		
Not later than 1 year	0	0
Later than 1 year and not later than 5 years	0	0
Later than 5 years	0	0
	0	0

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 18 COMMITMENTS UNDER PFI CONTRACTS AND OTHER SERVICE CONCESSION ARRANGEMENTS

18.1 Off balance sheet PFI contracts and other service concession arrangements

The Trust has no off balance sheet PFI contracts or other service concession arrangements schemes (£0, 2018/19).

18.2 On balance sheet (SoFP) PFI Contracts

The Trust has no on balance sheet (SoFP) PFI contracts and other service concession arrangements schemes (£0, 2018/19).

18.3 Future PFI Commitments

The contract for a new Primary and Community Care Centre at Lagan Valley Hospital site, under a 3rd Party Development project, was signed in October 2018 following completion of a comprehensive negotiation process. The contract will become a commitment upon satisfactory completion of the building, which is currently estimated to be early in the 21/22 financial year.

It is therefore expected that commitment to make payments under the on-balance sheet 3PD Agreement will commence during 2021. The first annual amount payable under the contract agreement is £2.833m per annum (unindexed) for the duration of a 25 year concession.

NOTE 19 OTHER FINANCIAL COMMITMENTS

The Trust did not have any other financial commitments at either 31 March 2020 or 31 March 2019.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 20 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.

	2020 £000s	2019 £000s
Clinical negligence	1,842	2,378
Public liability	25	35
Employers' liability	116	152
Accrued leave		
Injury benefit		
Other	7	9
Total	<u>1,990</u>	<u>2,574</u>

The Department of Justice has power to set the personal injury discount rate for Northern Ireland in consultation with the Government Actuary and the Department of Finance. The rate is currently 2.5%, however the Department has consulted the statutory consultees on a proposed change to the rate to -1.75%. Once their responses are received, the Minister will consider these and make a final decision. As a final decision on this consultation remains outstanding at this time significant uncertainty remains around the timing and the financial effect therefore it is not currently possible to quantify the potential impact on the Trust of any change in discount rate.

In Northern Ireland the discount rate currently has to be set in accordance with legal principles set out by the House of Lords in *Wells v Wells*. However, the Department also proposes to take forward a consultation on changing how the rate is set. Both England and Wales and Scotland have already made primary legislation which changed how their discount rates are set and have reviewed their rates under these new legislative frameworks.

On 17 June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. The Supreme Court is currently considering whether to hear an appeal of this decision. This is an extremely rare and complex case with a significant number of issues that still need to be worked through and HSC implications determined and resolved, including further legal advice with regards to the impact of the judgement; the scope; timescales; process of appeals and engagement with Trade Unions. The legal issues arising from this judgment and the implications for the HSC sector will need further extensive consideration. Until there is further clarity on the specifics, based on the inherent uncertainties in the final decision that will be made from an HSC perspective, and the fact that there is currently neither legally nor constructively an obligation for the HSC, a possible obligation exists and a reliable estimate cannot be provided at this time, until the HSC implications are fully explored and concluded.

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NOTE 20.1 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

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

NOTE 21 RELATED PARTY TRANSACTIONS

The South Eastern Health and Social Care Trust is an arms 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 £756 million (£682million 2018/19). 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.

Both this year and last 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.

NOTE 22 THIRD PARTY ASSETS

The Trust held £4,155k cash at bank and in hand at 31 March 2020 which relates to monies held by the Trust on behalf of patients (£4,242k, 2018/19) and are shown within Patients' / Residents Monies Accounts. 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.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 23 FINANCIAL PERFORMANCE TARGETS

23.1 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:

	2020	2019
	Total	Total
	£000s	£000s
HSCB	697,544	623,801
PHA	4,580	4,292
SUMDE & NIMDTA	8,534	8,420
DoH (excludes non cash)	1,691	1,517
Other Government Departments	0	0
Non cash RRL (from DoH)	43,504	20,963
Total agreed RRL	755,853	658,993
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	(199)	(49)
Adjustment for Research and Development under ESA10	531	636
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	756,185	659,580

23.2 Capital Resource Limit

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

	2020	2019
	Total	Total
	£000s	£000s
Gross capital expenditure	35,262	66,345
Less charitable trust fund capital expenditure	(199)	(49)
(Receipts from sale of fixed assets)	0	(139)
Net capital expenditure	35,063	66,157
Capital Resource Limit	37,492	66,805
Adjustment for Research and Development under ESA10	(531)	(636)
Overspend/(Underspend) against CRL	(1,898)	(12)

The impact of Covid-19 and the associated lockdown had a significant impact on the Trust's capital programme, generating an underspend of £1.9m.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 23.3 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.

	2019/20	2018/19
	£000s	£000s
Net Expenditure	(756,136)	(659,492)
RRL	756,185	659,580
Surplus / (Deficit) against RRL	49	88
Break Even cumulative position(opening)	(3,505)	(3,593)
Break Even cumulative position (closing)	<u>(3,456)</u>	<u>(3,505)</u>

Materiality Test:

	2019/20	2018/19
	%	%
Break Even in year position as % of RRL	<u>0.01%</u>	<u>0.01%</u>
Break Even cumulative position as % of RRL	<u>-0.46%</u>	<u>-0.53%</u>

NOTE 24 EVENTS AFTER THE REPORTING PERIOD

The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020 came into operation on 24 April 2020 and allows those workers who are unable to take annual leave as result of the pandemic to carry over up to four weeks' annual leave into the next two leave years. Any exemption will apply only to circumstances where workers are unable to take their leave as a result of the outbreak, and carry over of annual leave will be limited to the next two leave years. The change in regulations may lead to an increase in the value of accrued annual leave carried over in the next two years by the Trust. It is not possible for the Trust to give a reasonable estimate of the impact at this time.

NOTE 25 DATE AUTHORISED FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 10 July 2020.

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SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

**PATIENTS'/ RESIDENTS MONIES ACCOUNTS FOR THE YEAR ENDED 31
MARCH 2020**

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Patient & Resident Monies Accounts

STATEMENT OF TRUSTS RESPONSIBILITIES IN RELATION TO PATIENTS/RESIDENTS MONIES

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

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

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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

Opinion on account

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 2020 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

In my opinion the account:

- properly presents the receipts and payments of the monies held on behalf of the patients and residents of the South Eastern Health and Social Care Trust for the year ended 31 March 2020 and balances held at that date; and
- the account has been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the account section of this certificate. My staff and I are independent of the South Eastern Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs(UK) require me to report to you where:

- the South Eastern Health and Social Care Trust's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the South Eastern Health and Social Care Trust have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the South Eastern and Social Care Trust's ability to continue to adopt the going concern basis.

Responsibilities of the Trust for the account

As explained more fully in the Statement of the Trust's Responsibilities in relation to patients'/residents' monies, the Trust is responsible for the preparation of the account.

Auditor's responsibilities for the audit of the account

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

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

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

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


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.

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

10 July 2020

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Patient & Resident Monies Accounts

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST

PATIENTS'/ RESIDENTS MONIES ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

Previous Year	RECEIPTS	£	Current Year
£	<u>Balance at 1 April 2019</u>	£	£
4,092,084	1. Investments (at cost)	-	
2,000	2. Cash at Bank	4,240,004	4,242,004
	3. Cash in Hand	2,000	
4,047,805	Amounts Received in the Year		4,267,942
	Interest Received		-
8,141,889	TOTAL		8,509,946
Previous Year	PAYMENTS	£	Current Year
£	Amounts Paid to or on behalf of Patients/Residents	£	£
3,899,885	<u>Balance at 31 March 2020</u>		4,354,128
-	1. Investments (at cost)		
4,240,004	2. Cash at Bank	4,153,818	
2,000	3. Cash in Hand	2,000	4,155,818
8,141,889	TOTAL		8,509,946
Schedule of investments held at 31 March 2020			
-	Investment	Nominal Value	Cost Price
		£	£
		-	-

Cost Price	Schedule investments held at March 2020	Nominal value	Cost Price
£	Investment	£	£
-		-	-

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 26 June 2020



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

Chief Executive
Date 26 June 2020



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Designed by Communications Department