Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Health Service Executive

Annual Report and Financial Statements 2012

Please refer to inside back cover for details of photographs featured on the front cover of this report

Contents

Part I

Introduction	**3**
Chairman's Statement	4
Board Membership	5
Introduction from the Deputy Chief Executive Officer	6
Senior Management Team	8
Setting the Scene	**11**
Our Organisation	12
Improving Quality and Delivering Safe Services	16
Our Population	17
Listening to our Service Users	19
Improving Service Delivery	**23**
Promoting Health and Wellbeing	24
Supporting People in Primary Care Settings	25
Providing Community Schemes	26
Maximising Hospital Services	27
Improving the National Ambulance Service	29
Implementing National Clinical Care Programmes	30
Enhancing Cancer Services	32
Supporting Older People	33
Improving Mental Health Services	34
Supporting People with Disabilities	35
Protecting Our Children and Young People	36
Enhancing the Provision of Palliative Care	37
Tackling Social Exclusion	38
Appendices	**41**
Appendix 1: Performance against Key National Service Plan Targets 2012	42
Appendix 2: Capital Projects	44
Appendix 3: Annual Energy Efficiency Report	48

Part II

Financial Governance	**51**
Operating and Financial Review	52
Board Members' Report	58
Statement of Board Members' Responsibilities in Respect of the Annual Financial Statements	60
Statement on Internal Financial Control	61
Report of the Comptroller and Auditor General for Presentation to the Houses of the Oireachtas	68
Financial Statements	69
Accounting Policies	73
Notes to the Financial Statements	76
Appendices	101

Introduction

Chairman's Statement

I am pleased to present the 2012 Health Service Executive (HSE) Annual Report. This is the seventh such report.

The HSE is a large and complex organisation providing health and personal social care services to many hundreds and thousands of people. For them, the services they receive from the HSE are of fundamental importance. They can often be lifesaving services. Therefore, I would like to pay tribute to all the staff of the HSE across the country. Whether you are in a hospital or in the community or part of the corporate function, your work can mean the world to patients and the people of Ireland.

While we must acknowledge the difficult economic circumstances in which we are currently operating, I believe that we have made good progress and delivered for the most important people – those who seek to access HSE services. A major priority in 2012 was to target those waiting the longest for treatment and, by the end of 2012, the number of adults waiting more than nine months for inpatient and day case surgery was reduced by 98%. During 2012, we reduced the number of children who were waiting more than 20 weeks for surgery by 95%. These are real and tangible results for our citizens and represent a significant improvement for people accessing HSE services.

However, we would all acknowledge that much more remains to be done. In November 2012, the progress we needed to achieve in health reform was set out by Government in *Future Health: A Strategic Framework for Reform of the Health Service 2012-2015*. *Future Health* sets out the steps we need to take to deliver on the *Programme for Government*. Let us be clear: while we move forward with urgency, we do so in a considered way. That is why we are ensuring that there are robust governance, management and accountability arrangements in place to drive, manage and monitor implementation of the programme.

Progress on reform was consolidated with the publication of the *Health Service Executive (Governance) Bill 2012* which is intended to be enacted in 2013. The legislation is a core building block for us to achieve our vision of a new health system.

The reform we need to implement will not be achieved through structures alone, but in tandem with changes to organisational attitudes and culture. We can only achieve that change in mindsets by working together and I was heartened to see the closer ties and improved dynamics throughout 2012 between the HSE and the Department of Health. This progress was achieved by all staff – from the ground up – but we must acknowledge that strong leadership and good management is also a necessary ingredient. In that regard, I would like to express my appreciation to Tony O'Brien, the Deputy Chief Executive Officer, his senior management and leadership team, and my colleagues in the Departments of Health, Children and Youth Affairs and Public Expenditure and Reform. I would also like to thank Mr. Cathal Magee, former CEO of the HSE and members of the HSE Board, past and present.

Undoubtedly, 2013 will see new and familiar challenges but also new opportunities. We are – quite rightly – being regularly challenged to evaluate and innovate in our service provision, ensuring that we live within budget and resource limits while also delivering high-quality and safe services. I am confident that we can address those challenges in 2013 and beyond and continue to deliver efficient and effective services to those who need them most.

Dr. Ambrose McLoughlin
Chairman
Health Service Executive

Board Membership

As at 31st December 2012

Dr. Ambrose McLoughlin

Dr. McLoughlin was appointed Chairman of the HSE Board in April 2012. He is Secretary General of the Department of Health.

Mr. Tony O'Brien

Mr. O'Brien was appointed Deputy CEO of the HSE in August 2012 and was, formerly, Chief Operating Officer of the Special Delivery Unit in the Department of Health.

Dr. Tony Holohan

Dr. Holohan was appointed Chief Medical Officer at the Department of Health in December 2008 having worked, since 2001, as Deputy Chief Medical Officer.

Mr. Paul Barron

Mr. Barron is an Assistant Secretary in the Department of Health where he has responsibility for Primary Care, the National Drugs Strategy and Eligibility.

Ms. Bairbre Nic Aongusa

Ms. Nic Aongusa is an Assistant Secretary in the Department of Health with responsibility for Finance, Information, Capital European Union/International and Research Policy, and External/Internal Information and Communication Technology.

Dr. Barry White

Dr. White is a Consultant Haematologist and Director of the National Centre for Hereditary Coagulation Disorders in St. James's Hospital, Dublin and, formerly, HSE National Director of Clinical Strategy and Programmes.

Dr. Philip Crowley

Dr. Crowley is HSE National Director of Quality and Patient Safety since January 2011. Prior to this, he held the post of Deputy Chief Medical Officer with the Department of Health.

Ms. Laverne McGuinness

Ms. McGuinness is HSE National Director of Integrated Services and is responsible for the delivery of all health and personal social services across hospitals, and primary and community services.

Mr. Jim Breslin

Mr. Breslin is Secretary General of the Department of Children and Youth Affairs.

Ms. Frances Spillane

Ms. Spillane is an Assistant Secretary in the Department of Health where she has responsibility for National Human Resources, Professional Regulation, Agency Governance and Clinical Indemnity.

Ms. Geraldine Fitzpatrick

Ms. Fitzpatrick is an Assistant Secretary in the Department of Health with responsibility for Social Care.

Mr. Dara Purcell

Mr. Purcell continued as Secretary to the Board in 2012.

Introduction from the Deputy Chief Executive Officer

2012 was a year of significant change for the health service. As part of the overall and unprecedented financial challenge facing the country, the HSE was set clearly defined budget targets by the Government. In 2010 and 2011 the health services saw budget reductions of approximately €1.75 billion. This was followed in 2012 with additional savings measures of €494m. These reductions occurred at a time when demand for health services continues to grow.

At the time of my appointment, I was very conscious of the need to evolve our structure and processes to meet the challenging financial environment while continuing to deliver high quality patient care. While we have gone a significant way in terms of reducing our cost base, we have a long way to go. A lot of work was undertaken during the year in beginning the task of transforming financial systems and strengthening accountability. Maintaining tight financial control during the year was paramount. Also, rebalancing budgets for 2013 was a key priority for me, enabling a fairer distribution of funds and seeking opportunities to achieve financial stability.

Health Reform

In November the Minister for Health published *Future Health*, the framework for health reform, based on Government commitments in its *Programme for Government*. This outlines the main healthcare reforms that will be introduced in the coming years as key building blocks for the introduction of Universal Health Insurance in 2016. It sets a vision for developing a universal, single-tier health service which guarantees access to medical care based on need not income. It is a radical reform and requires significant change across the spectrum of our health system. *Future Health* is about prioritising the needs of the patient as difficult decisions on health financing are made.

I toured the country with the Minister as 15 different sessions were hosted for hundreds of staff and members of the regional health fora to communicate the strategy and gain the views of staff.

The *Health Service Executive (Governance) Bill 2012* which is going through the Houses of the Oireachtas, will bring greater focus on service delivery and ensure more accountability as we transition to a new way of doing business. It establishes new Directorates closely aligned to specific areas of service such as primary care, mental health, hospitals, health and wellbeing and social care. It allows a reorganisation of services to prepare the way for the wider introduction of the 'money follows the patient principle' and the ultimate introduction of Universal Health Insurance.

The groundwork for this reform has already commenced and it is vital that we effectively transition towards the new organisational model while ensuring that the quality of services we provide is at the highest level.

New hospital groups are in place and more will come on stream next year. This will ensure that services can be organised in an optimum way across a number of hospitals in these groups and will strengthen accountability. The report on future hospital trusts and the small hospitals framework provides the necessary and appropriate strategic guidance to build our modern acute hospital infrastructure and networks.

Much work has been undertaken to prepare for the establishment of the new Child and Family Support Agency and the disaggregation from the HSE of children and family services. A significant priority is to plan for the transfer in 2013 while at the same time delivering quality and safe services.

Responding to our challenges

As in previous years, demand for services continues to increase. This is due to a number of factors.

Our population has grown by 8% or over 350,000 people since the 2006 Census. People are living longer. Each year the total number of people over the age of 65 grows by around 20,000 persons. We have the highest fertility rate in the EU. Over 1.8 million people or nearly 40% of the population are eligible for the range of health services covered by medical cards. This is the highest number of people ever recorded in receipt of a medical card.

Our greatest challenge is meeting these increased demands, in a reducing resource environment – our budgets have decreased over the last number of years and we have had to reduce our staffing numbers significantly in line with Government policy.

Significant progress has been made in implementing change under the terms of the Public Service Agreement. Agreement has also been reached in relation to standardising the significant changes to consultant work practices that support the implementation of national clinical care programmes and other key clinical priorities.

Improving access and supporting service delivery

Acute Services

Over 1.4 million people received either inpatient or day case treatment in 2012. We treated 603,911 inpatients in our hospitals, 2.4% more than last year. 826,825 patients were treated on a day case basis, 1.7% more than last year.

While managing these increased workloads, we have improved access to services in many areas during the year and have made significant inroads in reducing the time that patients wait for services.

The Minister for Health set a target in 2012 that no adult would wait more than 9 months for planned surgery. By working with the Special Delivery Unit and ensuring the implementation of new models of care through the national clinical care programmes, which are driving a re-engineering of traditional models of care and of service delivery, we achieved a 98% reduction in adults waiting compared to the previous year. In addition, a target was set that no child would wait more than 20 weeks for a planned procedure – we achieved a 95% reduction in the number of children waiting compared to the previous year.

These are huge improvements and while progress has been made, more rigorous targets have been set for next year to further reduce waiting times for people accessing our services.

In addition, at the end of the year, no patient waited more than 28 days from referral for an urgent colonoscopy. There was a reduction of 99% in the number of patients waiting over 3 months for a gastrointestinal endoscopy with 36 patients waiting at the end of the year.

Non-Acute Services

426 primary care teams (an increase of 23 since the start of the year) provided services to almost 3.8m people. Almost 20 million prescriptions were filled for over 61 million items.

11,023 people received home care packages and 45,705 people received home help which amounted to 9.88 million hours provided during the course of the year.

10,225 applications were received under the Nursing Homes Support Scheme and 8,023 new clients were supported. At the end of this year, 22,871 long term public and private residential places were supported under the Scheme.

There was a 10% increase in new cases seen by the child and adolescent mental health services and a 17% increase in the number of referrals.

4,166 people with a physical/sensory disability benefited from home support hours (including personal assistant hours).

In recognition of some of the service and demographic pressures, additional funding was made available by Government to progress specific initiatives in the areas of primary care, mental health and older people services.

Thank You

On behalf of the Senior Management Team, I would like to thank the Board of the HSE, the Chairman Dr. Ambrose McLoughlin, Secretary General of the Department of Health, and his officials who supported the HSE during the year. I would also like to thank Mr Michael Scanlan, Secretary General of the Department of Health for the past seven years and Chairman of the Board during the early months of 2012, prior to his retirement.

I would particularly like to thank my predecessor Mr. Cathal Magee for his commitment to the health service and acknowledge his contribution at a time of significant challenges including major reductions in funding and a significant exodus of staff.

By no means least, I wish to take the opportunity to thank all our staff for their dedication through the year, for their efforts in improving our health system and for their commitment to the continued development and provision of high quality health services to our communities.

Mr. Tony O'Brien
Deputy Chief Executive Officer
Health Service Executive

Senior Management Team

As at 31st December 2012

Mr. Tony O'Brien
Deputy Chief Executive Officer

Ms. Jane Carolan
National Director, Corporate Planning and Corporate Performance

Dr. Áine Carroll
National Director, Clinical Strategy and Programmes

Mr. Paul Connors
National Director, Communications

Dr. Philip Crowley
National Director, Quality and Patient Safety

Mr. Michael Flynn
National Director, Internal Audit

Mr. Pat Healy
Regional Director of Operations, HSE South

Mr. John Hennessy
Regional Director of Operations, HSE West

Mr. Gordon Jeyes
National Director, Children and Family Services

Ms. Laverne McGuinness
National Director, Integrated Services Directorate, Performance and Financial Management

Mr. Stephen Mulvany
Regional Director of Operations, HSE Dublin North East

Ms. Lis Nixon
Director of Performance Improvement for Unscheduled Care, Special Delivery Unit

Mr. Barry O'Brien
National Director, Human Resources

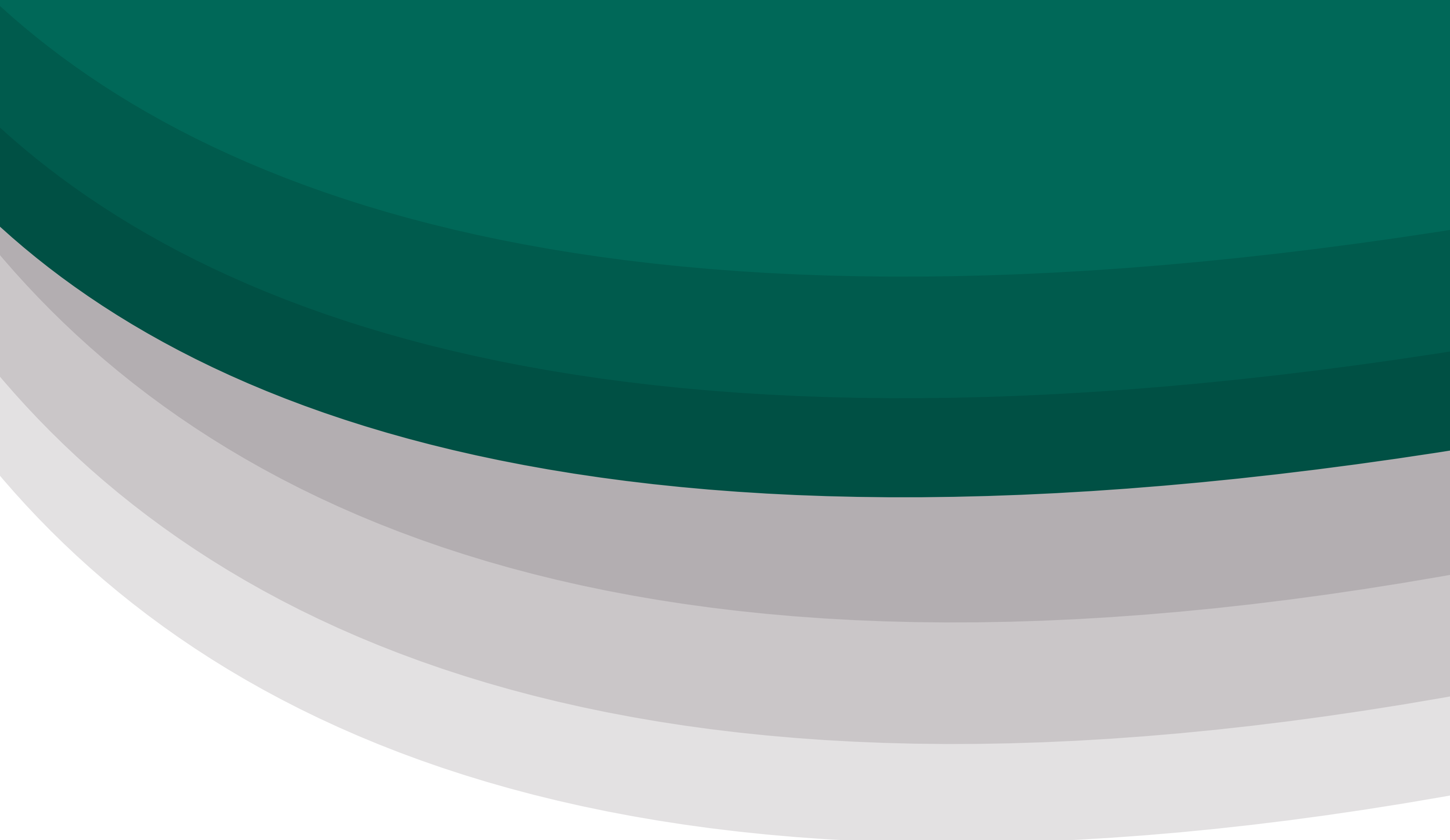
Mr. Gerry O'Dwyer
Regional Director of Operations, HSE Dublin Mid Leinster

Dr. Susan O'Reilly
National Director, National Cancer Control Programme

Dr. Alan Smith
Director of Performance Improvement for Scheduled Care, Special Delivery Unit

Mr. Liam Woods
National Director, Finance

Mr. Dara Purcell
Secretary to the Senior Management Team



Setting the Scene

Our Organisation

Introduction

The core purpose of our health system is to:

- Keep people healthy
- Deliver safe healthcare and better outcomes
- Provide the healthcare people need, and
- Achieve best value from health system resources.

This Annual Report describes what the HSE did in 2012 in order to meet our objectives. It sets out progress against the *HSE National Service Plan 2012 (NSP2012)* and what we have achieved within the longer term agenda contained in our corporate and various strategic plans.

In line with our legislative requirements under Sections 36 and 37 of the *Health Act 2004*, the Annual Report also reports progress against the *HSE Capital Plan* and provides detailed financial statements for the organisation.

Health Reform

In November 2012, the Department of Health published *Future Health – A Strategic Framework for Reform of the Health Service 2012-2015*. This framework sets out the milestones to achieve a single-tier health service supported by Universal Health Insurance (UHI). The main pillars are:

- Health and Wellbeing – moving away from simply treating illness to focusing on keeping people healthy.
- Service Reform – focusing on integrated care and ensuring treatment happens in the most appropriate setting.
- Structural Reform – promoting good governance, avoiding duplication, ensuring a regional focus on managing performance and delivering value for money.
- Financial Reform – systems based on incentives that promote fairness and efficiency, reducing costs, improving control and quality.

Full achievement of the reform programme requires a major overhaul of existing legislation which commenced with the publication of the *Health Service Executive (Governance) Bill 2012*, which sets out changes to organisational governance, Board and management structures.

As part of the Reform Programme, the management of hospitals are transitioning into Hospital Groups. In 2012 there were three new Hospital Groups established in Galway, Mid-West and Louth/Meath. The transition arrangements for all Hospital Groups will be finalised in early 2013. In addition, Children and Family Services progressed their agenda towards establishing a separate Child and Family Support Agency.

National Directorates will be established in early 2013 for the national oversight and management of acute services, social care, mental health, primary care, and health and wellbeing. Our regions will evolve in time to a performance monitoring role.

Delivering Health and Personal Social Services

In 2012, our services were managed by four regions within a national framework, delivering services in the community and through hospital networks. The four regions are subdivided into 17 areas. Patients requiring a routine, straightforward level of care can be safely provided with treatment delivered at home or as close to home as possible. The minority of patients who require more complex or critical care are safely managed in a designated acute centre, where the relevant clinical expertise is concentrated so that consultant led high-quality care is available. Complex care is delivered through national models based on international best practice, for example cancer services. Other specialist services such as pre-hospital emergency care services and environmental health are managed on a national basis. Services are also provided by independent contractors (such as GPs, pharmacists, optometrists, dentists), non-statutory, voluntary and community groups on behalf of the HSE.

Our Workforce

During 2012 we continued to refine our workforce planning agenda. This included planning for those retiring under the Government accelerated retirement scheme to the end of February, complying with Government staff reduction targets, natural attrition during the year and also recruiting NSP2012 development posts sanctioned for mental health services, primary care and clinical programmes.

Employment Control Framework

At the end of December 2012, the health sector employed 101,506 whole-time equivalent (WTE) staff, 481 WTEs below the end-of-year approved employment ceiling. This was a reduction of 2,886 WTEs (-2.8%) compared to the end of 2011 (Table 1). In total, since employment levels peaked in September 2007, the health sector has reduced its numbers by 10% (11,265 WTEs).

At the end of 2012:

- All staff categories saw a reduction on the previous year (Figure 2). Management (Grade VIII and above) fell by a further 2.8% over 2011 figures.
- 48% of staff were in hospitals.
- 46% were community based staff.
- Nearly 6% worked in other areas such as the ambulance service, public health, national cancer control programme and national corporate shared services (finance, procurement, HR, etc).
- 64% of staff worked in the HSE, 22% in voluntary hospitals and 14% in voluntary primary and community service agencies.
- ‘Grace Retirements’ to the end of February (a Government scheme to allow staff to retire on pre-2010 pay rates) came to just over 3,000 headcount (2,165 WTEs).

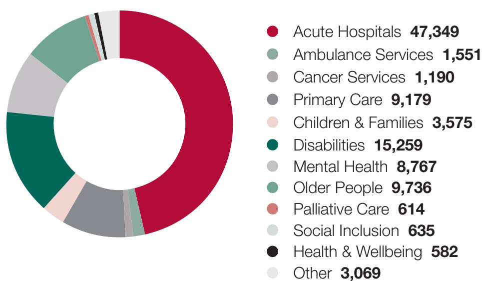
Table 1: Health Service Personnel 2011-2012

Region	WTE Dec. '11	% of Total	WTE Dec. '12	% of Total	% Variance 2011-2012
DML	31,533	30.2%	30,837	30.4%	-2.2%
DNE	21,501	20.6%	20,941	20.6%	-2.6%
South	22,856	21.9%	22,080	21.7%	-3.4%
West	24,704	23.7%	23,827	23.5%	-3.6%
National	3,798	3.6%	3,821	3.8%	+ 0.6%
Total	**104,392**	**100%**	**101,506**	**100%**	**-2.8%**

Data source: Health Service Personnel Census

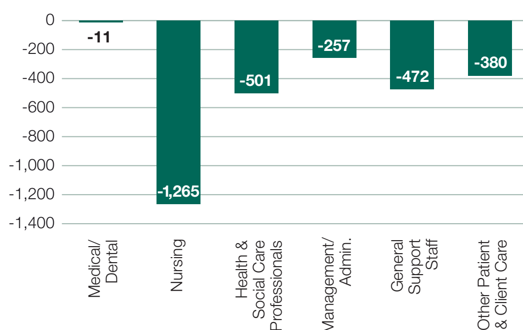
- Movement of staff grades during the year:
  - Consultants increased by 1.6% or 197 WTEs (+ 8.5% since 2009 baseline target used by the DoH).
  - Therapists decreased by 1.6% or 191 WTEs (+ 4.8% since 2009 baseline).
  - Psychologists and counsellors decreased by 5% or 10 WTEs (-1% since 2009 baseline).

Figure 1: WTEs by Care Group December 2012



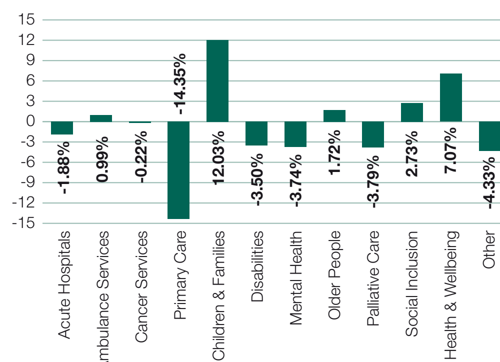
Data source: Health Service Personnel Census

Figure 2: WTE Change December 2011 - December 2012



Data source: Health Service Personnel Census

Figure 3: Variance in WTEs by Care Group 2011-2012

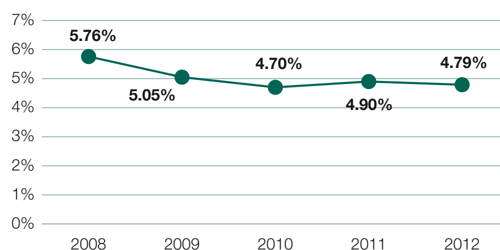


Data source: Health Service Personnel Census

Absenteeism

The health services continued to focus on strengthening absenteeism controls in order to reach a 3.5% target. The national annual rate for 2012 is generally in line with other national public sector organisations, despite the 24/7 nature of the work environment and the demographics of staff working in the health services. Rates of absenteeism have reduced from 5.76% in 2008 to 4.79% in 2012. In 2012, 88.5% of all absenteeism was certified.

Figure 4: Absenteeism Rates 2008-2012



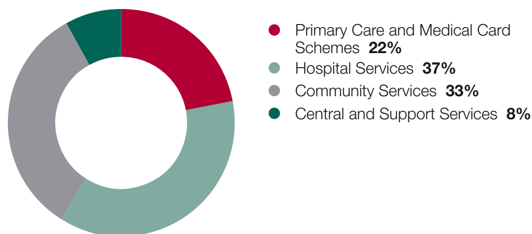
Data source: HSE Performance Reports

Setting the Scene

Finance

The total HSE expenditure in 2012 was €13.814 billion (bn) for the delivery and contracting of health and personal social services. A supplementary estimate of €360m was voted by Government to the HSE at the end of the year to address pressures in the Primary Care Reimbursement Service (PCRS) for increases in medical cards and community drug schemes and also the acute hospital sector. The main areas of expenditure are set out in figure 5.

Figure 5: % Breakdown of Total Expenditure by Area of Operation 2012



Data source: HSE Corporate Finance

Full details on the finances of the HSE can be found in the Financial Governance section on page 51 onwards.

Payroll

The 2012 service plan required a €183m reduction in the pay bill. Critical to achieving this was to manage payroll costs more efficiently during the year, particularly the need to reduce agency usage, overtime and premium payments.

The annual reduction in agency staffing costs for HSE statutory services was €11.77m (6.7%). When statutory and voluntary sector agency staffing costs are combined, the reduction was €4.76m (2.2%). There was a 30% reduction in costs for agency doctors but 17% more was spent on agency nursing in the statutory and voluntary sector.

Within the HSE, basic pay reduced by €90.76m (2.7%). Other HSE pay reductions are shown in figure 6.

- Overtime amounted to 4% of all pay costs
- Agency costs amounted to 4% of all pay costs.

Focus On...

The HSE's Procurement Team scooped two top awards at the National Procurement Awards 2012, which celebrates excellence in public and private procurement in Ireland. Awards included the Innovation in Public Procurement Award for using an electronic auction to hold a mini-competition for the supply of disposable continence products – a process that resulted in a saving of more than €6m. In addition, the Best Use of Technology Award was given for introducing voice directed technology to generate significant productivity and accuracy gains in its warehousing operations.

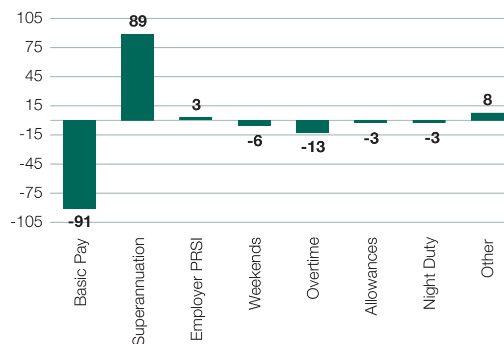
Focus On...

The HSE achieved top prizes at the 2012 Ireland eGovernment Awards, the recognised benchmark for excellence in Irish eGovernment services and standards. The awards raise awareness and recognise the innovators, developers, forward thinkers and experts who are pioneering the changes happening in how the Irish Government delivers services to its citizens. The winning projects were:

L-R: Vincent Jordan, ICT Programme Manager; Dr. Susan O'Reilly, Director, National Cancer Control Programme; Marie Lalor, Project Manager, National Healthlink Project; Brendan Howlin TD, Minister for Public Expenditure and Reform; Eileen Nolan, Project Manager, NCCP; Dr. Marie Laffoy, Assistant National Director, NCCP; Pat O'Dowd, General Practice Information Technology Group; Kieran Ryan, CEO, ICGP.

- **The National Cancer Control Programme (NCCP) working in collaboration with a range of stakeholders won the Cross Agency Award for its Electronic Cancer Referral Project, Ireland's first online cancer referral system for general practitioners (GPs). The system ensures the rapid referral of patients with suspected breast, prostate and lung cancer, directly to a cancer centre in a secure, time-efficient manner. There are approximately 2,800 GPs in Ireland, working in 1,300 practices. 90% of GPs are computerised and use a practice management system (PMS).**
- **The Health Promotion department working with their partners won the Central Award and the Education Award for the Get Ireland Active website. Get Ireland Active is a one stop information source on how to become more physically active in Ireland. The site's event search feature is being widely used and more than 20,000 events were submitted by clubs, organisations and individuals during the first quarter of 2012.**

Figure 6: HSE Pay Cost Change 2012 v 2011 (€m)



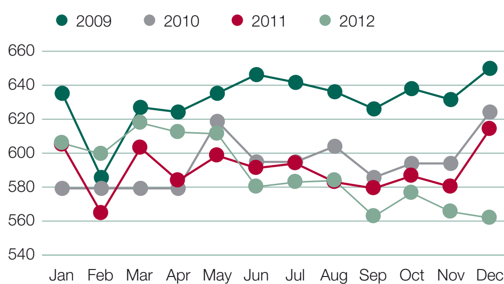
Data source: HSE Corporate Finance

Cost Growth Management and Cost Reduction (Whole Health Service – Statutory and Voluntary)

Maintaining and delivering value for money and managing cost growth in 2012, to the extent done in previous years (€862m for the years 2007-2011) proved very challenging. Significant efficiencies have been achieved in recent years in not just the delivery of actual cost reductions through value for money, budget management and service reconfiguration initiatives, but also through the management of costs growth and resulting cost avoidance.

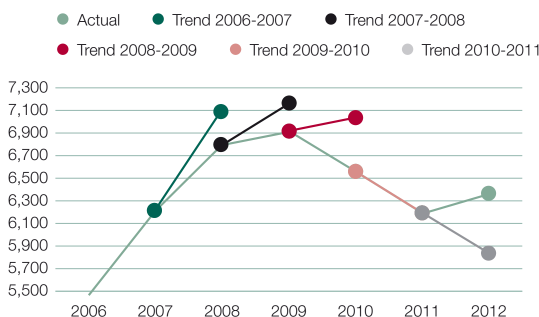
During 2012, in spite of significantly increased direct and indirect clinical costs, there was continued financial delivery of value for money and cost growth management in other areas.

Figure 7: Pay Analysis excl. Superannuation (€m)



Data source: HSE Corporate Finance

Figure 8: Non-Pay Expenditure 2006-2012 (€m)



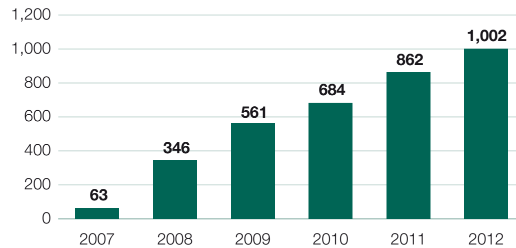
Data source: HSE Corporate Finance

Pay costs have continued to reduce (€133m or 2% in the year) at a time of increased service activity. There have been reductions in all staff categories, ranging from 4% in support staff pay to an increase of 1% in medical (relating to prioritised recruitment of consultants).

Non-pay costs increased for the first time since 2008 related to growth in drugs costs in PCRS, in payment to GPs, pharmacists and dentists, in clinical costs for medical and surgical and in diagnostics. The net increase in non-pay between 2011 and 2012 was €176m or 2.8% when payments in respect of the Nursing Homes Support Scheme are excluded. However, there was a gross reduction of over €55m.

Operating costs have continued to reduce during 2012 by 3% or over €7m, including a €3m reduction in cleaning costs while other support costs such as maintenance, travel and subsistence, insurance, banking, and education and training reduced by nearly €20m.

Figure 9: Cumulative VfM/Cost Savings Delivered (€m)



Data source: HSE Corporate Finance

Service Arrangements with Non-Statutory Sector

The HSE provided funding of €3.45bn to non-statutory agencies to deliver health and personal social services.

- Acute Voluntary Hospitals €1.77bn (51%)
- Non-Acute Agencies €1.68bn (49%)

In total, 2,680 agencies were funded, with over 4,381 separate funding arrangements in place. Ten agencies accounted for over 50% of the funding and 112 agencies accounted for over 90% of the funding.

89% of agencies had a Service Agreement/Grant Aid agreement in place at the end of 2012, accounting for nearly 94% of the funding (target 100%).

Capital Plan 2012

The total capital expenditure in 2012 was €307.45m, which included capital grants to voluntary agencies of €114.64m.

The HSE estate comprises of 2,655 properties. A number of significant capital projects progressed in 2012 including:

- 19 new Primary Care Centres have been completed or opened during the year, the majority by lease agreement.
- Upgrades and new facilities in our hospitals such as the new Emergency Department at Kerry General Hospital, new medical block at Letterkenny General Hospital, new critical care block at Limerick Mid-Western Regional Hospital and the phase 2 development at St. Vincent's University Hospital, Dublin (Cystic Fibrosis Unit, Dermatology Unit and wards).
- New/upgraded ambulance stations in HSE West and HSE South.
- Community Nursing Units in Dublin, Kerry and Cork.
- A number of new hostels across the country for people with mental health problems and also additional inpatient capacity for child and adolescent mental health services in St. Vincent's Hospital, Dublin.

Improving Quality and Delivering Safe Services

Promoting clinical governance and developing clinical leadership • ensuring safe services • monitoring the quality and patient safety performance of the system integrating risk management across the organisation • embedding national standards and HSE recommended practices • building a learning culture and widening the use of intelligence systems to help drive quality, safety and efficiency of health services

Progressing Our Strategic Priorities

In 2012:

- Three guidance documents on the development of quality and safety clinical governance were published.
- In conjunction with the Royal College of Physicians of Ireland (RCPI), the Leadership in Quality and Change Programme is being delivered to clinical and management decision makers as a diploma course, and as site specific support.
- Quality and Patient Safety Audit (QPSA) completed 23 audits in the year.
- Through the National Office for Clinical Audit, the first multi stakeholder governance board was convened to oversee the rollout of national audit. The Irish Audit of Surgical Mortality commenced awareness building and clinician user testing of the system. In addition, design and procurement of an ICT solution for the Irish National Orthopaedic Register commenced and procurement was completed for ICT to support the collation of the Intensive Care Unit Audit.
- A five year national Health Care Acquired Infection (HCAI) and Antimicrobial Resistance Strategy was developed in conjunction with the RCPI clinical advisory group. A national antibiotic care bundle and an e-learning HCAI tool for HSE staff were launched.
- In June, four projects in health were presented with the Taoiseach's Public Service Excellence Awards 2012. The successful projects were:
    - 'The National Early Warning Score and COMPASS Education Programme', a project that improves the safety record in our health services.
    - Bantry General Hospital for the delivery of a high quality acute stroke service in West Cork and South Kerry.
    - Beaumont Hospital for its project on 'Information Management for Better Patient Care', the development of a web based electronic patient record used for supporting clinical care of people with epilepsy.
    - Sacred Heart Hospital, Roscommon for their project 'Dementia Care – The Eden Alternative' aimed at improving residential care settings for older people.
- A Clinical Directors programme was established with training and education workshops held in November. A national clinical lead was appointed to support Clinical Directors in their management and leadership roles.

Focus On...

Since the National Standards for Safer Better Healthcare were launched in June, the Quality and Patient Safety (QPS) Directorate has worked closely with frontline service providers (including private and voluntary) to develop a collaborative, consistent and continuous quality improvement approach to implementation. This included the development of a Quality and Performance Improvement Tool to support service providers in assessing against the National Standards. This assessment process will be one of the key ways in which individual providers can assure themselves of the quality and safety of the services they are delivering. The standards will form the basis for future licensing of all health care facilities in Ireland as envisaged under the health reform programme.

- A web page for staff was launched which provides links to statutory, regulatory and compliance bodies and agencies so that staff can access the information required to support them in achieving the relevant compliance.
- Details of the number of adverse events reported by hospitals and community based healthcare facilities in 2011 were published in October by the HSE and the State Claims Agency. Recording adverse events and examining why and how they happen is an essential part of promoting a patient safety culture. It supports investigation and provides information for patients and their families, gives services an opportunity to analyse trends and continuously improve, and informs future planning of health services.

Our Population

Since its establishment the HSE has focused on developing a national health service to ensure people are enabled to lead healthier and more fulfilled lives, promoting and protecting health, preventing ill health, and providing the best quality care for those who require it in a timely manner and in the most appropriate setting. The following demographic information provides a context to the challenges facing the HSE and it is these challenges and health trends which determine how we prioritise and plan our service provision.

Some Facts and Figures

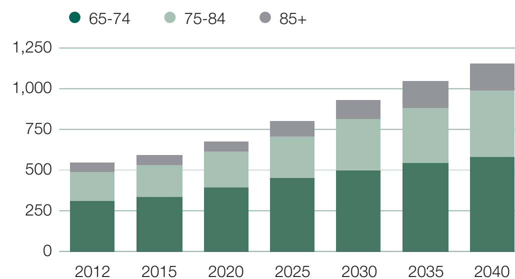
- The estimated population of Ireland is 4,585,500.
- Ireland's population has continued to grow strongly since the 2006 Census, increasing by 352,500 people or 8%.
- There were 74,650 births registered in 2012.
- While the total fertility rate has decreased slightly and is 2.04, Ireland continues to have the highest fertility rate amongst EU countries (EU average 1.56).
- The overall unemployment rate for the State was almost 15%.
- Nearly 40% of the population are eligible for the range of health services covered by medical cards.
- Each year the total number of people over the age of 65 years grows by around 20,000 persons and the population over 65 years will more than double to over one million by 2035.
- Nearly 28% of people aged 65 years and over who are living in private households, live alone
- This percentage increased with age, with almost 37% of those aged 75 years and over living alone and 44% of those aged 85 years and over.

Life Expectancy and Mortality Rates

- People are living longer – those aged over 65 years increased by 14% since 2006.
- Men should expect to live, on average, 76.8 years and women 81.6 years.
- Over the past decade there has been a rise in life expectancy, due to significant reductions in major causes of death such as circulatory system diseases.
- In 2011, diseases of the circulatory system still accounted for almost 33% of all deaths registered.
- Five year relative survival rates from selected cancers (breast, colorectal and cervical) remain lower in Ireland than the average for EU countries. The gap is significantly narrowing particularly for breast and cervical cancers.
- Overall for cancer, Ireland remains 2.2% above the average EU mortality rate and 9% higher for mortality from smoking-related diseases (many of which will be cancers).
- Death rates from suicide (10.8 per 100,000 in 2010) were 6% lower than those in 2005, the year that *Reach Out* (the national strategy for action on suicide prevention) was published.

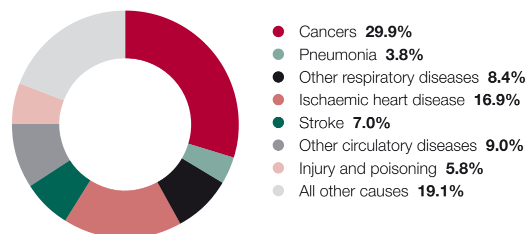
- Chronic disease prevalence rises rapidly with increasing age. This is significant in that the proportion of the population in the older age groups is increasing rapidly.

Figure 10: Older Age Groups Population 2012 and Projected Population 2015-2040 ('000s)



Data source: Health in Ireland – Key Trends 2012 (DoH)

Figure 11: Deaths by Principal Causes, % Distribution 2012



Data source: Health in Ireland – Key Trends 2012 (DoH)

Our Children

- 25% of our population are children compared to the EU average of 19%.
- The child population has increased by 13.4% since the 2006 Census with an increase of 17.9% in pre-school children (those aged 0-4 years) and an increase of 12% in primary school children (those aged 5-12 years).
- Approximately one in six children live in a lone-parent household.
- The number of Traveller children has increased by 30.3% since the 2006 Census and the number of foreign national children has increased by 49.5%.
- Almost 6% of the child population in Ireland have a disability.

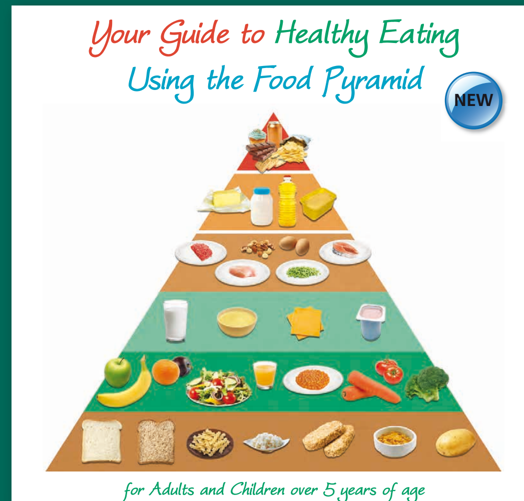
Setting the Scene

Focus On...

Your Guide to Healthy Eating Using the Food Pyramid was launched in 2012 which is aimed at everyone from age five years upwards. The guidelines are user friendly with each shelf of the food pyramid given two pages of information and pictorial emphasis containing simple messages about everyday food choices.

These are revised guidelines which focus on typical foods and drinks which contain approximately 100 calories. They focus on the need to restrict servings per day to one serving maximum and on reducing top shelf foods and drink. The advice in the booklet for children is about healthy eating and not about reducing weight. Facts are included on various foods and drinks and calorie differences of food portions. Examples are given of a daily eating plan.

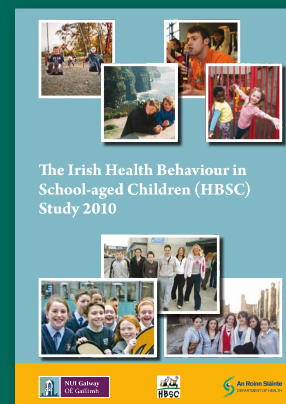
The new healthy eating advice is based on the best scientific advice available and was developed using Irish consumption data.



Focus On...

The Health Behaviour in School-aged Children Survey (HBSC) was launched in April. This is a cross-sectional study conducted in collaboration with the World Health Organisation and carried out by the Health Promotion Research Centre, National University of Ireland (NUI) Galway. It runs every 4 years and in 2010 there were 43 participating countries and regions.

The study aims to increase understanding of young people's health and wellbeing, health behaviours and their social context. A total of 16,060 children aged 9-18 years from 256 schools across Ireland participated in the survey with 67% of invited schools and 85% of invited children participating.



What the survey found...

- Overall, 20% of children report they consume fruit more than once a day (19% in 2006) and 20% report eating vegetables more than once a day (18% in 2006).
- 37% of children report eating sweets daily or more often (39% in 2006).
- 21% report soft drink consumption daily or more often (26% in 2006).
- 13% of children reported never having breakfast on weekdays (14% in 2006).
- 21% of children report ever going to school or to bed hungry (17% in 2006).
- Overall 51% of children report exercising four or more times a week (very little change since 2010).
- Overall, there is a decrease from 2006 in reports of tobacco, alcohol and cannabis use among school children in Ireland.

In addition, the report **State of the Nation's Children: Ireland 2012**, provides an analysis of socio-demographic and child wellbeing indicators. It explores issues in relation to children's health, education and social, emotional and behavioural outcomes and has been prepared by the Department of Children and Youth Affairs in association with the Central Statistics Office and the Health Promotion Research Centre at NUI Galway.

Listening to our Service Users

Introduction

In 2012, a number of initiatives were progressed by the HSE National Advocacy Unit to support our service users:

- *You and Your Health Service*, the National Healthcare Charter, a statement of commitment on healthcare expectations and responsibilities, was promoted at the Patient Safety First Conference in February.
- The National Advocacy Unit delivered a series of information sessions to staff to promote the National Healthcare Charter and to support its implementation at local level. A suite of patient empowerment resources have been developed to support patients to become more involved in the decision making about their health.
- Key actions have been developed to support universal access for people with disabilities in health and social care services such as the nomination of access officers in key hospitals, primary and community service centres, and the development of guidelines to promote accessible health services.
- Work commenced on the setting up of a network of Patients for Patient Safety, based on a World Health Organisation (WHO) initiative aimed at improving patient safety in health care. Expressions of interest were sought from service users and healthcare staff and information sessions were delivered.
- Work continued on the Open Disclosure pilot sites (Cork University Hospital and the Mater Misericordiae University Hospital) and work commenced on the national implementation of the Open Disclosure policy.
- Review commenced of *Your Service Your Say* policy and procedures for the management of service user feedback.

At the second National Patient Safety Conference (L-R): Dr. Philip Crowley, National Director of Quality and Patient Safety; Greg Price, Director of Advocacy; Dr. James Reilly TD, Minister for Health; June Boulger, National Lead for Service User Involvement; Mila Whelan, National Advocacy Unit.

Compliments and Complaints – HSE

In 2012, there were 5,200 compliments recorded, however many more go unrecorded. Work is ongoing to encourage all staff to proactively record compliments as they are an important part of service user feedback, allowing us to capture data on the positive aspects of the services we provide and learn from what is working well.

There were 6,813 complaints recorded and examined by complaints officers, a reduction of 9% on the number received in 2011. Of the total number of complaints received this year, 4,664 or 69% were dealt with within 30 working days.

Table 2: HSE Complaints Received and % Dealt With Within 30 Working Days

Year	Number of Complaints Received	Number and % Dealt With Within 30 Working Days
2012	6,813	4,664 (69%)
2011	7,449	5,623 (75%)
2010	8,434	6,489 (77%)

Data source: HSE National Advocacy Unit

Table 3: HSE Complaints by Region

Geographical Area	2011	2012
Dublin Mid Leinster	2,093	1,153
Dublin North East	2,116	1,427
South	1,163	2,069
West	1,743	1,632
Primary Care Reimbursement Service	334	532
Total	**7,449**	**6,813**

Data source: HSE National Advocacy Unit

Forty-five percent of complaints received and dealt with in 2012 were in relation to treatment and service delivery. Complaints made under this category increased by 28% compared to 2011. Twelve percent of complaints were in relation to delays and waiting times, a 67% reduction on 2011. Complaints in relation to staff attitude/manner made up 9% of all the complaints received in 2012, and complaints in relation to communication made up 8% of the total.

Setting the Scene

Table 4: Categories of HSE Complaints Received in 2012

Category	2011	2012	% Change	Difference
Delays/Waiting Times	2,435	805	-67%	-1,630
Treatment/Service Delivery	2,388	3,049	+28%	+661
Communication	672	560	-17%	-112
Staff Attitude/ Manner	653	633	-3%	-20
Facilities/Buildings	285	325	+12%	+40
Cancellation	138	107	-22%	-31
Clinical Judgement	116	159	+37%	+43
Hospital Accommodation/ Food	137	117	-15%	-20
Infection Control	85	56	-34%	-29
Pre-School	64	51	-20%	-13
Nursing Homes/ Residential Care for Older Persons	29	21	-28%	-8
Trust in Care	26	23	-12%	-3
Vexatious Complaints	21	25	+19%	+4
Children First	16	28	+75%	+12

Data source: HSE National Advocacy Unit

Note: Some complaints contain multiple issues and therefore fall into a number of categories

Compliments and Complaints – Voluntary Hospitals and Agencies

There were 20,006 compliments recorded by voluntary hospitals and agencies. This is a very proactive step in the recording of positive feedback.

In 2012 there were 8,704 complaints received and managed by voluntary hospitals and agencies, while in 2011, there were 6,726 complaints recorded. This figure represents an increase in complaints in the last year of 29%.

Of the total number of complaints received and managed by voluntary hospitals and agencies, 6,450 or 74% were dealt with within 30 working days.

Complaint Categorisation Project

In 2012, representatives from eight of the Dublin Academic Teaching Hospitals piloted the categorisation of complaints under the eight principles of the National Healthcare Charter – Access, Dignity and Respect, Safe and Effective Care, Communication and Information, Participation, Privacy, Improving Health, Accountability. A total of 3,818 complaints were logged under the principles. Data collection was supported by local information technology systems.

Table 5: Pilot Complaints Data Under the New Categorisation

Category	Number Logged Under Each Category
Access	1,047
Dignity and respect	237
Safe and effective care	1,165
Communication and information	1,215
Participation	18
Privacy	42
Improving health	28
Accountability	479

Data source: HSE National Advocacy Unit

Note: The hospitals that took part in this pilot project are the Adelaide Meath Hospital incorporating the National Children's Hospital, Beaumont Hospital, Mater Misericordiae University Hospital, Our Lady's Hospital Crumlin, Rotunda Hospital, St. James's Hospital, St. Vincent's Hospital, and Temple Street Hospital. Some complaints contain multiple issues and therefore fall into a number of categories.

Complaints under Part 2 and 3 of the *Disability Act 2005*

In 2012, 179 complaints were received under Part 2 of the *Disability Act 2005* in relation to a child's assessment of need for disability services. Five complaints were received under Part 3 of the *Disability Act 2005*, access to buildings and services for people with disabilities.

Reviews

There were 240 requests for review received in 2012. In 2011, 168 requests for review were made. This represents an increase of 43% in the number of review requests received and examined. A review can be requested under Part 9 of the *Health Act 2004* when a complainant is dissatisfied with the recommendations made following the investigation of their complaint. In 2012 a review was requested in 3.5% of complaints that were made.

National Information Line

A total number of 130,796 calls were received by the National Information Line in 2012. This represents a decrease of 3,250 calls or 2% compared to 2011. Limerick Customer Service Centre, which is part of the National Information Line and provides a walk-in service, received 5,540 visitors and 2,030 postal queries in 2012.

Improving
Service Delivery

Promoting Health and Wellbeing

Promoting, protecting and improving health • targeting health promotion • improving child health including immunisation and screening • monitoring and enforcing environmental health functions • planning and preparing for major emergencies

Progressing Our Strategic Priorities

In 2012:

- A national public health interagency group was convened following a large increase in Verocytotoxigenic Escherichia coli (VTEC) notifications (558 notifications) in 2012 across Ireland.
- Work commenced on the development of a national tuberculosis (TB) control plan. During the year, 371 cases of TB were notified.
- 19 hospital campuses are tobacco-free.
- 1,087 frontline staff were trained in brief intervention smoking cessation across primary care and acute campuses.
- The Democophes Study, designed to determine levels of key environmental pollutants in the Irish population, was completed.
- 34,921 planned surveillance inspections of food businesses were carried out.
- 2,628 food samples were analysed and investigated as part of the food product chemical sampling plan.
- 316 tobacco test purchases were carried out with a compliance rate of 84%.
- 544 cosmetic products were sampled for chemical safety analysis.
- 744 planned and 1,155 reactive inspections were carried out to assess compliance with cosmetic product safety requirements.
- 2,754 drinking water samples were assessed for compliance with fluoridation of drinking water supply requirements.
- 100% of the total number of food consignments imported, which are subject to Regulation 669/2009 additional controls, received the additional official controls required.

Focus On...

Immunisation and Screening Programmes

- **95% uptake in childhood immunisations at 24 months.**
- **92% uptake for 1st dose MMR vaccine at 24 months.**
- **81.9% of 1st year girls have completed their 3rd dose of HPV vaccine course.**
- **72.5% of 6th year girls have received their 3rd dose of HPV vaccine.**
- **86% of children reaching 10 months had their developmental screening before reaching 10 months.**
- **84% of new born babies were visited by a public health nurse within 48 hours of discharge.**
- **72,232 newborns were screened, under the national newborn bloodspot screening programme or 'heel prick test' conducted on all newborn babies, for six rare conditions.**
- **Ensuring vaccine uptake rates are in accordance with international targets and responding to national outbreaks (e.g. 400 cases reported in 2012 of pertussis (whooping cough)) continues to be a key priority.**
- **Revised immunisation programme for Tdap (tetanus, diphtheria and pertussis booster vaccine) was implemented.**

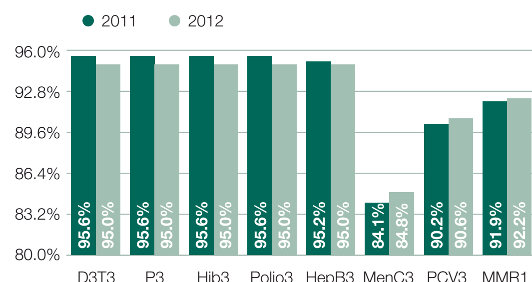
Focus On...

The 41st year of the HSE Community Games took place where over 500,000 participants and 20,000 volunteers took part with 1.3 million supporters. The games aim to promote healthy living across all aspects of everyday life including physical activity and healthy eating, alcohol awareness and smoking cessation. The recent 'Little Steps' campaign run by the HSE and Safefood promoted healthy lifestyle choices by eating more fruit and vegetables, cooking healthy meals at home as a family, and being physically active for 30-60 minutes a day.

Children celebrating the launch of the 2012 Community Games.

- Targeted health promotion programmes were undertaken in the areas of tobacco, obesity, alcohol, breastfeeding and positive mental health.
- HSE QUIT campaign won two gold awards at the Advertising Effectiveness (IAPI AdFx) Awards. QUIT facebook "likes" have exceeded 44,000. There was a 70% increase in the numbers signed up to online QUIT plans.
- HSE scooped an eGovernment Award for its website GetIrelandActive.ie which provides information, advice and motivation to become more active.
- New research was published by the HSE Crisis Pregnancy Programme which shows improvements in sex education and contraceptive use among young people.
- The Action on Antibiotics Campaign 'Taking Antibiotics for Colds and Flu? There's no point' was launched in November to emphasise that everyone has an important role to play in ensuring the correct use of antibiotics.
- National and regional interagency plans and procedures in emergency management were developed further with other response agencies and governmental departments.
- Procedures were developed for the management of Crowd Events.

Figure 12: Childhood Immunisation Rates at 24 months



Data source: HSE Performance Reports

Supporting People in Primary Care Settings

Managing the health of the population, for the most part, within primary care settings • developing primary care services • enhancing Primary Care Teams (PCTs) and Networks • developing chronic disease management and implementing care pathways in PCTs • extending free general practice (GP) care

Progressing Our Strategic Priorities

In 2012:

- €372m was allocated to the provision of primary care services.
- A Resource Allocation Model was developed for the allocation of €20m in 2013 to develop primary care and support recruitment of frontline posts.
- 426 PCTs provided services to almost 3.9m people.
- 4,710 staff were assigned to PCTs or Networks.
- A total of 19 Primary Care Centres have been completed or opened since the beginning of the year.
- Over 1,675 GPs participated on PCTs.
- Six Community Intervention Teams (CITs) received 13,126 referrals (76% from EDs or hospital avoidance/early discharge, 14% from GPs, 10% from the community).
- Almost 997,000 contacts were made with GP out of hours services.
- Over 168,719 primary care physiotherapy referrals were received.
- Over 68,000 primary care occupational therapy referrals were received.

Focus On...

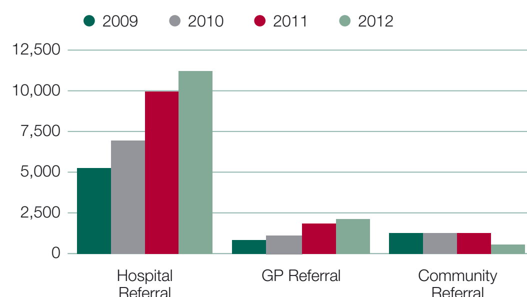
King's Island Primary Care Centre in Limerick City was officially opened in October, together with the launch of the PCT. The new centre integrates an array of primary care services including GPs, community nurses, physiotherapists, occupational therapists, a community dietician and a speech and language therapist.

Minister for Health, Dr. James Reilly T.D. at the official opening of the King's Island Primary Care Centre and launch of the PCT.

Innovative new healthcare building in Inchicore

- Over 731,000 adult ophthalmic services and almost 70,000 child ophthalmic services were provided.
- Newborn hearing screening was rolled out in the areas of DML, DNE and South and will be rolled out in the west early in 2013.
- Care pathways continue to be developed between primary care services and children and family services, disability services and mental health services.
- The training programme for primary care nurses was redesigned and will be implemented in five cancer centres. Approximately 400 nurses will avail of the programme.
- Progress was made on the transfer of GP training to the Irish College of General Practitioners (ICGP).
- E-learning for breast disease was developed in collaboration with the ICGP and is available on their website. Over 900 GPs have undertaken the training. This e-learning will be expanded to include prostate and lung.
- E-learning in smoking cessation was developed for primary care personnel.
- An allocation totalling €1.059m was spent on ICT infrastructure such as PCs, laptops and printers for PCTs.
- We continued to develop ICT electronic referral systems within and from primary care to the acute sector.
- Completion of phase one of the *Independent Strategic Review of the Delivery and Management of HSE Dental Services* has facilitated the reassignment of Principal Dental Surgeon posts to key areas.
- An independent review of oral and maxillofacial services and an independent review of orthodontic services commenced which will assess the existing management organisational arrangements.
- Towards reducing urgent dental general anaesthesia waiting lists for adults with intellectual disabilities:
  - Development of regional services for the provision of Special Care Dentistry in appropriate settings (such as primary care services) commenced with qualification of HSE Dental Staff in bursary funded Diploma Special Care Dentistry.
  - The Clinical Doctorate Programme commenced enabling the co-ordination of special care dentistry nationally.

Figure 13: CIT Referrals Accepted 2009-2012



Data source: HSE Performance Reports

Providing Community Schemes

Reimbursing approx 6,855 primary care contractors across 12 primary care schemes to the general public • transforming primary care services provided by GPs by ensuring their service arrangements support health service provision reconfiguration • delivering a range of cost saving initiatives • undertaking major modernisation and improvement programme centralising medical card processing and associated tasks

Progressing Our Strategic Priorities

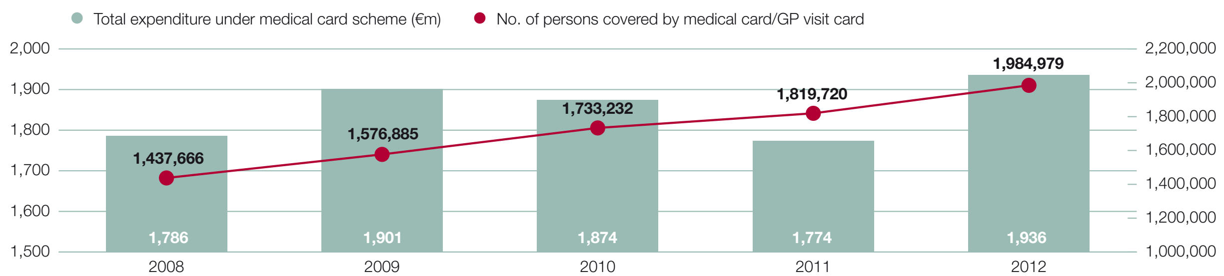
In 2012:

- The final budget provision for community schemes, as at 31st December 2012, was €2,680m.
- Over 1.8m people or 40% of the population are covered by a medical card, a 60% increase since 2005 and the highest number of people ever recorded in receipt of a medical card.
- 131,102 people were covered by GP visit cards.
- 19.9m General Medical Service prescriptions were claimed with over 61.8m related claim items.
- 918,824 long term illness claims were processed.
- Over 3m drug payment scheme claims were processed.
- 801,026 treatments were provided under the Community Ophthalmic Scheme.
- 1,194,732 treatments were provided under the Dental Treatment Services Scheme.

A major change and modernisation programme centralising medical card processing has taken place, enabling over 20,000 medical cards to be issued each week. Prior to centralisation it typically took from 6-12 weeks to process medical card applications.

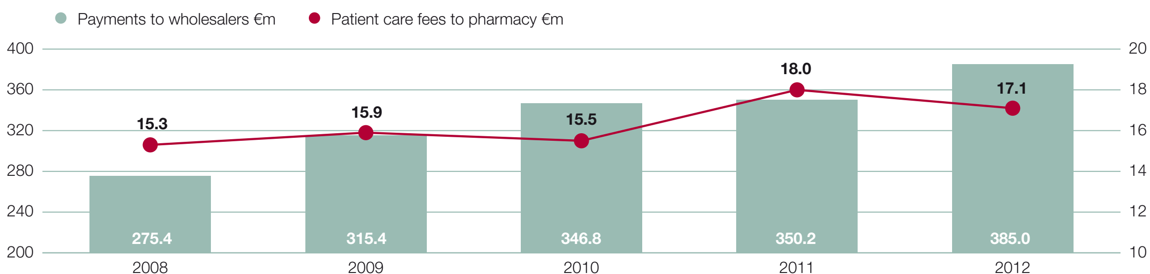
- The Primary Care Reimbursement Service (PCRS) now publishes a weekly medical card processing report on www.medicalcard.ie
- 96% of properly completed medical card applications were processed within the 15 day turnaround.
- Reimbursement of oncology drugs has been centralised using the business expertise and IT infrastructure of the PCRS.
- GPs have been given access to an online reporting tool which enables them to analyse their individual prescribing.
- A clinician led multi-disciplinary Medicines Management Programme has been established to provide national leadership on issues relating to the quality of medicines management processes, access to medicines and cost of medicines.
- A new drug deal to save €400m over three years was announced in October 2012 following intensive negotiations involving the Irish Pharmaceutical Health Care Association, the HSE and the Department of Health.

Figure 14: Total Expenditure under Medical Card Scheme (€m) and No. of Persons Covered by Medical Card/ GP Visit Card



Data source: PCRS Management Accounts and PCRS Statistical Analysis

Figure 15: High Tech – Payments to Wholesalers (€m) and Patient Care Fees to Pharmacy (€m)



Data source: PCRS Management Accounts and PCRS Statistical Analysis

Maximising Hospital Services

Reforming how we deliver acute services • providing specialist services • implementing standardised national clinical programmes of care • improving access to hospital services • changing the way we resource our hospitals • strengthening hospital management and improving accountability

Acute hospitals have been under considerable budgetary pressure in recent years and capacity has had to be managed in line with funding to ensure financial sustainability.

The priority in 2012 was to stabilise the level of services provided for the resources available and to continue to reform how acute hospital services are provided.

The cornerstones of this change programme are the HSE national clinical care programmes, detailed further in this report, and the rationalisation of services to ensure that best use is made of each hospital site.

Building on work of the last few years, improving access to hospital services by linking the work of the national clinical care programmes and the Special Delivery Unit, has continued to be a key priority in 2012:

- Minimising patient waiting times in emergency care (through speedy throughput in emergency departments or speedier admissions) or elective or planned care (no patient should wait longer than 9 months for an elective procedure).
- Moving from inpatient to day case treatment where possible ('stay to day').
- Increasing the rate of elective inpatients who have their principal procedure performed on day of admission.
- Reducing the average length of stay.

User feedback is an important indicator in measuring efficiency and satisfaction with our services. In 2012 there was a reduction in the number of complaints recorded overall in the category of delays/waiting times (a 67% reduction over 2011).

Progressing Our Strategic Priorities

In 2012:

- €3,978m was allocated to the provision of acute hospital services.

Elective/scheduled care

- 603,911 people received inpatient treatment (2.4% increase on 2011) and 826,825 received day case treatment (1.7% increase on 2011).
- 70,520 babies were born in our hospitals.
- 86 adults were waiting more than 9 months for planned surgery at December (down from 4,678, a 98% decrease from those waiting at the end of January 2012).
- 89 children were waiting greater than 20 weeks for an elective or planned procedure at December (down from 1,712, a 95% decrease from those waiting at the end of January 2012).
- At year end, no patient was waiting more than 28 days, from referral, for an urgent colonoscopy.
- 36 patients were waiting over 3 months for a gastrointestinal endoscopy at the end of December (5,070 less or a 99% decrease from those waiting at the end of January 2012).

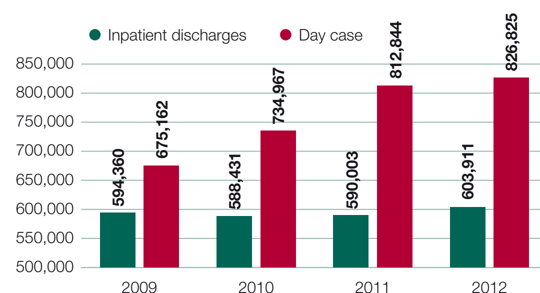
Emergency/unscheduled care

- 67.5% of all attendees at EDs were discharged or admitted within 6 hours of registration (target of 95%).
- 62.1% of patients were admitted through ED within 9 hours from registration (target of 100%).
- Over 1.1m people received emergency care and over 384,641 people were emergency admissions.
- Overall 69% of admissions were reported as emergency.

In addition:

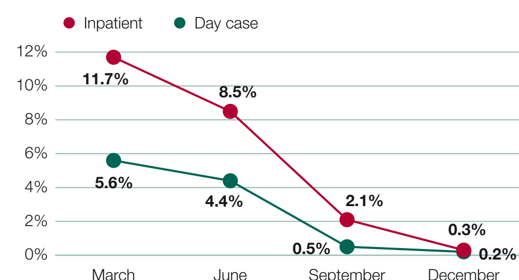
- 84% of emergency hip fracture surgery was carried out within 48 hours (target of 95%).
- 56% of patients had their principal procedure conducted on day of admission (target of 75%).
- 76% of a chosen basket of procedures were carried out on a day case basis (target 75%).
- There were 384,446 patients waiting for a first time outpatient appointment in December, the majority of whom were waiting less than 12 months.
- The medical average length of stay in December was 7.2 days, an improvement against 8.1 in 2011 (target 5.8).

Figure 16: Inpatient and Day Case Activity 2009-2012



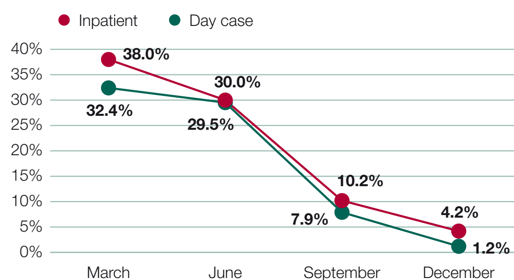
Data source: HSE Performance Reports

Figure 17: % Adults Waiting more than 9 months in 2012



Data source: HSE Performance Reports

Figure 18: % Children Waiting more than 20 weeks in 2012



Data source: HSE Performance Reports

Some highlights…

- A framework for our smaller hospitals was finalised and presented to Government. This, together with the report on hospital trusts will provide strategic guidance to build a modern acute hospital infrastructure and networks.
- The location of the new Children's Hospital on the campus of St. James's Hospital, Dublin was announced.
- Work continued on strengthening hospital management through the new hospital groups in Galway, Mid-West and Louth/Meath and in planning for additional groups and trusts for next year and beyond.
- The re-organisation of emergency services in Cork was completed enabling the South Infirmary Victoria University Hospital (SIVUH) to become a mainly elective hospital with a range of complementary surgical and medical specialities. This greatly benefits patients as they have uninterrupted access to elective procedures without being impacted by emergencies:
    - Acute medicine and surgery transferred from SIVUH to Cork University Hospital and the Mercy University Hospital consolidating services previously divided across three hospital sites.
    - ED in SIVUH no longer accepted patients.
    - Elective orthopaedic services transferred from St. Mary's Orthopaedic Hospital to SIVUH.
    - Mercy Urgent Care Centre opened in Cork.
- New and improved services for stroke patients commenced in Kerry General Hospital and a new ED opened.
- A new ED/Acute Medical Assessment Unit opened in Letterkenny.
- The sod was turned on a €13m medical unit at the Mid-Western Regional Hospital, Limerick to accommodate patients suffering from cystic fibrosis, breast cancer, stroke and other neurological conditions.

Focus On…

The establishment of the Mercy Urgent Care Centre on St. Mary's Health Campus ensures that people attending with injuries that are unlikely to require hospital admission will be seen speedily and discharged.

The development of the Urgent Care Centre is part of the ongoing reorganisation of services taking place in acute hospitals in Cork and forms part of the HSE South's network of emergency services in Cork. The centre is under the governance of the Mercy University Hospital.

Sandra Daly, CEO, Mercy University Hospital at the new Mercy Urgent Care Centre with (L-R): Dr. Norman Murphy, Blackpool; Pat Healy, Regional Director of Operations, HSE South; Dr. Gerard McCarthy, Consultant in Emergency Medicine, Cork City Hospitals.

Focus On…

Letterkenny Regional Hospital's new four storey medical block comprising of an ED and Acute Medical Assessment Unit, each containing a 24 bed medical ward.

- The €35m Critical Care Unit at the Mid-Western Regional Hospital, Limerick will come into operation in 2013. It follows on radical improvements in the provision of emergency care, diagnostics, surgery and medicine.
- A new Neonatal Intensive Care Unit opened at University Hospital Galway.
- Newborn Hearing Screening Programme commenced at the Midland Regional Hospitals in Mullingar and Portlaoise and is available free-of-charge to all babies.

Improving the National Ambulance Service

Providing pre-hospital emergency care, intermediate care and emergency aeromedical and co-ordination services • responding to changing models of service • ensuring a clinically driven, nationally co-ordinated system • supported by improved technology

Progressing Our Strategic Priorities

In 2012:

- Calls which were responded to in **less than 19 minutes** by a patient-carrying vehicle:
  - 1,727 calls or 70% of Clinical Status 1 (ECHO) calls.
  - 48,243 calls or over 67% of Clinical Status 1 (DELTA) calls.

Note:

- *ECHO calls are calls to patients who are in cardiac or respiratory arrest.*
- *DELTA calls are calls to patients who are in life-threatening conditions other than cardiac or respiratory arrest.*

Focus On...

NAS staff member and Control Supervisor Will Carolan was awarded a 112 Award as part of the EU Emergency Services Workshop which took place in Latvia in April. Will was given the award for his role in organising the air rescue of an Irish citizen trapped on a mountain in Greenland the previous year.

Will was one of the Emergency Operations Centre staff on duty at the time a 999 call came through in the Emergency Operation Centre in Dublin. The caller had been trying to get help through other channels for emergency treatment for his son who was in Greenland, North Atlantic as part of an expedition. Will contacted the Marine Rescue Co-ordination Centre and asked if contact could be made with international colleagues in Greenland, Denmark or adjacent countries. A rescue process was subsequently initiated.

Dieter Nuessler, Vice-Chair of the EENA (European Emergency Number Association) Advisory Board presenting the 112 Award to Will Carolan.

- The networking and infrastructure to support the implementation of the Integrated Command and Communications System in Cork and Dublin is nearing completion. This is part of the overall implementation of the national ambulance service control centre reconfiguration project.
- A plan has been developed to facilitate equipment replacement to ensure that the latest equipment, in so far as is reasonable, is available for patient care. This will allow for multi-annual capital spend projections for major equipment.
- All operational personnel have completed the Acute Coronary Syndrome (ACS) training module.
- Pre-hospital National Hospital Access Protocols have been developed for paediatrics, obstetrics, stroke and trauma. Implementation of the protocols has commenced in a number of areas in conjunction with implementation of the national clinical care programmes.
- Work with HIQA has been completed in relation to time based targets for clinical status 1 calls (emergency response times) and is ongoing in relation to clinical outcome key performance indicators.

Focus On...

The launch of a 12 month pilot project was announced in May which will see the Air Corps provide dedicated aeromedical support to the HSE NAS.

The pilot emergency aeromedical service will have a particular focus on the west of Ireland with the Air Corps providing a dedicated helicopter and personnel to fly and maintain the craft, while the NAS will be responsible for patient care, provided by NAS advanced paramedics.

This pilot will allow the HSE to determine the extent and type of dedicated aeromedical support needed for pre-hospital emergency care in Ireland in the longer term.

Implementing National Clinical Care Programmes

More than 33 national clinical care programmes and sponsored initiatives are in place encompassing the spectrum of healthcare, ranging from disease prevention to intensive care. These are joint initiatives between the HSE and the professional bodies, involving frontline clinicians. The programmes are using a systematic, collaborative and information based approach to improving services, improving cost effectiveness and access to services. Funding of €23.4m was provided in 2012, building on the work started in 2011. A number of the clinical programmes are highlighted here.

- The **acute medicine programme** is being implemented in 22 hospitals and is enabling more timely assessment of patients by appropriate senior clinicians, enabling a faster and more accurate diagnosis, earlier treatment, better outcomes and shorter hospital stay. Thirty-three hospitals are targeted for implementation. The length of time patients need to stay in hospital has reduced by more than 5% in the first year resulting in an estimated 50,000 bed day savings in 2012.
- The **emergency medicine programme** is improving the quality of care provided to patients in Emergency Departments across the country so that patients receive the same standard of care irrespective of where or when present. The programme report, including its model of care, was formally launched in June 2012. Fourteen additional Consultant in Emergency Medicine posts have been appointed, the triage system has been standardised in 100% of EDs and a national patient access standard has been set.
- Stroke is the leading cause of disability in Ireland. The **stroke programme** is improving outcomes for patients through the opening of stroke units, standardising existing units and having 24/7 access to stroke thrombolysis (a clot-busting drug) nationally. Twenty-seven out of 28 hospitals admitting patients with stroke requiring acute care now have a stoke unit in place. 24/7 thrombolysis is in all model 3 and 4 hospitals and rates have increased from a baseline of 2.4% to 9.5% above the December target of 7.5%. The stroke register is implemented in 80% of all hospitals admitting acute stroke patients.

Focus On...

The National Early Warning Score (ViEWS) and Associated Education Programme (COMPASS) was awarded a Taoiseach's Public Service Excellence Award. This is a work stream of the Acute Medicine Programme and its implementation represents the most radical change seen in a generation of healthcare.

Early warning scores have been developed to facilitate early detection of deterioration by categorising patients' severity of illness, prompting a medical review at specific trigger points, while escalating care in a planned way. Ireland is the first known country in the world to agree a national early warning score. Over 6,000 staff have been trained on the system and 40 sites targeted for implementation.

Focus On...

Also in receipt of a Taoiseach's Public Service Excellence Award was the Acute Stroke Unit at Bantry General Hospital, the first of its kind in Cork and Kerry and one of the first such units in the country, admitting more than 100 patients with acute stroke annually. The four bed specialist unit was set up in 2009 without any extra staff by reorganising existing resources within the hospital.

Since its establishment, it has led to substantially improved patient outcomes, reduced length of stay and enhanced patient access to multidisciplinary team members and CT scanning.

Dr. Brian Carey, Consultant Geriatrician, Bantry General Hospital receiving his award from An Taoiseach Enda Kenny.
(Photo courtesy of Maxwell Photography, Dublin)

- The **elective surgery programme** is improving the patient journey by reducing the waiting time for elective surgery in conjunction with NTPF/SDU Scheduled Care, through defined pathways, better processes and implementing national targets for reduced length of stay and day case rates. Provisional data for 2012 shows a general increase in day case rates, a 9% improvement in average length of stay and a day of surgery rate of 37% for selected elective inpatient surgical procedures. A standardised agreed model of care has been developed. Work commenced on matching surgical inpatient activity with waiting list targets and providing a consolidated bed map to each hospital which will assist in local capacity planning. The productive theatre programme is activated in 12 sites resulting in productivity savings and inventory reduction. Activation in the first five sites has shown key benefits in cost saving already through improved theatre utilisation.

Focus On...

In Beaumont Hospital, an innovative web-based electronic patient record (EPR) which has been adopted to support the National Epilepsy Programmes received a Taoiseach's Public Service Excellence Award and makes patient information available to all healthcare providers, regardless of geographical location, which allows for an integrated service that is more responsive to the needs of epilepsy patients. The research project looks at aligning people, processes and technology in order to facilitate an integrated EPR.

In addition:

- **Obstetrics and gynaecology:** There are 19 early pregnancy clinics operational. New high specification ultrasound machines have been installed in all early pregnancy services in the 19 maternity hospitals nationally.
- The model of care for **dermatology** has been implemented. The appointment of additional consultants together with revised work practices has led to a 45% increase in outpatient activity.
- The **rheumatology** model of care has been signed off. Two new consultants are in place and 22 new musculo-skeletal physiotherapists took up post. These appointments together with revised work practices have led to a 39% increase in outpatient activity.
- Fifteen sites have implemented musculo-skeletal physiotherapy led clinics for rheumatology and orthopaedics.
- The **Productive Ward** is a quality improvement initiative which aims to empower frontline staff to drive forward improvements through redesigning and streamling the way staff and services deliver care with an emphasis on patient safety. Thirty-five wards in different hospitals are participating in this programme. Benefits from the implementation include improved direct patient care times, reduced falls, stock savings and reduced unplanned staff absences (one hospital reporting uncertified sick leave rates from an average of 30 shifts per month to single figures over a nine month period).
- The national model of care for the **integrated care diabetes** package between primary and secondary care services has been agreed. Areas for initial rollout of the model have been selected. Recruitment has commenced for 17 integrated care diabetes nurses.
- The national model of **diabetic footcare** and regional referral pathways have been agreed. Eight new podiatrists are in place with an additional eight to be appointed. The education package for practice nurses is being rolled out.
- The model of care for **specialist geriatric services** under the Programme for Older People was launched. This programme has worked closely with the Special Delivery Unit in identifying and implementing interventions for the discharge of frail older persons from acute hospitals.
- The **palliative care programme** is developing a competency framework for all staff involved in palliative care and a rapid discharge protocol was developed for all patients who wish to die at home. Children's Palliative Care Champions have been assigned to the four HSE regions.
- The **paediatric programme** has completed a review of the existing sites providing this service and a report of findings and recommendations has been produced.
- The **rehabilitation programme** held a World Café event which provided an opportunity for the users of the rehabilitation service to meet in a social relaxed environment to get to know other users of the services and to give open feedback.
- **Asthma:** An adult education programme in primary and secondary care is operational with an online e-learning programme in place. Practical workshops are being delivered locally by Clinical Nurse Specialists to nurses in primary and secondary care. The programme aims to reduce asthma mortality by 90% in ten years and ED visits by 10% over three years.
- Implementation of the **heart failure programme** continues. The percentage of people diagnosed with Acute Decompensated Heart Failure (ADHF) being seen in the eight acute hospitals providing the structured heart failure programme is now at 92.7%, with the three month readmission rate 7.5%. This is based on small numbers as many of the units are only operational for a number of months. While encouraging, this is likely to increase as the number of centres increase.

National clinical care programmes and initiatives include:

- Acute Coronary Care
- Acute Medicine
- Anaesthesia
- Asthma
- Audiology
- Blood Transfusion
- Chronic Obstructive Pulmonary Disease
- Critical Care
- Cystic Fibrosis
- Dermatology
- Diabetes
- Elective Surgery
- Emergency Medicine
- Endoscopy
- Epilepsy
- Heart Failure
- Medicine Management
- Mental Health
- Neurology
- Obstetrics and Gynaecology
- Ophthalmology
- Outpatient Antimicrobial Therapy (OPAT)
- Orthopaedics
- Older People
- Palliative Care
- Paediatric Care
- Pathology
- Prevention of HCAI
- Primary Care
- Radiology
- Rehabilitation Medicine
- Renal
- Retrieval and Transport
- Rheumatology
- Stroke

Enhancing Cancer Services

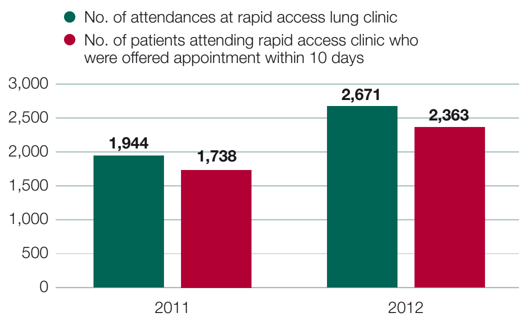
Expanding cancer screening services • developing radiation oncology services • implementing the surgical and medical oncology work programmes • developing a national cancer information system • supporting optimal management of cancer drugs • continuing to build and develop professional staff knowledge and expertise

Progressing Our Strategic Priorities

In 2012:

- 99% of breast urgent referrals were seen within two weeks (target 95%).
- High rates of referrals were noted during the year at many of the rapid access clinics. A total of 43,805 new referrals presented at breast, lung and prostate clinics.
- 89% of people were offered an appointment within 10 working days at rapid access lung clinics (target 95%).
- 9,303 electronic cancer referrals were received for breast, prostate and lung cancers (20% target met by mid year).
- BowelScreen programme commenced in November.
- 128,870 women were screened with BreastCheck.
- 323,961 women received at least one smear through CervicalCheck.
- CervicalCheck established an electronic referral system for colposcopy services and introduced HPV testing post treatment in May to reduce unnecessary testing of women.
- Final preparations for the introduction of the Diabetic Retinopathy Screening programme were completed.
- Two state of the art linear accelerators were commissioned in Dublin. There are now 11 in operation in the St. Luke's Radiation Oncology Network.
- 2012 was the first year key performance indicators were collected for a subset of patients requiring radiotherapy – 82% of these patients commenced treatment within 15 days of being deemed ready to treat (target of 90%).
- Ipilimumab and Abiraterone were approved for funding under the HSE Drug Group Prioritisation process.
- Oncology drug expenditure increased by over 18% (for the ten top drugs) compared to 2011. A pharmacist has been appointed to drive review of drug utilisation costs, development of national protocols and pharmacy ICT systems.

Figure 19: Rapid Access Lung Clinic Attendances



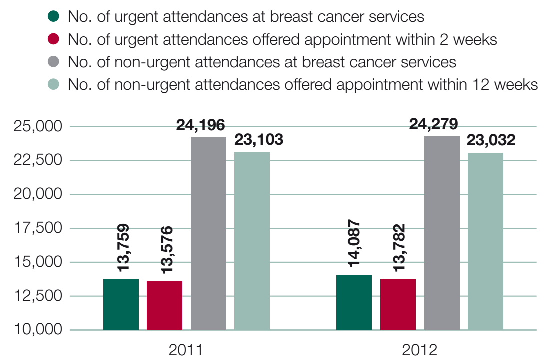
Data source: HSE Performance Reports

Focus On...

BowelScreen: The national colorectal screening programme commenced in late 2012. The programme aims to reduce mortality from colorectal cancer in men and women aged 55-74. It will be implemented on a phased basis, starting with people 60 to 69 years old. Colorectal cancer is the second most commonly diagnosed cancer in Ireland, with over 2,000 cases each year and the second most fatal cancer. More information on the programme can be found on www.bowelscreen.ie

- Planning continued for the consolidation of expertise in the designated cancer centres for prostate and rectal surgery. Pancreatic surgery transferred from Mercy University Hospital to Cork University Hospital in July.
- A new Consultant Dermatologist commenced employment in Mid-Western Regional Hospital, Limerick. The consultant dermatologist for Waterford will be appointed early in 2013.
- Examples of excellence continued during the year. The NCCP Community Oncology Team won a prestigious UK based Quality in Care Excellence in Oncology Award in November for patient safety in Letterkenny, as well as the Cross Agency eGovernment award for electronic GP referrals and the Crystal Clear Award for the rapid access lung clinic patient booklet.

Figure 20: Symptomatic Breast Cancer Service Attendances



Data source: HSE Performance Reports

Supporting Older People

Supporting older people to remain independent in their own homes for as long as possible • improving pathways of care for older people as they access a range of services • providing community based supports such as home help services, home care packages, day and respite care • developing intermediate care options and optimising the provision and quality of residential care

Progressing Our Strategic Priorities

In 2012:

- €403m was allocated to the provision of older people services.
- 100% of complete Nursing Homes Support Scheme (NHSS) applications were processed within four weeks.
- 22,871 people were supported under the scheme.
- The total cost of long term residential care was €972.4m.
- The administration of the NHSS was fully centralised in Tullamore, with financial systems going live in April.
- 11,023 people were in receipt of a home care package.
- A comprehensive procurement process was concluded for the provision of enhanced Home Care Packages with four service providers appointed in each LHO area in July.
- 9.88m home help hours were delivered (4% less than target).
- 7,331 public beds provided a mix of long stay, rehabilitation/assessment, convalescent, palliative and respite services in 129 public residential units.
- Two new replacement Community Nursing Units opened in Tralee, Co. Kerry and Cluain Lir in Mullingar.
- 25% of all long and short stay beds were public.
- All public long stay residential units were registered with HIQA by the deadline of 1st July 2012. Registration will be in place for the next 3 years.
- The long stay bed rationalisation/reconfiguration programme continued with 594 beds closed. A Viability Study was completed on all public long stay units for the period 2013 to 2015.
- 99% of elder abuse referrals were responded to within four weeks. There was a 6% increase in elder abuse referrals (2,374 referrals) compared to 2011 with psychological abuse the most common category (32%).
- As part of the HSE's continued efforts to raise awareness of elder abuse, a collaborative conference was held in Dublin on June 15th, World Elder Abuse Day where a report, *Older People's Experiences of Mistreatment and Abuse*, was launched.

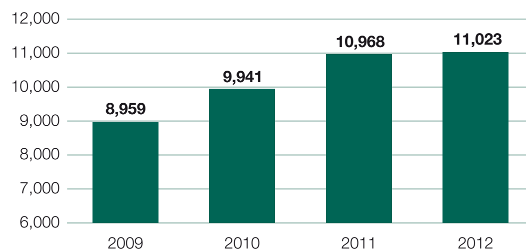
Focus On...

The need for a **Single Assessment Tool (SAT)** to determine patient/client need and ensure equitable access to services, is underpinned by government strategies, policies and reports. It is based on the recognition that many older people have wide ranging health and social needs and that agencies in Ireland need to work together to reduce fragmentations so that assessment, care planning and policy decision-making are effective, co-ordinated, provide maximum value for money and meet international standards.

A multi-disciplinary, multi-agency SAT working group, established in 2010 to select, pilot and recommend a SAT, concluded their work in 2012. This included review, long-listing and short listing validated tools, and selection and piloting of the SAT in ten sites to determine suitability of the recommended system. A business case received approval from the Department of Public Expenditure and Reform to begin procurement of a system. Implementation will begin in 2013 enabling improved outcomes for older people and a wider transformation of services.

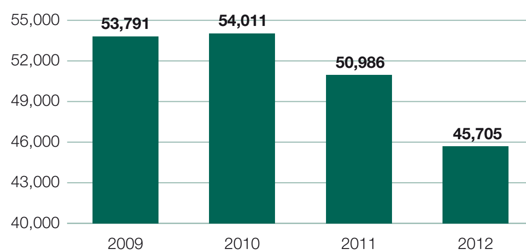
First SAT pilot training group with Nancy Curtin-Telegdi of Waterloo University, Canada. Included are Doug Beaton and Linda McDermott-Scales, Pilot Project Team, as well as staff from Connolly Hospital, Dublin; Cherry Orchard Hospital, Dublin; Dublin West Community Care Nursing Services; Maryfield Nursing Home, Dublin; Glenaulin Nursing Home, Dublin; St. Patrick's Hospital, Tipperary; Greenhills Nursing Home, Tipperary, and South Tipperary General Hospital.

Figure 21: No. of Persons in Receipt of a Home Care Package



Data source: HSE Performance Reports

Figure 22: No. of Persons in Receipt of Home Help Hours (excluding provision from HCPs)



Data source: HSE Performance Reports

Improving Mental Health Services

Modernising mental health services through implementation of A Vision for Change • enhancing general adult, and child and adolescent community mental health teams • improving access to psychological therapies in primary care and implementing the suicide prevention strategy Reach Out

Progressing Our Strategic Priorities

In 2012:

- €711m was allocated to the provision of mental health services.
- An additional €35m was available in 2012 which enabled the allocation of 404 posts to enhance general adult and child and adolescent community mental health teams.
- 10 posts and €5m were allocated from the investment of €35m in 2012 to increase access to counselling and psychotherapy services in primary care.
- 16,664 children are availing of child and adolescent mental health services (CAMHs).
- There was a 10% increase in new cases seen by CAMHs in the year to September 2012.
- 63 CAMH Teams (58 community based, three Liaison and two Day) were in place.
- 17% increase in the number of referrals to CAMHs.
- 75% (321) of admissions were to child and adolescent inpatient units with 106 admissions to adult units in approved centres.
- Guidance Documents on *Advancing Community Mental Health Services in Ireland* were published. These will assist area mental health management teams in providing leadership, direction and support to services locally in managing the changes in the configuration of local services, commensurate with national policy and the changing expectations of service users, carers and families.
- A guidance paper was launched on *Advancing the Shared Care Approach between Primary Care and Specialist Mental Health Services* to support improved service integration.
- The closure of St. Michael's, Clonmel in July 2012 saw the transfer of the acute inpatient services for South Tipperary to the Department of Psychiatry, St. Luke's, Kilkenny and the services for North Tipperary transferred to Ennis, a significant further step in moving away from traditional psychiatric hospitals.

Table 6: Adult Acute Mental Health Inpatient Services 2010 - September 2012

	2010	2011	2012
Total no. admissions	14,474	13,938	13,584
Re-admissions (as % of total)	69%	68%	67%
Involuntary admissions	1,355	1,512	1,674
Median length of stay	10.9	10.5	10.4

Data source: HSE Performance Reports

Focus On...

The new **child and adolescent facility in Cherry Orchard Hospital** is providing accommodation to a number of Child and Adolescent Community Mental Health Teams since October 2012 with the opening of the new Day Hospital planned for 2013.

©Ros Kavanagh

Focus On...

The **National Office for Suicide Prevention** co-ordinates the implementation of Reach Out, the national strategy for action on suicide prevention.

"Please, just talk about it with someone..."

Highlights in 2012 included:

- Hosting of a national forum on World Suicide Prevention Day.
- Development of the National Guidelines for Post Primary Schools on Mental Health and Suicide Prevention in partnership with the Department of Education and Skills.
- Training of over 3,500 people in ASIST (Applied Suicide Intervention Skills Training) and 5,000 in safeTALK (suicide alertness training).

Supporting People with Disabilities

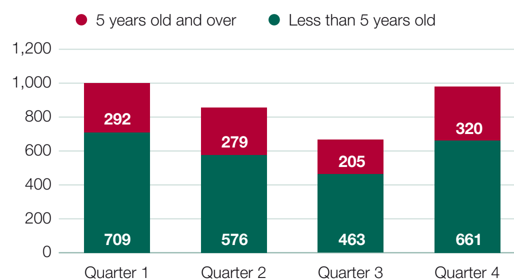
Implementing a community-based and inclusive model of care for people with disabilities • providing equitable access and clearer pathways to adult residential, day, respite and/or rehabilitation services as appropriate • reconfiguring services for children and young people into integrated, geographically-based teams • increasing efficiencies in service provision • driving quality and meeting best practice standards

Progressing Our Strategic Priorities

In 2012:

- €1,554m was allocated to the provision of disability services.
- 4,166 people benefited from Personal Assistant/Home Support Services.
- 3,035 people benefited from rehabilitation training.
- 15,839 people benefited from other forms of day activity.
- 675 young people leaving school in 2012 were provided with a variety of day services. This was achieved without additional demography funding.
- A national implementation group, comprising all stakeholders, was established to progress the recommendations of the report *Time to Move on from Congregated Settings*.
- 3,505 applications were received for assessments under the *Disability Act 2005*.
- Almost a third of all applications were on behalf of children 5 years old or more and therefore of school-going age.
- In strengthening our policy base, in February we published the following reports:
  - *New Directions – Personal Support Services for Adults with Disabilities*
  - *National Review of Autism Services,* and
  - *Respite/Residential Care with Host Families in Community Settings.*
- The *Value for Money and Policy Review of Disability Services in Ireland* was published by the Department of Health in July. The review recommends a significant restructuring of the disability services programme.
- Significant work was carried out in preparation for the introduction of the HIQA Standards for Residential Services in 2013.
- A wide-ranging audit of the client protection measures in place among 74 voluntary sector service providers was carried out.
- Work commenced in preparation for Children First Guidelines being put on a legislative basis in 2013. This included the establishment of a National Disability Children First Committee and the development of disability specific child protection and welfare policies and procedures, including tool kit and compliance checklist.
- In progressing children's disability services, the HSE's South Tipperary Therapy Services Centre based on the grounds of St. Luke's Hospital, Clonmel officially opened on the 13th June. It provides a single base for multi-disciplinary services for children, thus improving service integration and access for families.

Figure 23: No., by Age, of those Applying for Assessment in 2012 under the *Disability Act 2005*



Data source: Disability Information Unit

Focus On...

The Next Steps Project, co-ordinated by the National Federation of Voluntary Bodies and supported by the HSE, is focused on implementing initiatives to progress the change to more individualised supports. Case studies are being progressed aimed at forging new ways to provide support to individuals.

Above, a case study is being presented by self-advocate, John Collins (left). Also in the picture are Mary O'Donohue (team member), Alan Blythe (team leader) and Lesley Ann Kavanagh (services manager) – Brothers of Charity Services South East.

Protecting Our Children and Young People

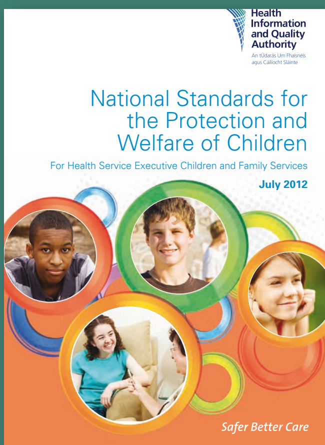
Ensuring the care and protection of children and their families as set out in legislation • implementing a comprehensive change programme • preparing for the establishment of the Child and Family Support Agency • implementing child protection procedures and reforms necessary to deliver high quality services for children in care • promoting effective multidisciplinary shared practice and efficient community engagement

Progressing Our Strategic Priorities

In 2012:

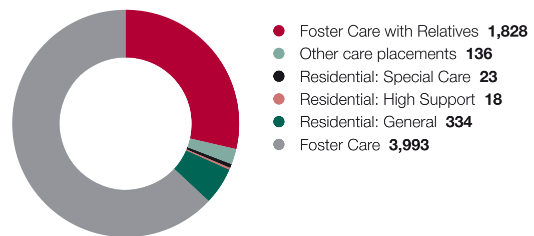
- €544m was allocated to the provision of children and family services, an increase of €21m on the previous year.
- 6,332 children were in care at the end of the year.
- 375 children were in residential care, of which 36 were under the age of 12 years.
- 92% (5,821) of children in care were cared for by 4,269 foster carers, 28% of whom were relatives of the children.
- 92% of children in care had a social worker (target 100%).
- 88% of children in care had a written care plan (target 100%).
- 19,044 referrals for child abuse were made.
- There are 4,761 notified early years services, 55% of which received an inspection (annual or first). Five prosecutions were taken during the year, following an inspection.
- 243 complaints were received, of which 96% were investigated.
- New management structures for the service were established in the lead up to implementing the *Report of the Task Force on the Children and Family Support Agency*, published in July.
- A number of national policies were developed in the areas of foster care, aftercare, youth homelessness and residential care.
- A number of training programmes were delivered, for example Children First Joint Training to HSE and An Garda Síochána.
- A referendum on children's rights was passed in the autumn to acknowledge and affirm the rights of children, their best interests and their safety and protection.
- Further legislation is anticipated, including the placing of Children First on a statutory footing, and other statutory obligations arising from the constitutional change.

Focus On...



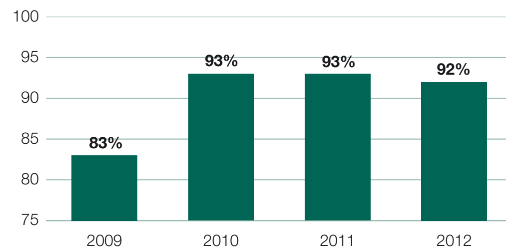
HIQA's National Standards for the Protection and Welfare of Children were published in July, to radically strengthen and improve child protection services. These standards apply to the HSE Children and Family Services and to any future agency that will have the legal duty to promote the safety and welfare of children in Ireland. The standards describe what the HSE should do to make sure it protects and looks after the welfare of children who are not getting proper care and protection. The standards will help to see if the quality and safety of care that children in the child protection system are getting, needs to be improved. A guide to the standards for HSE staff was also developed.

Figure 24: No. of Children in Care by Care Type, 2012



Data source: HSE Performance Reports

Figure 25: % of Children in Care who have an Allocated Social Worker



Data source: HSE Performance Reports

Enhancing the Provision of Palliative Care

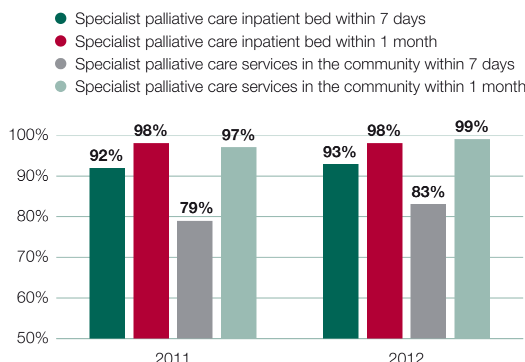
Ensuring that patients with life limiting conditions, and their families, can access a level of palliative care service that is appropriate to their need • providing specialist and generalist services for adults • developing paediatric palliative care • standardising assessment, referral processes and care pathways • strengthening service user and family involvement

Progressing Our Strategic Priorities

In 2012:

- €73m was allocated to the provision of palliative care services.
- There were 2,808 admissions to a specialist palliative care inpatient unit during the year. This was a 4.4% increase on the number of new patients treated compared to 2011.
- 93% of patients were admitted within seven days of referral.
- 2,978 people accessed community specialist palliative care services on average each month, a reduction of 1.8% on 2011.
- 83% of people were seen within seven days of their referral to the service, a 4% increase on 2011.
- Minimum datasets for bereavement and children's services were developed for full roll-out in 2013.
- Clinical pathways and guidelines are nearing completion in areas such as pharmacological management, communication, and rapid discharge.
- Phase 1 of a national review of palliative care support beds has been completed.
- A national needs assessment on respite care for children with life-limiting conditions was completed.
- The All Ireland Institute of Hospice and Palliative Care (AIIHPC) launched structured networks focused on research and education.
- The HSE, Irish Hospice Foundation and Our Lady's Children's Hospital are working in partnership to provide a programme of education on children with life-limiting conditions.
- In October, the Minister for Health launched the *Review of Seven Year Strategic Plan for the Development of Specialist Palliative Care Services in the Mid-West Region 2004-2011* which showed 24 out of 34 recommendations had been achieved, six commenced and only four require further attention.

Figure 26: Palliative Care Wait Times



Data source: HSE Performance Reports

- A number of conferences were held during the year to explore best practice including *Getting to Grips with Palliative Care – A Multidisciplinary Approach* held for staff in the Midlands.

Table 7: No. of Patients in Receipt of Palliative Care Treatment

	2010	2011	2012
Average monthly no. in receipt of treatment in specialist palliative care inpatient units	328	350	356
Average monthly no. in receipt of specialist palliative care in the community (home care)	2,837	3,023	2,978
Average monthly no. in receipt of specialist palliative day care services	283	321	323
Average monthly no. in receipt of care in designated palliative care support beds (community hospitals)	120	166	150
The % of new patients with non-malignant disease in receipt of specialist palliative care in the community (home care)	17%	20%	24%

Data source: HSE Performance Reports

Focus On...

The Children's Outreach Nurse Programme is a joint initiative between the HSE and the Irish Hospice Foundation (IHF) to provide home care support to children with life-limiting conditions, and their families. Four nurses were in place in 2012, and four will be appointed in 2013. In May, Minister for Health Dr. James Reilly met with nurses Liane Murphy, Waterford; Bevan Ritchie, Temple Street; Hilary Noonan, Limerick; and Irene O'Brien, Drogheda. Also in the photo is Dr. Mary Devins, Consultant Paediatrician with a Special Interest in Palliative Medicine.

Tackling Social Exclusion

Addressing health inequalities through targeted service provision • implementing national social inclusion strategies and policies across a range of areas including drugs, substance misuse, hepatitis, AIDS, homelessness, intercultural health, traveller health • ensuring mechanisms for empowerment and greater participation are in place for marginalised groups

Progressing Our Strategic Priorities

In 2012:

- €115m was allocated to the provision of social inclusion services.
- 9,419 clients were in receipt of methadone maintenance treatment at the end of December. Of this 8,923 or 95% were receiving treatment outside prisons with 496 clients or 5% in methadone treatment in prisons.
- 1,260 substance misusers over 18 years had their treatment commence within one month following assessment and 105 within two weeks following assessment.
- 8,632 homeless people were admitted to homeless emergency accommodation hostels/facilities of which 61% had a medical card on admission.
- 57 pharmacies were recruited to provide the needle exchange programme:
  - 10,668 exchanges were carried out.
  - On average 366 individuals were using the service each month.
  - 121,290 syringes were distributed.
  - 39% return rate for used packs.
  - 1,098 clients were referred of which:
    - 436 were referred to clinics
    - 371 for blood borne virus testing, and
    - 291 for Hep B vaccination.
- 3,185 people were referred for Traveller health screening.
- The HSE's Drugs, Alcohol and HIV Helpline drugshiv@hse.ie received a diverse range of queries from 2,719 contacts (115 of these via email).

In addition, a range of initiatives were progressed ensuring that people in low socio-economic groups or those affected by social exclusion issues can access services when they need them:

- An analysis of implementation of the National Drugs Rehabilitation Framework (2010) in the 10 pilot sites across Ireland is well underway.
- A group comprising of the College of Psychiatry of Ireland, the ICGP, the Pharmaceutical Society of Ireland and HSE Addiction Service Managers has recently circulated draft guidelines regarding drug testing for review and comment.
- Additional web based information and awareness systems for addiction are being put in place including the launch of the Online Outreach Campaign by www.drugs.ie
- Work is continuing with all stakeholders in the implementation of *The Way Home – A Strategy to Address Adult Homelessness in Ireland*.

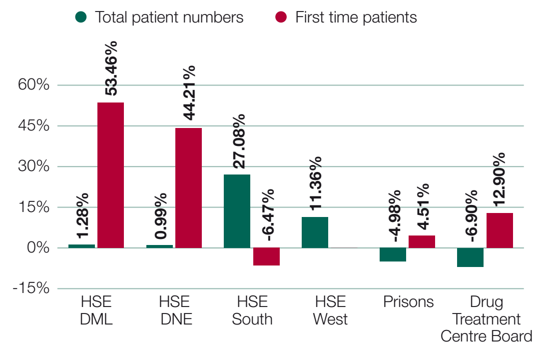
Focus On...

The **HSE National Hepatitis C Strategy** 2011-2014 was launched in September and will provide a framework for a co-ordinated and integrated response to Hepatitis C in Ireland.

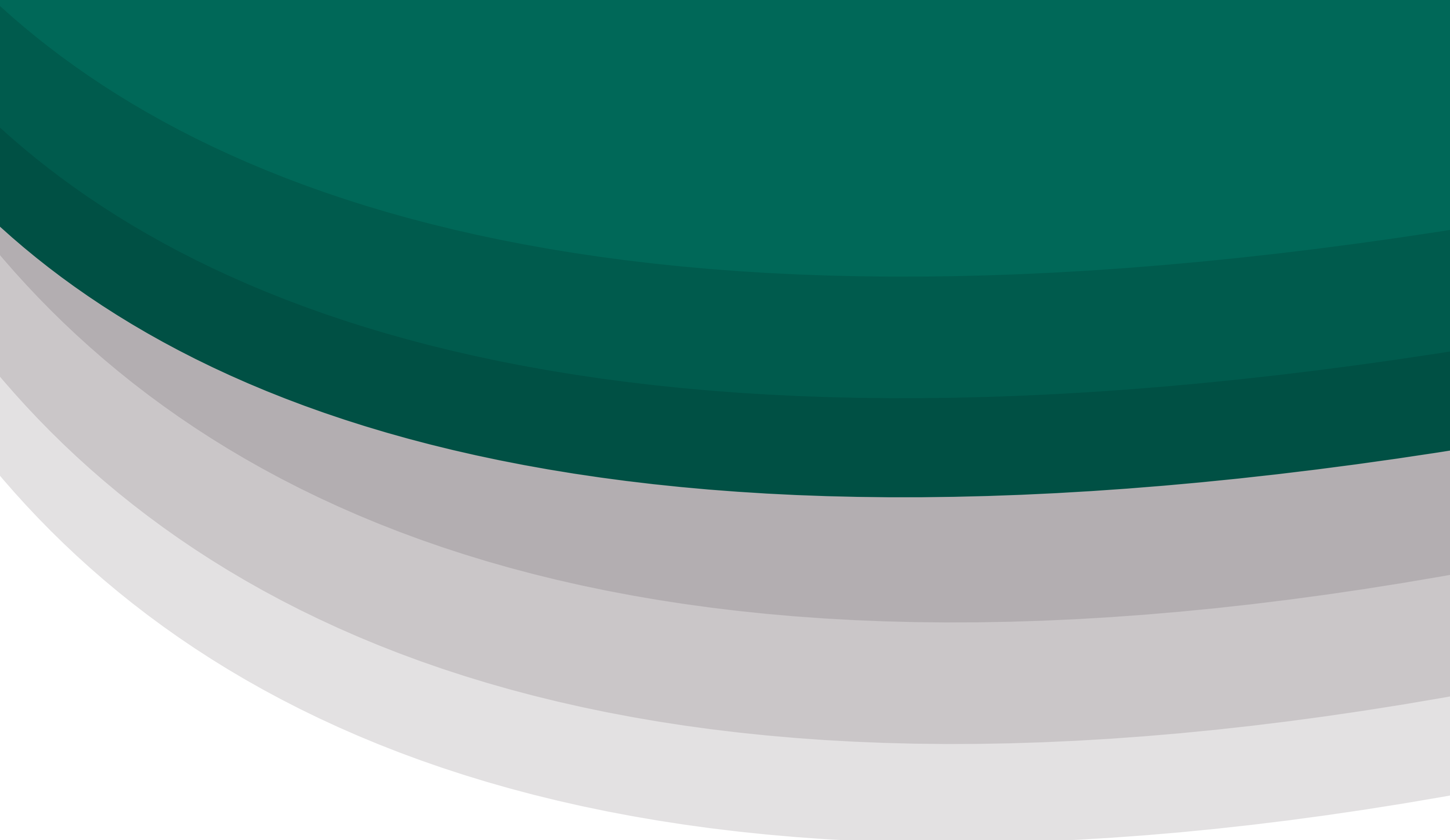
The National Hepatitis C Strategy lays out a clear plan with timelines to reduce transmission of Hepatitis C and to improve the care of patients infected with Hepatitis C in Ireland. A number of the recommendations are already well underway.

- Over 120 nurses and allied health and social care professionals participated in the one day training programmes on 'A Guiding Framework for Education and Training in Screening and Brief Intervention for Problem Alcohol Use'.
- Guidelines for communication in Cross Cultural General Practice Consultations have been developed.
- A Transgender Health Survey was conducted with results being prepared for dissemination.
- A report on a Training Initiative for Staff Caring for Lesbian, Gay and Bisexual (LGB) Patients was launched.

Figure 27: Variance in No. of Patients Receiving Methadone Treatment 2012 v 2011



Data source: Social Inclusion Directorate



Appendices

Appendices

Appendix 1: Performance against Key National Service Plan Targets 2012

	Key Performance Indicator	Actual 2011	Target 2012	Actual 2012
Quality	**Health Care Associated Infections**			
	Rate of MRSA bloodstream infections in acute hospitals per 1,000 bed days used	–	< 0.067	0.058
	Rate of new cases of Clostridium Difficile associated diarrhoea in acute hospitals per 10,000 bed days used	New PI 2012	< 3.0	2.3
	Re-Admission			
	% of emergency re-admissions for acute medical conditions to the same hospital within 28 days of discharge	New PI 2012	9.6%	11.1%
	Time to Surgery			
	% of emergency hip fracture surgery carried out within 48 hours (pre-op LOS: 0, 1 or 2)	New PI 2012	95%	84%
	Acute Coronary Syndrome			
	% STEMI patients (without contraindication to reperfusion therapy) who get PPCI	New PI 2012	50%	73%
	Health Protection			
	% of children 24 months of age who have received three doses of 6 in 1 vaccine	New PI 2012	95%	95%
	% of children 24 months of age who have received the MMR vaccine	91.9%	95%	92%
	% of first year girls who have received the third dose of HPV vaccine by August 2012	New PI 2012	80%	81.9%
	Child Health			
	% of new born babies visited by a PHN within 48 hours of hospital discharge	83.6%	95%	84%
	% of children reaching 10 months in the reporting period who have had their child development health screening on time before reaching 10 months of age	82.2%	95%	85.7%
	Child Protection and Welfare			
	% of children in care who have an allocated social worker at the end of the reporting period	92.6%	100%	91.9%
	% of children in care who currently have a written care plan, as defined by Child Care Regulations 1995, at the end of the reporting period	90.4%	100%	87.6%
	Primary Care			
	No. of Health and Social Care Networks in development	New PI 2012	79	Networks to be developed in 2013
Access and Activity	**Unscheduled Care**			
	% of all attendees at ED who are discharged or admitted within six hours of registration	67.5%	95%	67.5%
	% of patients admitted through ED within nine hours of registration	New PI 2012	100%	62.1%
	Elective Waiting Time			
	% of adults waiting more than nine months for an elective procedure	New reporting 2012	0%	0.3% (inpatient) 0.2% (day case)

	Key Performance Indicator	Actual 2011	Target 2012	Actual 2012
Access and Activity	% of children waiting more than 20 weeks for an elective procedure	New reporting 2012	0%	4.2% (inpatient) 1.2% (day case)
	Colonoscopy/Gastrointestinal Services			
	No. of people waiting more than four weeks for an urgent colonoscopy	4	0	0
	% of people waiting more than three months following a referral for all gastrointestinal scopes	New PI 2012	≤ 5%	0.5%
	Average Length of Stay			
	Medical patient average length of stay	New PI 2012	5.8	7.2
	Delayed Discharges			
	Reduction in bed days lost through delayed discharges	New PI 2012	Reduce by 10%	5.5% reduction
	Cancer Services			
	% of patients attending lung cancer rapid access clinic who attended or were offered an appointment within 10 working days of receipt of referral	90%	95%	89%
	% of patients attending prostate cancer rapid access clinic who attended or were offered an appointment within 20 working days of receipt of referral	New PI 2012	90%	50%
	% of patients undergoing radiotherapy treatment for breast, prostate, lung or rectal cancer who commenced treatment within 15 working days of being deemed ready to treat by the radiation oncologist	New PI 2012	90%	78.9%
	Child and Adolescent Mental Health			
	% on waiting list for first appointment waiting more than 12 months	12%	0%	15%
	Disability Services			
	No. of personal assistant (PA)/home support hours used by persons with physical and/or sensory disability	Revised PI, not comparable	1.68m	2.14m
	Older People Services			
	% of complete NHSS (Fair Deal) applications processed within four weeks	—	100%	100%
	No. of people being funded under NHSS in long term residential care at end of reporting month	—	23,611	22,871
	No. of people in receipt of a Home Care Package	10,968	10,870	11,023
	% of elder abuse referrals receiving first response from senior case workers within four weeks	97.5%	100%	99%
	Palliative Care			
	% of specialist inpatient beds provided within seven days	94%	91%	93%
	% of home, non-acute hospital, long term residential care delivered by community teams within seven days	79%	79%	83%
	Social Inclusion			
	Traveller Health – No. of clients to receive health awareness raising/ screening programmes (breast check, cervical smear screening, men's health screening, blood pressure testing) through the Traveller Health Units/Primary Health Care Projects	New PI 2012	1,650	3,185

Appendix 2: Capital Projects

Acute Hospital and Pre-Hospital Care Capital Projects (presented by Region)

PROJECT STAGE – PLANNING

Dublin Mid-Leinster

- **AMNCH, Tallaght, Dublin –** Reconfiguration and upgrade to the adult and paediatric Emergency Department (ED) to provide additional cubicle space, additional resuscitation accommodation, rapid access and additional triage

Dublin North East

- **Our Lady of Lourdes Hospital, Drogheda, Co. Louth –** Phase 2 – Construction of a ward block to accommodate 50 replacement beds (single rooms); Provision of a new theatre department (4 theatres)

South

- **St. Marys Orthopaedic Hospital, Cork –** Upgrade existing ward in St. Mary's Orthopaedic Hospital (SMOH) to facilitate the relocation of Mercy University Hospital (MUH) OPD to SMOH
- **South Infirmary/Victoria University Hospital, Cork –** Relocation of ophthalmology Outpatients Department (OPD) to South Infirmary/Victoria University Hospital (SIVUH); provision of a modular facility
- **Mercy University Hospital, Cork –** Upgrade of the electrical supply and distribution system to comply with current standards

West

- **Roscommon General Hospital –** Provision of an endoscopy suite for medical day procedures; Upgrade of the hospital sterile services department (HSSD)
- **University College Hospital, Galway –** New clinical block to provide replacement ward accommodation in line with current standards; Initial phase consists of the provision of a 50 bed block

Other

- **New National Children's Hospital –** Development of new National Children's Hospital
- **National Ambulance Control Centre –** Cork Compute Centre: Provision of an integrated National Command and Control Centre on the site of St. Finbarr's Hospital, Cork (combined garda/local government/HSE facility)
- **St. James' Hospital, Dublin –** Centre of excellence for ageing
- **NIMIS –** Cappagh Orthopaedic Hospital, Coombe Hospital, Dublin; National Rehabilitation Hospital, Dun Laoghaire, Dublin; St. Colmcilles Loughlinstown, Co. Dublin; Midland Regional Hospital Portlaoise; Croom Orthopaedic Hospital, Co. Limerick; Limerick Regional Maternity Hospital; Mid Western Regional Hospitals (MWRHs) Limerick, Ennis and Nenagh; South Tipperary General Hospital, Clonmel; Wexford, Kerry, Mallow and Bantry General Hospitals; SIVUH, Cork

PROJECT STAGE – CONTINUATION OF CONSTRUCTION IN 2012

Dublin Mid-Leinster

- **National Maternity Hospital, Dublin –** Emergency theatres and associated accommodation
- **St. Columcille's Hospital, Loughlinstown, Co. Dublin –** Upgrade and refurbishment of endoscopy suite

Dublin North East

- **Mater Misericordiae University Hospital, Dublin –** Redevelopment of Mater Adult Hospital: Phase 3 – completion of final works (2 operating theatres and part of North Circular Road entrance)
- **Temple Street Hospital, Dublin –** Interim works including an electrocardiogram (ECG) room, admissions unit, cochlear implant/audiology facility, rapid access clinic in ED, endoscopy and radiology upgrade; Upgrade "top flat" ward and neurology unit to comply with current infection control and building standards
- **Connolly Hospital, Blanchardstown, Dublin –** MRI installation

South

- **Waterford Regional Hospital –** ED expansion: provision of additional resuscitation facilities and ancillary services with replacement neonatal ICU over ED
- **Mallow General Hospital, Co. Cork –** Day procedures unit/endoscopy suite
- **Wexford General Hospital –** New delivery suite and obstetrics theatre, ED and main concourse
- **St. Luke's Hospital, Kilkenny –** Redevelopment (phase 1) to include a new ED, medical assessment unit (MAU) and day services unit (including endoscopy)
- **Cork University Hospital –** Upgrade and refurbishment of existing cardiac theatres (vacated in 2011) to create one trauma and one emergency theatre; Extension to existing radiology department to house one replacement CT and one additional CT; Reconfiguration of existing paediatric care OPD to provide additional isolation facilities in adjacent ward and provision of new paediatric OPD over acute MAU
- **Mercy University Hospital/South Infirmary Victoria University Hospitals, Cork –** Upgrade (phased) of existing inpatient accommodation
- **St. Mary's Orthopaedic Hospital, Cork –** Upgrade of existing ward to facilitate relocation of MUH OPD

Acute Hospital and Pre-Hospital Care Capital Projects (presented by Region)

PROJECT STAGE – CONTINUATION OF CONSTRUCTION IN 2012

West

- **Limerick Mid Western Regional Hospital –** Construction of ED shell and core adjacent to the critical care block; Symptomatic breast, dermatology, acute stroke and cystic fibrosis inpatient and outpatient block
- **Nenagh Mid Western Regional Hospital, Co. Tipperary –** Provision of 2 new theatres adjacent to the existing theatre department plus the upgrade of existing space
- **Mayo General Hospital, Castlebar –** Refurbishment and upgrade of existing renal unit to comply with current standards and the national renal strategy

Other

- **Replacement Ambulance Programme**
- **National Ambulance Control and Call Centre**
- **Fire Detection and Alarm Systems –** Provision of hospital wide fire detection, alarm systems and emergency lighting systems to Irish Standard (IS) 3218 and IS3217
- **Equipment Replacement Programme –** Medical and diagnostic equipment replacement programme
- **Fire Safety Risk Assessments –** Approximately 180 assessments across a range of HSE premises

PROJECT STAGE – CONSTRUCTION COMPLETED IN 2012

Dublin Mid-Leinster

- **St. Vincent's University Hospital, Dublin –** New clinical building (phase 2) including wards, cystic fibrosis unit and dermatology unit; Additional treatment cubicles in ED to enable transfer of services from St. Columcille's Hospital and the development of a minor injuries unit in St. Columcille's Hospital
- **St. James' Hospital, Dublin –** Haemophilia/hepatology centre
- **Coombe Hospital, Dublin –** Emergency theatre and delivery suite upgrade
- **Portlaoise Midland Regional Hospital (MRH) –** Upgrade of radiology department, ultrasound, physical therapy and associated accommodation

Dublin North East

- **Mater Misericordiae University Hospital, Dublin –** Redevelopment of Mater Adult Hospital: Phase 1 – OPD, catering, technical services departments; Phase 2 – ED, car park, theatres, ICU, radiology and wards; Upgrade of the existing water storage and distribution system
- **Temple Street Hospital, Dublin –** Upgrade and refurbishment of 6/7 North Frederick Street to facilitate relocation of the school of nursing and support services in order to free up additional clinical space in the hospital

South

- **Kerry General Hospital, Tralee –** New ED
- **Mercy University Hospital, Cork –** Extension to the existing radiology department to house one replacement CT and one additional CT (funded by the MUH Hospital Foundation)
- **Cork University Hospital, Cork –** Refurbishment to existing ward area (transferred to cardiac renal unit) to provide a surgical assessment unit
- **Waterford Regional Hospital –** ED extension including neonatal unit

West

- **Ennis General Hospital –** Redevelopment of Ennis General Hospital (phase 1)
- **Limerick Mid Western Regional Hospital –** Upgrade and conversion of Ward 1B to provide a MAU; New critical care block to provide 12 ICUs, 14 HDUs and 16 critical care units (CCUs)
- **University College Hospital, Galway –** Upgrade and refurbishment of existing neo-natal department
- **Letterkenny General Hospital, Co. Donegal –** New medical block including ED, 19 bays; an acute MAU, 11 bays plus 3 x 24 bed wards
- **Mayo General Hospital, Castlebar –** Upgrade/replacement of fire detection system
- **Sligo General Hospital –** Installation of replacement radiology equipment plus a new PACS System (procured through NIMIS)
- **New Ambulance Stations –** Thurles, Co. Tipperary; Nenagh, Co. Tipperary; Tuam, Co. Galway; Achill/Mulranny, Co. Mayo

Other

- **Quality and Clinical Care Projects –** Provision of ultrasound equipment in all maternity hospitals; Provision of specialist epilepsy monitoring beds in Beaumont (4) and CUH (2) – epilepsy programme
- **NIMIS –** Connolly Hospital, Blanchardstown, Our Lady's Hospital for Sick Children, Crumlin, Dublin; St. Luke's Hospital, Rathgar, Co. Dublin; Mayo, Sligo and Naas General Hospitals; Portiuncula Hospital, Ballinasloe, Co. Galway; St. Luke's Hospital, Kilkenny

Non-Acute Capital Projects (presented by care group)

PROJECT STAGE – PLANNING

Mental Health

- **Central Mental Hospital, Dublin –** Phase 1: National Forensic Hospital (80 replacement and 40 additional beds); intellectual disability (ID), intensive care rehabilitation unit (ICRU) and Child and Adolescent ICRU – 10 beds each, (as proposed in *A Vision for Change*)
- **University College Hospital, Galway –** Provision of a replacement acute mental health unit to facilitate the development of a radiation oncology facility on campus
- **Nazareth House, Sligo –** Refurbishment – relocating child development services, mental health day centre, primary care team and other community services
- **St. John's Hospital, Enniscorthy, Co. Wexford –** Provision of a 10 bed crisis housing unit to facilitate the vacation of St. Sennan's Hospital

Disability

- **National Rehabilitation Hospital, Dun Laoghaire, Co. Dublin –** Redevelopment/replacement of existing facility in a phased development – replacement ward block

Children and Families

- **Childcare Special Care Residential Units –** Provision of special care and high support residential facilities for children and adolescents in Gleann Alainn, Co. Cork

Primary Care

- **Primary Care Centres:** Dun Laoghaire (Dublin South), Summerhill, Grangegorman (Dublin North inner city), Finglas (Dublin North), Corduff (Dublin North West), Coolock (Dublin North); Newtowncunningham and Dungloe (Co. Donegal); Monaghan Town; Laytown/Bettystown (Co. Meath); Sligo; Edgeworthstown (Co. Longford); Loughrea (Co. Galway); Rathdrum (Co. Wicklow); Hacketstown/Tullow/Rathvilley (Co. Carlow); Enniscorthy (Co. Wexford); Baltinglass (Co. Wicklow); SMOH (Cork City North West)

PROJECT STAGE – CONTINUATION OF CONSTRUCTION IN 2012

Older People

- **Ballinamore, Co. Leitrim –** Community Nursing Unit (CNU) on HSE campus (20 bed)
- **Kenmare, Co. Kerry –** Community hospital replacement
- **Borrisokane, Co. Tipperary –** Provision of a day hospital/day centre for the elderly on existing (convent) site
- **Baltinglass Community Hospital –** Upgrade and refurbishment to fully comply with HIQA guidelines
- **St. Vincent's Hospital, Athy, Co. Kildare –** Upgrade and refurbishment of Our Lady's, the Holy Family and St. Mary's units to comply with HIQA standards; Fire safety works; Creation of two 20 bed unit (dementia specific) in St. Anne's Unit
- **Keel, Achill Island, Mayo –** Day care centre
- **Upgrade of non acute residential facilities to meet HIQA standards** including Cúan Ros, Seanchara Community Units (Dublin); Lusk Community Unit (Co. Dublin) and St. Oliver Plunkett Hospital, Dundalk

Mental Health

- **Cork University Hospital –** Provision of a replacement acute mental health unit to facilitate development of radiation oncology facility on campus
- **Our Lady of Lourdes Hospital, Drogheda –** Provision of a new acute mental health unit
- **Kerry General Hospital –** Refurbishment and upgrade – acute mental health unit
- **Crumlin, Dublin –** Development of an interim primary care centre, mental health day hospital and 17 bed mental health hostel
- **Donegal Town –** Refurbishment of Rowanfield House for provision of a community mental health unit.
- **Beaumont Hospital, Dublin –** 44 bed psychiatric unit to allow the relocation of acute psychiatric services from St. Ita's Hospital, Portrane
- **Limerick MWRH –** Refurbishment of and extension to the acute mental health unit on grounds of hospital
- **Waterford Regional Hospital –** Upgrade of acute mental health unit
- **Gort Glas Day Centre, Ennis, Co. Clare –** Refurbishment
- **St. Ita's Hospital, Portrane, Co. Dublin –** Provision of residential accommodation
- **St. Loman's Hospital, Mullingar, Co. Westmeath –** Replacement of St. Edna's ward to provide a 20 bed special behavioural unit and up to 24 replacement beds
- **Grangegorman, Dublin –** Replacement accommodation for all services on existing site including accommodation for residents and a day hospital
- **Grove House, Cellbridge, Co. Kildare –** Refurbishment/upgrade

Disability

- **National Rehabilitation Hospital, Dun Laoghaire, Co. Dublin –** Fire safety works
- **Angle Day Care Centre, Dungloe, Donegal –** Refurbishment/upgrade
- **Coralstown, Billistown and Crookedwood, Co. Westmeath –** Refurbishment of houses to provide appropriate accommodation for people with intellectual disabilities currently in St. Loman's Hospital
- **St. Peter's Intellectual Disability Services, Castlepollard, Co. Westmeath –** Upgrade of residential units

Non-Acute Capital Projects (presented by care group)

PROJECT STAGE – CONTINUATION OF CONSTRUCTION IN 2012

Palliative Care

- **Design and Dignity Grant Scheme –** Minor works in acute and non-acute hospital environments that will enhance end of life care (co-funded by the Hospice Friendly Hospitals Programme)

Community Health

- **Ballybofey-Stranolar –** Refurbishment of ground floor St. Joseph's Community Hospital, Stranolar as local area headquarters to facilitate exiting from a number of existing leases (phase 1)
- **St. Conal's Hospital, Letterkenny, Co. Donegal –** Refurbishment – fabric upgrade (phase 2)

Primary Care

- **Primary Care Centres:** Baggot Street (Dublin), Kilnamanagh/Tymon, (Dublin South), Blanchardstown (Dublin North West), Shankill (Co. Dublin); Kilbeggan and Athlone (Co. Westmeath); Ballinamore and Manorhamilton (Co. Leitrim); Ashbourne (Co. Meath); Schull and Carrigtwohill (Co. Cork); Newbridge and Clane (Co. Kildare); Athenry and Castlegar/Ballinafoille (Co. Galway); Market/Garryowen/Pennywell (Limerick City)

PROJECT STAGE – CONSTRUCTION COMPLETED IN 2012

Older People

- **St. Mary's Unit, Mullingar, Co. Westmeath –** 100 bed community hospital to accommodate replacement beds from existing unit
- **Inchicore, Dublin –** 50 bed CNU

Mental Health

- **Cherry Orchard, Ballyfermot, Dublin –** Child and adolescent day hospital to provide accommodation for 4 care teams
- **Clonmel, Co. Tipperary –** High support hostel; Day hospital and accommodation for sector team; Provision of a 40 bed residential unit on the existing site to accommodate current residents of St. Luke's Hospital
- **Wexford –** 50 bed CNU to accommodate residents of St. Senan's Hospital
- **St. John's Hospital, Enniscorthy, Co. Wexford –** Havenview, 14 place residence to provide accommodation to re-house residents from St. Senan's Hospital; 13 place high support mental health hostel (Mill View) to re-house residents from St. Senan's hospital
- **St. Loman's Hospital, Mullingar –** Redevelopment – provision of hostels at St Loman's Road, Clondalkin, Ballyfermot and Islandbridge
- **St. Mary's Unit, Mullingar, Co. Westmeath –** 100 bed community hospital to accommodate 50 replacement beds from St. Loman's hospital, for patients with continuing care needs
- **St. Vincent's, Fairview, Dublin –** Six additional beds in adolescent unit
- **Ballyfermot, Dublin –** Primary care centre including accommodation for mental health services
- **Grosvenor Road, Dublin –** Upgrade of hostel
- **Kerry General Hospital, Tralee –** High observation unit

Disability

- **Oakridge Day Unit, Daughters of Charity, Blanchardstown, Co. Dublin –** Early intervention and assessment unit

Children and Families

- **Childcare Residential Unit, Curraheen, Cork –** Purchase and refurbishment of house to replace facility in Rushbrook, Cobh
- **Coovagh House, Limerick –** Refurbishment

Community Health

- **Meath Hospital –** Refurbishment of a section of the hospital to accommodate dental services currently in rented accommodation in the south city area
- **Bru Caoimhin, Dublin –** Refurbishment of unit 3 to accommodate services currently in rented accommodation in the south city area

Primary Care

- **Primary Care Centres:** Churchtown (Dublin); Pimlico/Thomas Court (Dublin South inner city); Inchicore, Ballyfermot (Dublin West); Longford; Ashbourne (Co. Meath); Kingscourt (Co. Cavan); Kenmare (Co. Kerry); King's Island (Limerick); Glenties (Co. Donegal); Monksland, Castlerea (Co. Roscommon); Cavan

Appendix 3: Annual Energy Efficiency Report

Introduction

This appendix outlines the HSE's position on its energy use and actions taken to reduce consumption, in response to legislation (SI 542 of 2009) which requires public sector organisations to report annually.

Overview of Energy Usage in 2012

The HSE is a large user of energy and as such, recognises its obligation to be at the forefront in introducing energy reducing initiatives. Whilst energy intensive equipment is partially responsible for yearly energy increases, it is the baseline use of light, heat and cooling that accounts for approximately 70% of energy use and it is here that savings must be made.

In 2012, the HSE consumed 1.29 TWh of energy:

- 558 GWh of electricity
- 730 GWh of fossil fuels
- 8.0 GWh of renewable fuels.

This reflects over 2500 MPRNs and up to 800 GPRNs along with a number of sites where renewable energy systems are in operation. These figures are estimated based on our current knowledge of the overall energy use in the organisation. However, in 2012 we undertook an extensive analysis of our energy consumption to enable us report to the Sustainable Energy Authority of Ireland (SEAI) under the monitoring and reporting requirements of SI 542, 2009. We will further refine our energy monitoring systems in 2013.

Actions Undertaken in 2012

As one of the first participants in the SEAI Public Sector Partnership Programme, we have worked closely with the SEAI in many areas, particularly with regard to the development of the Energy Services Company (ESCO) concept with regard to the public sector generally.

2012 saw the introduction of more stringent energy reporting and monitoring criteria under SI 542. This requires that the HSE and all public bodies issue to the SEAI the relevant meter and energy related data to enable them obtain the energy use profiles directly from the energy suppliers and shippers. The SEAI will then independently verify HSE compliance with the monitoring and reporting requirements of the National Energy Efficiency Action Plan (NEEAP). We completed this phase of the process, issuing over 1,600 electrical metering points, nearly 600 natural gas metering points and thermal data by the deadline and in this regard, the HSE is fully compliant.

A range of energy conservation projects have been completed across the HSE estate including:

- Installation of variable speed drives
- Upgrade of boiler systems
- Heating system improvements
- Installation of solar heating systems
- Lighting upgrades
- Building fabric upgrades
- Ventilation system improvements
- Geothermal heating system

We are currently evaluating the performance of these systems with a view to their wider application to future energy projects and facility upgrades.

The HSE recognises the importance of its role in the design and development of new and existing buildings and is committed to achieving the highest standards of A3 whenever possible.

Towards the end of 2012 it was agreed that a national centrally led, energy management structure was best practice and to this end the Health Energy Office was established, with representatives from HSE Estates, Finance and Procurement. The main role of the office is to actively pursue the objectives of the Energy Strategy. One key objective in this strategy is the monitoring and reporting of energy use. This also overlaps with the HSE's legal obligations described earlier. The first priority is to verify the database for all HSE sites with regard to electrical, natural gas and all thermal energy usage. This baseline data will allow the HSE to monitor closely its significant energy users in real time and track their activity and trends, thereby improving greatly our ability to identify key energy savings.

Actions Planned for 2013

We will continue to work on the development of the ESCO process and, as a member of the National ESCO Action Group (NEAG), to deliver the strategic programme of energy reduction through ESCO utilisation.

We have long identified the need for internally led energy management programmes. The SEAI Energy Management Action Plan (MAP) was piloted in the Dublin North Eastern Region and has yielded very good energy savings. The last set of MAP training workshops saw 20 sites represented, including some representation from the Dublin Area Teaching Hospitals (DATHs), which are amongst the largest acute hospitals in the state. The programme will roll out the energy MAP structure across the entire HSE estate, commencing in early 2013.

Financial
Governance

Operating and Financial Review

This operating and financial review outlines the key financial results for 2012, along with the principal drivers of the HSE's performance, both past and future.

Overview

Following the provision of additional funding by way of Supplementary Estimate, the HSE delivered a balanced Vote in 2012. It is a statutory requirement of the Accounting Officer that no overspending of the Vote takes place. In practice, it is almost impossible to achieve an exact breakeven position on a net Vote expenditure of €12.498 billion and it is inevitable that, in accordance with prudent management, a small surplus will be returned to the Exchequer. The surplus to be surrendered in respect of 2012 was €22.834m, (2011: €15.781m), or less than 0.1% (2011: 0.1%) of the total net Vote of the HSE.

The budget provision for 2012 represented a major challenge to the HSE at a time of significant reform of the public health system. The total quantifiable cost reduction target of €750m as outlined in the HSE National Service Plan for 2012 followed two unprecedented years in the history of the health service in which the HSE had total budget reductions of €1.75bn. At the beginning of 2012, staff levels had reduced by over 8,700 since the peak employment levels in 2007.

The health sector faced very significant financial challenges in 2012. The budget targets set for the HSE were extremely demanding and were not all achieved. The impact of the retirements under the 'grace period' posed significant challenges, given that 4,700 people left the sector between late 2011 and February 2012. While cost containment plans were rolled out across the health sector, the continued escalation of expenditure and pressure on the Primary Care Reimbursement Service (PCRS) resulted, from early in the year, in a deficit being projected for the HSE in 2012.

A Supplementary Estimate of €360m gross was voted by Government to the HSE at the end of 2012 which included savings of €70 million which were identified within the Department of Health's Vote and a once-off Exchequer receipt of €45 million from the Medical Defence Union, allocated by the Minister for Health, which contributed towards the HSE requirement. Thus the net cost of the Supplementary Estimate to the Exchequer was €245 million, representing 1.8% of the health sector budget for 2012. This Supplementary Estimate must be seen in the context of the challenges that faced the HSE during the year. The 2012 National Service Plan (NSP 2012) was based on the achievement of cost reductions of €750 million to meet the cost of delivering the maximum level of services possible and commitments in the Programme for Government. A range of saving measures was identified in the Estimates to enable the HSE to meet these objectives in the implementation of the plan. The shortfall in the HSE reflects the underlying expenditure difficulties in the acute hospital sector, child welfare and protection services and the demand led schemes in both community and hospital services.

Reforming Our Health Services

The Programme for Government promises the most fundamental reform of our health services in the history of the State. In November 2012, the Minister for Health published *Future Health – A Strategic Framework for Reform of the Health Service 2012-2015*, the framework for health reform. This framework, based on Government commitments in its Programme for Government, outlines the main healthcare reforms that will be introduced in the coming years as key building blocks for the introduction of Universal Health Insurance in 2016. The 2013 National Service Plan (NSP 2013) reflects *Future Health's* first full year of implementation and therefore will be implemented while the structural reforms of the HSE and health services are being progressed. This includes changes to the way that hospital services, including our smaller hospitals are funded and managed, the disaggregation of childcare services from the HSE and the establishment of a Child and Family Support Agency, establishing a new Directorate structure, the establishment of a Patient Safety Agency and ensuring that our social care services including Mental Health, Disability and Primary Care are fit for purpose. *Future Health* seeks to support innovative ways of care delivery and in particular integrated care pathways. All this must be achieved under the most stringent fiscal constraints experienced for decades and cognisant of health trends and drivers of change such as:

- Demographic and societal change
- New medical technologies, health informatics and telemedicine
- Rising expectations and demands
- Spiraling costs of healthcare provision

We face the dual challenge of reducing costs while at the same time improving outcomes for our patients. We will continue to introduce models of care across all services/care groups which treat patients at the lowest level of complexity and provide services at the least possible unit cost, led by our clinical leaders under the HSE National Clinical Care Programmes.

While it will be impossible to avoid an impact on frontline service delivery in 2013, not least due to significantly reduced staff numbers, at all times the safety of patients is paramount. The workforce modernisation programme will be progressed in 2013, addressing areas such as skill mix, staff attendance and roster patterns within the context of the Public Service Agreement (PSA) 2010-2014. An ambitious and innovative shared services programme will be pursued through the use of contemporary shared service platforms. There will be an increased focus in 2013 on ensuring that managers are held to account for the services they deliver.

Priorities for 2013 include:

- Delivery of the maximum level of safe services possible with the reduced funding and employment levels. This involves prioritising some services over others to meet the most urgent needs.
- Delivery of cost reductions needed for a balanced Vote in 2013.
- Implementation of key elements of the health reform programme.

Table 8: Key Financial Information 2012 – Vote Accounting

	2012 Estimate €'000	2012 Vote Outturn €'000	Under/ (Over) %	Under/ (Over) €'000
Gross Revenue Expenditure	13,680,455	13,646,294	0.25%	34,161
Gross Capital Expenditure	354,000	341,150	3.63%	12,850
Total Gross Vote Expenditure	**14,034,455**	**13,987,444**	**0.33%**	**47,011**
Receipts Collected by HSE	1,113,917	1,097,261	1.50%	16,656
Other Receipts (Revenue)	391,605	387,605	1.02%	4,000
Other Receipts (Capital)	8,000	4,479	44.01%	3,521
Total Appropriations in Aid	**1,513,522**	**1,489,345**	**1.60%**	**24,177**
Net Total Expenditure	**12,520,933**	**12,498,099**	**0.18%**	**22,834**

Data source: HSE Corporate Finance

Business and External Environment

During 2012 a number of reforms were initiated to strengthen the financial management system and to address the ongoing financial issues in the HSE. A Review of Financial Management Systems in the Irish Health Service (Ogden review) was commissioned by the Department of Health. Its overall intention was to review the present state of the financial management system in place in the health sector in Ireland in the context of the serious overruns projected, the continuation of a challenging financial environment for the foreseeable future and the radical reforms envisioned in the Programme for Government. The review made a number of recommendations to strengthen the financial management process in the HSE with particular reference to managing the transition phase that the health sector is currently undergoing. Subsequently PA Consulting were engaged to draw up urgent measures to be put in place to strengthen the HSE's financial management capacity and processes, having regard to the findings and recommendations of the Ogden review. The HSE is now working closely with PA Consulting and the Department of Health on a financial improvement programme for the HSE.

While the reforms envisaged are comprehensive and transformative, we must maintain access and quality during the reform process. For this reason, *Future Health* proposes that change will be implemented in a step by step manner, on the basis of good evidence. Further detailed actions will be built on the foundations of this strategic framework as the reform process proceeds. A White Paper on Universal Health Insurance, to be published in 2013, will provide the basis for many of these actions.

Robust governance and management arrangements will be crucial to drive, manage and monitor implementation of the reform programme due to its complexity. To this end, a Programme Management Office (PMO) has been established in the Department of Health to act as a central, overarching, co-ordination function for health reform. The PMO is responsible for ensuring that all of the various work strands pull together to achieve the overall reform objectives, taking a strategic view on the timetabling and sequencing of the work strands and communication, monitoring and control activities for the programme. The PMO is working closely with the HSE and other main stakeholders in the health system to ensure successful, collaborative implementation.

Performance in 2012

The HSE reported a deficit in the Revenue Income and Expenditure Account of €135.130m for 2012 (2011: surplus of €98.426m). A substantial element of this deficit is technical in nature and is attributable to the differences between the differing bases of accounting under accruals and cash accounting rules. Income and Expenditure in the Annual Financial Statements is accounted for on the accruals basis, whereas the Vote is accounted for on a 'cash' accounting basis as required by Government Accounting rules. Net annual funding from the Exchequer as reported in both the Annual Financial Statements and Appropriation Accounts represents the HSE's net recourse to the Exchequer to fund payments made, as distinct from expenditure incurred in the reporting period. As a result, the balances on the Income and Expenditure Accounts do not represent normal surpluses or deficits, as they are largely attributable to the difference between accruals expenditure and cash-based funding.

Funding for capital projects in 2012 amounted to €342.305m (2011: €345.424m), of which €209.089m was expended on HSE capital projects and €98.357m on capital grants to service providers. Accordingly, a surplus of €34.859m for 2012 (2011: €27.746m) was reported in the Capital Income and Expenditure Account. A list of these service providers and the respective capital grant amounts is detailed in Appendix 2 to the Annual Financial Statements.

Non-pay costs increased for the first time since 2008 related to growth in drugs costs in PCRS, in payment to GPs, pharmacists and dentists, in clinical costs for medical and surgical and in diagnostics.

The main areas of expenditure in 2012 are set out in Figure 28. As can be seen, €5,037m (37%) was spent on hospital services, €4,600m (33%) on community services, €3,026m (22%) on primary care and medical card schemes and the remainder (8%) on either central or support services. A further €307m was spent on maintaining and developing the capital infrastructure of the health system.

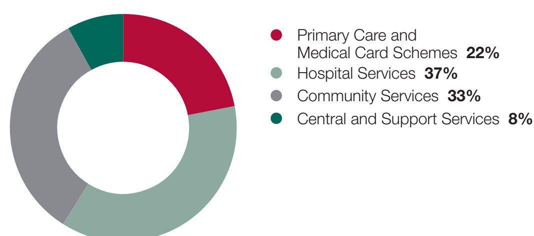
Financial Governance

Table 9: Key Financial Information 2012-2011 – Accruals Basis

	2012 €'000	2011 €'000	Change %	Change €'000
Income	13,679,134	13,686,620	(0.05%)	(7,486)
Net Operating (Deficit)/Surplus: Revenue Income and Expenditure Account	(135,130)	98,426	(237.29%)	(233,556)
Revenue Expenditure				
Pay and Pensions	5,023,780	5,051,788	(0.55%)	(28,008)
Non-Pay (HSE only)	5,326,272	5,086,702	4.71%	239,570
Grants to Outside Agencies	3,464,212	3,449,704	0.42%	14,508
Capital Expenditure	307,446	317,678	(3.22%)	(10,232)
Capital Commitments	774,614	797,080	(2.82%)	(22,466)
Net Surplus on Vote to be Surrendered to the Exchequer	22,834	15,781	44.69%	7,053

Data source: HSE Corporate Finance

Figure 28: Gross Expenditure by Service 2012



Data source: HSE Corporate Finance

The 2012 financial year saw an increase in expenditure in acute hospital services, above what was originally forecast in the NSP 2012. While cost containment measures put in place during the year indicate reduced expenditure, activity increased and therefore additional funding was required. Demographic pressures resulting from an ageing population has led to more attendances at accident and emergency departments and more admissions to hospital. There has also been an increase in the number of births; in excess of 75,000 in 2012, representing a 2.1% increase over 2011.

The 2012 national service plan set access targets for inpatient and day case treatment whereby no adult should have to wait more than nine months for an inpatient or day case procedure date and no child should have to wait more than 20 weeks for an inpatient or day case procedure date. No patient should have to wait more than 13 weeks or three months for a routine gastrointestinal (GI) endoscopy procedure. There have been significant improvements in access to scheduled care, that is, elective surgery for inpatient or day case, since the Special Delivery Unit (SDU) was formed in the Department of Health. By working with the Special Delivery Unit and ensuring the implementation of new models of care through the national clinical care programmes, which are driving a re-engineering of traditional models of care and of service delivery, a 98% reduction in the waiting list was achieved for adults waiting more than 9 months for surgery compared to a year ago. In addition, a target was set that no child would wait more than 20 weeks for a planned procedure – a 95% reduction in the number of children waiting compared to last year was also achieved. In addition, at the end of the year, no patient waited more than 28 days from referral for an urgent colonoscopy. There was a reduction of 99% in the number of patients waiting over 3 months for a gastrointestinal endoscopy with 36 patients waiting at the end of the year.

Prior to the expiry of the 'grace period' in February 2012, under which retirement benefits were based on salary levels that applied prior to the introduction of pay cuts by the Government over recent years, 4,700 staff left the health system resulting in an increase in 2012 lump sum superannuation payments. The net cost of lump sum payments in respect of these retirement cases amounted to €152m. In addition, the impact of retirements has seen an increase in overtime and agency costs. Funding of €162m was applied from the Supplementary Estimate to address the 2012 deficit in acute hospital services. The use of agency and overtime will be much reduced if there is a successful conclusion to the negotiations, being led by the Department of Public Expenditure and Reform, surrounding the new Public Service Agreement 2010-2014 (Croke Park).

With regard to the Primary Care Reimbursement Service (PCRS), the main drivers are the increase in the number of full medical card and GP visit cardholders, while claims for high tech drugs and medicines continued to increase. The excess of medical cards and GP visit cards over what was projected in the HSE service plan arose for two principal reasons – a backlog in applications from 2011 was cleared at the start of 2012 and there was a higher than anticipated number of applications for new cards. The number of persons eligible for a medical card/GP visit card at the end of 2012 was 1,984,979. This is an increase of 165,259 from 1 January 2012 or an increase of 9.1%. The increase in these schemes reflects the challenging economic environment.

To address the 2012 deficit in PCRS, an additional budget allocation of €234m was required. This is clearly demand-led, as is the increase in emergency department attendances and hospital admissions. These are due to an increase in our population. Between 2006 and 2011 the population increased by 8.2%. The number of people over 65 years old increased by 14% and the number of people over 85 years of age increased by 22%. This is a positive indicator, but it has implications for our health services.

In 2012, negotiations with the Irish Pharmaceutical Healthcare Association (IPHA) had reached a successful conclusion with a major new deal on the cost of drugs in the State, with potential savings in excess of €400m over the next three years. The new deal, combined with the IPHA agreement reached earlier in the year, gave rise to €16m in drug savings in the year with additional significant savings to be achieved over the next three years. The cost of new drugs in 2012 was approximately €15m. Examples include the cancer drug, Ipilimumab, and the Hepatitis C drugs, Boceprevir and Teleprevir. It is estimated that the deal will generate savings of up to €116m gross in 2013.

Improving Performance Management

A key priority as the health system continues to reform is to ensure that financial and service performance is actively reported on and managed in a timely manner. Building on the work of recent years, the 2013 accountability framework will ensure that performance will be measured against agreed plans which include financial and service delivery commitments in terms of access targets, service quality and volumes. These plans will be monitored through a range of scorecard metrics. Service managers will be held to account and under performance will be addressed. The NSP2013 implementation plan supporting this document sets out health and personal social services to be delivered by care group/programme. Each chapter contains a list of priorities, key actions and measures which will provide information about progress throughout the year. These will link through regional business plans to local plans where explicit local targets are named. Performance reports will track delivery against plan and CompStat will support performance management at local service delivery unit level as it continues to be embedded in the operational system, for hospitals and community services. All reporting formats will be amended to support the new organisational structure and roles. Funded agencies will be managed through improved Service Agreements which will include greater linkages to national priorities and increased transparency in relation to corporate overheads and senior salaries.

Main Trends Likely to Influence Future Performance

The 2013 gross current voted Estimate for the HSE is €13,404.1m. This reflects a net increase of €71.5m (0.54%). This net increase includes new spending and unavoidable pressures of €748m and savings of €721m.

The reduction required of the HSE in 2013 is €721m which means that the total reduction to the HSE budgets since 2008 is €3.3bn (22%). Staff levels have reduced by over 11,265 WTEs (10%) since peak employment levels in September 2007. To date, cost reductions have been achieved by reducing pay and staff numbers as well as savings in the cost of community drug schemes and procurement. This year will require further savings in each of these headings. The financial challenges that the HSE is dealing with in the context of this plan include:

- Hospitals are facing an incoming projected deficit of €271m along with further cost pressures that may arise in 2013.
- Primary Care Schemes have a cost reduction challenge of €383m.
- Community Services do not have a projected incoming deficit but like the hospitals will have to deal with any additional pressures which may arise during the year.

The Estimate as provided to the HSE has made certain provisions. The HSE is required to impose expenditure reduction targets for 2013. These are significant particularly in the acute sector but each care group will also have its budget reduced by the measures relevant to it, including those associated with the Employment Control Framework (ECF), other pay related savings and procurement savings. If the HSE simply implemented the estimate, then the hospital sector would face an insurmountable financial challenge given its incoming deficit and cost challenges in 2013. Arising from this the HSE is taking further actions to address this carry forward deficit and provide budgets for hospitals to support the 2012 activity level and the cost increases due to demographic, technological and clinical advancements. The objective of the financial framework supporting the National Service Plan is to ensure that all areas have budgets that are achievable while delivering the reductions continued within the estimate to avoid a mid-year financial crisis and deliver a balanced Vote. The HSE Board has an absolute obligation to address this and therefore choices have to be made in determining the budget allocations for 2013 with a view to ensuring sustainable budgets especially in the hospital sector which has struggled in recent years to break even. The allocations are based on the projected spend rather than historic budgets. The approach adopted in NSP 2013 places priority on rebasing hospitals in budgetary terms, maintaining community services budgets and driving further cost efficiencies in primary care schemes. One of the key risks facing the HSE in 2013 is that much of the additional spend including the funding of the incoming deficits is dependent on the achievement of savings. There is a risk if the savings are not achieved and the new costs are incurred that there will be a growing deficit. All discretionary spending will be minimised. The recently published report by the European Observatory on Health Systems and Policies points towards the challenge of achieving large reduction in expenditure in a single year. The measures relate predominantly to reductions in pay and primary care schemes expenditure and will require considerable management focus to deliver in 2013. The Estimate provides €390.9m to address incoming deficits and €90m to cover demographic deficits.

There are a number of risks to the successful delivery of the NSP2013 including:

- Dealing with 2013 increased demand for services beyond planned levels;
- Ability to agree on service levels/targets based on unpredictable staffing levels and funding;
- Ability to afford staffing levels;
- The absence of mechanisms to lose staff;
- Achievement of required savings in primary care schemes;
- Delivery of regulations and legislation to support the service plan savings;
- Inability to provide sufficient contingency fund without impacting on services;
- The impact of potential insufficient capacity of the Nursing Homes Support Scheme;
- Meeting of statutory responsibilities;

- Shortfall in income collection and generation, amendment of income target in Vote; and
- Capacity of the system to deliver on the expenditure reductions set out in the estimate.

The Department of Health and the HSE worked intensively with the main health insurers to agree a system of cash flow and accelerated payment, which provided a cash flow benefit in 2012. At any one point in time, some income will be outstanding for the treatment of private patients in public hospitals but reducing the time taken to recover the income outstanding has provided a cash flow benefit to the HSE. This was achieved in 2012 via the income collection agreement which was finalised with the three main insurers.

The income collection agreement reduced the total level of income outstanding to the HSE by insurers as it involved insurers making accelerated payments based on 70% of the estimated value of claims that had not yet been reported to insurers. The balance of 30% will be paid upon the validation of a fully collated claim from the HSE. The payment relates to treatment that has been already carried out in public hospitals but for which a claim has not yet been raised and therefore it is not an advance payment.

Under this agreement the HSE achieved a once-off cashflow benefit of €104m in 2012, which reduced the level of income outstanding to the HSE and therefore reduced the projected year end deficit by a corresponding amount. The money is a once-off payment in respect of private patients who have been already treated in publicly funded hospitals, but where the detailed claims have not yet been received by insurers.

Key Financial Performance Messages

- The HSE delivered a balanced Vote in 2012 with a small surplus to be returned to the Exchequer.
- The results for 2012 show a total expenditure of €13.814bn (2011: 13.588bn) for the delivery and contracting of health and personal social services. A Supplementary Estimate of €360m was voted by Government to the HSE at the end of the year to address pressures in the acute hospital sector and in medical cards and community drug schemes.
- In December the Health Sector is 481 whole-time equivalents (WTE) below the end of 2012 ceiling target of 101,987 WTEs.

In the statutory sector:

- Pay costs have continued to reduce (€120m or 3% in the year) at a time of increased service activity. There have been reductions in all staff categories except medical and dental, ranging from 7% in support staff pay to an increase of 1% in medical and dental (relating to prioritised recruitment of consultants).
- Non-pay costs increased for the first time since 2008 relating to growth in drugs costs in PCRS, in payment to GPs, pharmacists and dentists, in clinical costs for medical and surgical and in diagnostics.
- Other operating costs have continued to reduce during 2012 by 3% or over €7m, including a €2m reduction in cleaning costs while other support costs such as maintenance, travel and subsistence, insurance, banking, and education and training reduced by over €10m.
- The HSE has taken action to review the plans to achieve a balanced budget in the context of the NSP 2013 which included the rebalancing of budgets for acute hospitals, enabling a fairer distribution of funds and ensuring financial stability going forward.

Key Service Messages

Waiting Times and Access

- 86 adults were waiting more than 9 months for an elective procedure at the end of December 2012. This is down from 4,678 at the end of January 2012, a 98% decrease.
- 89 children were waiting more than 20 weeks for an elective procedure at the end of December 2012. This is down from 1,712 at the end of January 2012, a 95% decrease.
- 36 patients were waiting over three months for a GI endoscopy at the end of December 2012, a decrease of 5,079 or 99% of patients waiting from the end of January 2012.
- 99% of people whose breast cancer referrals were triaged as urgent by the cancer centre were seen within 2 weeks in 2012, against a target of 95%.

Hospital activity

- 384,641 people were admitted as emergencies in our acute hospitals that provide an Emergency Care service during 2012. This is 11,997 or 3.2% greater than in 2011. Overall 69.1% of all admissions are reported as 'emergency'.
- 603,911 inpatients have been treated in publicly funded acute and specialist hospitals during 2012. This is 13,905, 2.4% more than in 2011.
- 826,825 day cases have been treated in publicly funded acute and specialist hospitals during 2012. This is 13,981, 1.7% more than in 2011.

Older persons

- Home support services: 11,023 people received home care packages in 2012. 45,705 people received home help which amounted to 9.88 million hours over the year.
- Nursing Homes Support Scheme: Over 2012, 10,225 applications have been received and 8,023 new clients have been supported. In December 2012, 22,871 long term public and private residential places are supported under the NHSS scheme.

Mental Health

- Demand on the Community CAMHs Service increased, with 8,777 new (including re-referred) Children & Adolescents being offered a first appointment and seen during the year, 12% above target.
- The latest figures on admission rates to in-patient mental health units show a decrease across all categories compared to the same period in 2011. Overall admission decreased from 80.9 to 72.8 per 100,000 of the population.

Disability

- PA/Home Support Hours: 4,166 people with a physical and/or sensory disability benefited from Home Support Hours (including Personal Assistant hours) in 2012. A total of 2.14 million hours were provided.

Primary care services and schemes

- At the end of December, there were 10,610 patients discussed at Clinical Teams Meetings with a multidisciplinary plan of care in place. The year end 2012 position shows 426 Primary Care Teams are now in place. This is an increase of 23 teams since January 2012.
- 1,984,979 persons have Medical Cards or GP Visit Cards at the end of 2012 up from 1,819,720 at the end of 2011, a 9.1% increase.

Strengthening Governance Arrangements with the Non-Statutory Sector

The HSE provided funding of €3.45bn to non-statutory agencies to deliver health and personal social services.

- Acute Voluntary Hospitals €1.77bn (51%)
- Non-Acute Agencies €1.68bn (49%)

In total, 2,680 agencies were funded, with over 4,381 separate funding arrangements in place. Ten agencies accounted for over 50% of the funding and 112 agencies accounted for over 90% of the funding. 89% of agencies had a Service Agreement/Grant Aid agreement in place at the end of 2012, accounting for nearly 94% of the funding (target 100%).

State Indemnity and the Clinical Indemnity Scheme

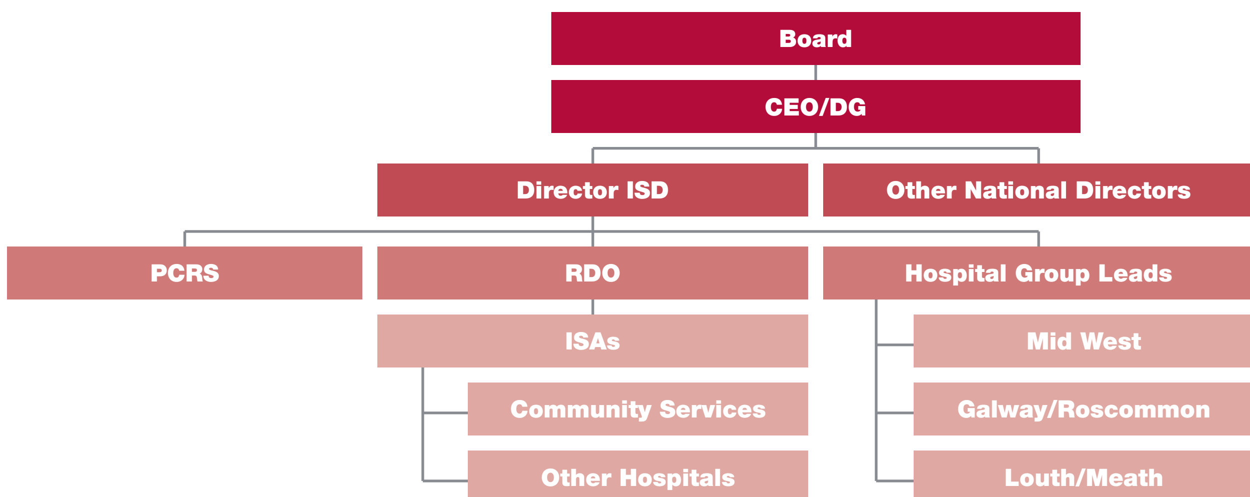
On 1 January 2010 the management of HSE non-clinical personal injury and third party property damage claims was delegated to the State Claims Agency (SCA) under the National Treasury Management Agency (State Authority) Order 2009. Negligent acts or omissions of servants and/or agents of the HSE that result in personal injury or third party property damage which were previously conventionally insured under liability insurance policies are now covered under State indemnity.

The Clinical Indemnity Scheme (CIS) was established in 2002 to rationalise pre-existing medical indemnity arrangements by transferring to the State responsibility for managing clinical negligence claims and associated risks. Under the scheme, which is managed by the SCA, the State assumes full responsibility for the indemnification and management of all clinical negligence claims, including those which are birth-related. The State Indemnity and CIS schemes are funded on a pay-as-you-go basis. Payments in respect of State Indemnity and CIS claims in 2012 were €75.668m (2011: €81.204m). At 31 December 2012, the estimated liability incurred to that date under the Clinical Indemnity Scheme and State indemnity was €996m (2011: €866m). In accordance with the directions of the Minister for Health, no provision has been made for this liability in the financial statements.

Conclusion

The health system will undergo significant structural change in 2013. In this context it is vital to be clear about accountability for services and expenditure in 2013. The diagram below sets out the organisation structure of the HSE at the start of 2013. It is recognised that this will change during the course of the year. Current accountable budget holders must focus strongly upon service delivery and expenditure control. The HSE Code of Governance and the financial, procurement and HR regulations of the HSE apply across the organisation and set out the behaviours expected. Compliance with the Code remains a key objective. The control assurance process of the HSE will continue to operate in 2013 and will adapt to meet the emerging structural arrangements. Accountability to the HSE Board and its Risk and Audit Committees will remain key components of the controls environment.

As described, the HSE faces a large budgetary challenge in 2013. Every effort will be made to minimise the impact on direct service provision by seeking efficiencies in non service impacting areas and the service targets being set reflect this. The impact of the staff that will be available to deliver frontline services is critical and is the issue that will most directly impact on the service levels in 2013. The HSE is working to change the way we deliver many of our services, implementing in many areas new models of care which will allow us to get more from our reduced budget.



Board Members' Report

Introduction

The HSE Board is the governing authority of the HSE, which is the State's largest organisation, and is accountable to the Minister for Health. The HSE had a revenue expenditure of €13.814bn in 2012, with more than 101,500 whole time equivalent staff delivering services throughout the country (approximately one third of whom work for related service delivery agencies).

The Board has responsibility for the performance of the functions of the HSE as prescribed under Sections 7 and 12 of the *Health Act 2004*. This involves a wide range of significant functions and duties including responsibility for reviewing, approving and monitoring the progress of the HSE Corporate, Service and Capital Plans. The Board also approves significant expenditure as well as ensuring that financial controls and systems of risk management in place are robust and accountable. In addition, Board members provide a value-added input to HSE strategy, act as a catalyst for change and challenge, advise and support the Deputy Chief Executive Officer (Deputy CEO) and management.

Members

In accordance with Section 11 of the *Health Act 2004*, the Board consists of 11 members, the Chairman and 10 ordinary members who are all appointed by the Minister for Health and the Deputy CEO of the HSE who, by virtue of that position is a member of the Board.

The Irish health services entered a new phase in April 2011 with plans set in train to see a significant change in the relationship between the HSE and the Minister for Health/DoH. The new Board consists of senior figures from the DoH and from the HSE, including clinicians.

The Board members, as of 31st December 2012, are listed on page 5.

Committees of the Board

The *Health Act 2004* provides for the establishment by the Board of committees to provide assistance and advice to the Board in relation to the performance of its functions.

The Board determines the membership and terms of reference of each committee. The Board currently has three standing committees: the Audit Committee, the Remuneration and Organisation Committee and the Risk Committee.

Audit Committee

The Audit Committee comprises three Board members and two external members, one of which is the Chairman. The Chairman of the Audit Committee is not a member of the HSE Board but reports to the Board on all significant issues considered by the Committee.

In 2012 the Audit Committee membership comprised Mr. Tom O'Higgins (Chairman), Mr. Paul Barron, Ms Laverne McGuinness, Mr. Brian Gilroy, Ms. Mary Dooley and Dr. Gerardine Doyle.

In accordance with the HSE Code of Governance the Audit Committee assists the Board in fulfilling its duties by providing an independent and objective review of the financial reporting process and accounting policies adopted by the Board, with particular emphasis on the effectiveness of the HSE's system of internal financial control. The National Director of Finance and the National Director of Internal Audit attend meetings of the Committee, while the Deputy CEO and other members of the Management Team attend when necessary.

The external auditors (Comptroller and Auditor General) attend as required and have direct access to the Committee Chairman at all times. During the year ended 31st December 2012, the external auditors attended five meetings of the Audit Committee. The Committee meets with the HSE's external auditors to plan and review results of the annual audit (both the interim and final audits) of the HSE's annual financial statements. The Committee receives quarterly reports from the National Director of Internal Audit and reports from management on other aspects of financial control, financial risk management and value for money from time to time.

Remuneration and Organisation Committee

The Remuneration and Organisation Committee is chaired by the Chairman of the Board, and comprises the Deputy CEO and two other Board members. In 2012 the Committee membership comprised Dr. Ambrose McLoughlin (Chairman), Mr. Cathal Magee (replaced by Mr. Tony O'Brien in August), Ms. Frances Spillane and Mr. Jim Breslin. The Remuneration and Organisation Committee operates under agreed terms of reference and is responsible for making recommendations to the Board on remuneration and organisational matters in the HSE.

Risk Committee

The Risk Committee comprises four Board members, three independent members, one of which is the Chairman, and three members of HSE senior management. The Chairman of the Risk Committee is not a member of the HSE Board but reports to the Board on all significant issues considered by the Committee.

In 2012 the Risk Committee membership comprised Dr. Paula Kilbane (Chairman), Ms. Bairbre Nic Aongusa, Dr. Tony Holohan, Dr. Barry White, Dr. Philip Crowley, Ms. Margaret Murphy, Mr. Paul Harrison, Ms. Avilene Casey, Mr. Dermot Monaghan and Mr. Joe Lavelle.

The Risk Committee operates under agreed terms of reference and focuses principally on assisting the Board in fulfilling its duties by providing an independent and objective review of non-financial risks. The Committee also considered internal audit reports concerning the effectiveness of non-financial internal controls and Health Information Quality Authority (HIQA) reports including the implementation of HIQA recommendations.

To date the HSE risk management function has been established within the Quality and Patient Safety Directorate and is continually developing. Full liaison between the Audit and Risk Committees of the Board is essential to the proper functioning of these two inter-related Board committees. Liaison is facilitated by meetings of the two committees and ongoing engagement between the two Committee Chairs.

Other Committees

The Board may, from time to time, establish such Committees of the Board as are necessary to assist it in the performance of its duties.

Support to the Committees

Support to the Board, and its committees, is provided by the Secretary to the Board, Mr. Dara Purcell. National Directors and other senior staff attend and report as required to the Board Committees.

Meetings of the Board and its Committees

In accordance with Schedule 2 of the Health Act 2004, the Board is required to hold no fewer than one meeting in each of 11 months of the year. In 2012 the Board met on 15 occasions, holding 11 monthly Board meetings and four additional meetings. The Audit Committee met on six occasions; the Remuneration and Organisation Committee met on one occasion and the Risk Committee met on five occasions. The attendance at Board meetings and its Committees is recorded in tables 10 and 11.

Table 10: Attendance at Meetings of the Board

Scheduled HSE Board Meetings (11)		Additional HSE Board Meetings (4)	
A. McLoughlin[1]	8/8	A. McLoughlin[1]	4/4
T. O'Brien[4]	8/9	T. O'Brien[4]	4/4
T. Holohan[5]	7/11	T. Holohan[5]	4/4
P. Barron[5]	10/11	P. Barron[5]	3/4
B. Nic Aongusa[5]	10/11	B. Nic Aongusa[5]	4/4
B. White[5]	11/11	B. White[5]	3/4
P. Crowley[5]	9/11	P. Crowley[5]	3/4
L. McGuinness[5]	11/11	L. McGuinness[5]	4/4
F. Spillane[4]	8/9	F. Spillane[4]	4/4
J. Breslin[4]	9/9	J. Breslin[4]	4/4
G. Fitzpatrick[8]	1/1	C. Magee[3]	2/2
M. Scanlan[2]	3/3	B. Gilroy[6]	1/2
C. Magee[3]	7/7		
B. Gilroy[6]	6/10		
M. Connor[7]	0/2		

Number of meetings attended/number of meetings scheduled during members tenure
Note 1: A. McLoughlin appointed to the Board on 26/04/12
Note 2: M. Scanlan Board Member 01/01/12 – 25/04/12
Note 3: C. Magee Board Member 01/01/12 – 19/08/12
Note 4: Board Members appointed to the Board on 09/03/12
Note 5: Board members Jan-Dec 2012
Note 6: B. Gilroy Board Member 01/01/12 – 08/11/12
Note 7: M. Connor Board Member 01/01/12 – 08/03/12
Note 8: G. Fitzpatrick appointed to the Board on 13/12/12

Table 11: Attendance at Meetings of Board Committees

Audit Committee		Remuneration and Organisation Committee		Risk Committee	
T. O'Higgins	5/6	C. Magee[9]	1/1	P. Kilbane	5/5
P. Barron	3/6	A. McLoughlin	1/1	A. Casey	4/5
M. Dooley	3/3	F. Spillane	1/1	P. Crowley	5/5
G. Doyle	4/4	J. Breslin	1/1	P. Harrison	3/5
B. Gilroy	2/5			T. Holohan	1/5
L. McGuinness	5/6			J. Lavelle	2/3
				D. Monaghan	5/5
				M. Murphy	3/5
				B. NicAongusa	3/5
				B. White	2/5

Number of meetings attended/number of meetings scheduled during members tenure
Note 9: C. Magee was a member until 19/08/12. He was replaced by T. O'Brien from 20/08/12

Statement of Board Members' Responsibilities in Respect of the Annual Financial Statements

The members of the Board are responsible for preparing the annual financial statements in accordance with applicable law.

Section 36 of the Health Act 2004 requires the Health Service Executive to prepare the annual financial statements in such form as the Minister for Health may direct and in accordance with accounting standards specified by the Minister.

In preparing the annual financial statements, Board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Health Service Executive will continue in business.

The Board members are responsible for ensuring that accounting records are maintained which disclose, with reasonable accuracy at any time, the financial position of the Health Service Executive. The Board members are also responsible for safeguarding the assets of the Health Service Executive and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the HSE

Dr. Ambrose McLoughlin
Chairman

21 May 2013

Statement on Internal Financial Control

This Statement on Internal Financial Control represents the position at the year ended 31 December 2012.

Responsibility for the System of Internal Financial Control

The Health Service Executive (HSE) was established by Ministerial order on 1 January 2005 in accordance with the provisions of the Health Act 2004. The HSE must comply with directives issued by the Minister for Health under the Act.

The Board of the HSE is the governing body with authority to perform the functions of the HSE. The Board may delegate some of its functions to the Chief Executive Officer (CEO). The Board may establish committees to provide assistance and advice in relation to the performance of its functions. The Board has established a number of Committees including an Audit Committee and a Risk Committee which comprise both Board members and external nominees.

The Board has responsibility for major strategic development and expenditure decisions. Responsibility for operational issues is devolved, subject to limits of authority, to executive management.

The CEO's functions include implementation of Board policy, oversight and management of performance, management of effective control systems and reporting on performance, as required. The CEO is the Accounting Officer for the HSE. He must also supply the Board with such information (including financial information) relating to the performance of his functions as CEO as the Board may require.

The Board together with the CEO have overall responsibility for the HSE's system of internal financial control and for reviewing its effectiveness. Management at all levels of the HSE is responsible for the implementation and maintenance of internal controls over their respective functions. This embedding of the system of internal control is designed to ensure that the HSE is capable of responding to business risks and that significant control issues, should they arise, are escalated promptly to appropriate levels of management. A system of internal control is designed to reduce rather than eliminate risk. Such a system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely manner.

Basis for Statement

I, as Chairman of the Board, make this statement in accordance with the Department of Finance Code of Practice for the Governance of State Bodies. In making this Statement on Internal Financial Control the Board has relied on the Statement made by the Deputy CEO as Accounting Officer in the 2012 Appropriation Account.

Financial Control Environment

The HSE spends public funds on the provision of health and personal social services to the population of Ireland. The duties relating to expenditure incurred by the HSE are stringent in terms of accountability and transparency in order to fulfil our responsibility for funding amounting to €12.5 billion from the Exchequer in 2012. These duties are set out in the Health Act 2004 and in the Public Financial Procedures of the Department of Finance.

The system of internal financial control is by its nature dynamic. It is continually developed, maintained and monitored in response to the emerging requirements of the organisation. The systems environment in the HSE presents additional challenges to the effective operation of the system of internal financial control. Devolved financial systems are multiple and fragmented and are not fit for purpose. The financial systems are not capable of providing the level of detailed analysis of Vote expenditure which is required by Government Accounting rules. The HSE relies on an interim reporting solution to support all national level financial reporting, including monthly management reports, the Annual Financial Statements and the Appropriation Account. This system imports data from 12,000 cost centres per month from HSE legacy systems and is manually manipulated to support national reporting. The absence of a single national system requires that significant work is undertaken manually to ensure that the local ledgers and the national system are synchronised and reconciled. This reporting approach is becoming increasingly challenging in the light of changes to organisation structure, the ageing of the system and the loss of key finance staff. Incremental development of the system continued in 2012 to consolidate shared services financial transaction processing and to implement a single processing point for the Nursing Home Support (Fair Deal) Scheme, using existing system licences. The solution is to invest in people and systems to meet the emerging needs of the health environment, building an integrated national ledger to support the emerging health structures and the development of a 'close to report' process that can deliver data within a week of month end.

The HSE is in discussions with the Department of Health on these proposals with a view to collectively agreeing an approach to systems development in the short to medium term.

The 2012 National Service Plan was adopted by the Board in December 2011 and approved by the Minister for Health on 13 January 2012 within the statutory timeframe. During 2012 monitoring and evaluation of performance and budgets against service plan objectives was carried out.

Effective Internal Financial Control

The following is a description of the key processes which are in place across the HSE to provide effective internal financial control.

Internal Control Systems

- There is a **framework of administrative procedures and regular management reporting** in place including segregation of duties, a system of delegation and accountability and a system for the authorisation of expenditure. The HSE's Framework for Corporate and Financial Governance is set out on *www.hse.ie*, and includes all supporting policies, procedures and guidelines which underpin the Framework. The Framework was approved by the Minister for Health in accordance with Section 35 of the Health Act 2004 and reflects the requirements of the Code of Practice for the Governance of State Bodies. Staff

are required to have full knowledge of their responsibilities which are clearly outlined in part II of the Framework and that it is against this that all compliance is benchmarked.

- A **devolved budgetary system** is in place with senior managers charged with responsibility to operate within defined accountability limits and to account for significant budgetary variances to the CEO.
- The HSE's **National Financial Regulations** form an integral part of the system of internal control and have been prepared to reflect current best practice. Particular attention has been given to ensure that the Financial Regulations are consistent with statutory requirements, Department of Finance circulars and public sector guidelines. Compliance with National Financial Regulations is mandatory throughout the organisation. The development and maintenance of the HSE's suite of National Financial Regulations is a dynamic and continuous process, with new regulations and updates to existing regulations issued periodically in response to new or emerging requirements. While policies and regulations are nationally standardised, internal processes are largely systems-driven, and variations in process remain unavoidable until such time as the HSE has implemented a single organisation-wide financial system.
- The HSE recognises the importance of **risk management** as an essential process for the delivery of quality and safe services. Risk management at an operational level is a line management function. Each Directorate is required to describe accountability arrangements for managing risk at all levels within the Directorate. These arrangements are part of the normal reporting mechanism to ensure that risk management is embedded into the business process. The HSE's Quality and Patient Safety Directorate is focused on the development and implementation of safe quality healthcare. An integrated approach to risk management is utilised, incorporating both clinical and non-clinical risk. Each service/function is obliged to identify, assess and manage risk relevant to their area; the risk register is the principal tool to enable communication of this risk information. Where risks are identified that have significant potential to impact on the overall objectives of the HSE they are recorded on the Corporate Risk Register. The register is a mechanism to provide assurance (evidence) to the Board that risk is being identified, assessed and managed and that a range of control measures and action plans are in place at any time to mitigate the risks identified. Regular reports on the status of the corporate risks are submitted to the Risk Committee. In 2012 implementation groups were established to oversee the implementation of recommendations from both internal and HIQA reports such as in regard to Tallaght and Galway Hospitals. The risk management processes in the HSE, while being developed, are still relatively immature. The full suite of HSE Risk Management policies, procedures and guidelines are published on *www.hse.ie*.
- The **Quality and Patient Safety Directorate** covers a wide range of programmes and projects, including promoting the role of clinical governance and developing clinical leadership, ensuring safe services, monitoring the Quality and Patient Safety performance of the system, integrated risk management and embedding national standards and HSE recommended practices. The directorate is building further capacity to support the development of the Patient Safety Authority through engagement with Department of Health and HIQA. The Quality and Patient Safety Directorate is also progressing the widening use of the Health Intelligence Ireland information system and National Quality Assurance Intelligence System (NQAIS) to help drive quality, safety, and efficiency of health services.
- A detailed **standardised appraisal process** is conducted for all capital projects budgeted in excess of €0.5 million. The process involves presenting a project brief to the National Director of Finance setting out service need in the context of capital priorities as expressed in the Corporate and Service Plans. A cost-benefit analysis of all proposed major capital projects is carried out. Those which are budgeted in excess of €30 million are subject to a detailed cost benefit analysis carried out in accordance with Department of Finance 2005 Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as amended by the Value for Money circular of January 2006. Board reviews of the capital programme take place on a regular basis.
- The HSE has put in place procedures designed to ensure **compliance with all pay and travel circulars issued by the Department of Finance**. Any exceptions identified are addressed and are reported on an annual basis to the Minister, in accordance with the Code of Practice for the Governance of State Bodies.
- The primary legal framework under which the HSE provides financial support to non-statutory service providers is set out in the Health Act 2004. To ensure the HSE and non-statutory sector are meeting their respective obligations, the HSE has developed a formalised **national governance framework** to manage the funding provided to the non-statutory sector. A cornerstone of this governance framework is the application of national standard governance documentation to all agencies funded to provide personal health and social services. This national standard governance documentation was developed with the agreement of all major service providers and has been in operation since 2009; following a consultation process with the relevant stakeholders it was reviewed in 2011 with newly updated documentation in use from 1 January 2012. Changes made include:
  - Greater emphasis is being placed on collaboration between agencies and the HSE in relation to procurement; and
  - A clause has been inserted requiring the recruitment of all NCHDs (not filling approved training posts) to be carried out through the HSE National Recruitment Office/Public Appointments Service.
  - An extension of the Section 38 clause to ensure only salaries within public sector norms are paid has been made so as to include all funded agencies; and
  - A requirement to comply with the conditions of the 2010 Voluntary Early Retirement and Voluntary Redundancy schemes was also added for all agencies.
- In addition the schedules to the Service Arrangement were also reworked, to include additional and detailed information of services, to enable the governance documentation to be a more comprehensive and useful framework for the totality of the service and funding relationship with each Agency.

Additional changes were made to ensure the documentation reflected current legislation, regulation and government department directives. A number of editorial changes were, also, required to address such matters as changes in the HSE's organisational structure and job titles. The **National Standard Suite of Documentation** now also includes a Service Arrangement for use with 'commercial/for profit' agencies providing health and personal social services, ensuring consistency of approach, in all of the non-statutory sector.

- A **Register of Non-Statutory Agencies – Service Arrangements and Grant Aid Agreements**, is in operation. This provides local, regional and national management information on 2,680 separate Agencies which operate 4,381 separate funding arrangements to a value of approximately €3.45 billion. This Register is managed by the National Business Support Unit (NBSU) and has created a unique identifier for each agency allowing the maintenance of key information on each separate funding arrangement which includes both current and historic funding, compliance with national standard governance documentation, and key contact details. This is available on the HSE intranet site as a reference guide for all HSE managers. From the first quarter of 2012, monthly performance monitoring statistics and reports were prepared. The figures for 2012 funding report a compliance rate of 93.69% of funding covered by completed governance documentation. All of the 16 Voluntary Hospitals had signed Service Arrangements in place for 2012. Organisations which did not complete the signing process for 2012 have been formally communicated with and the appropriate actions have been taken, resulting in some cases in the cessation of contracts. The HSE Management Team has ensured a continued focus on compliance with the governance framework and has included this as a key performance indicator for both corporate and regional reporting.
- A **project to examine the strengthening of the overall management and governance framework**, with specific emphasis on the appropriate management processes required at national, regional and local level for the HSE to effectively manage its relationship with the non-statutory sector and meet its accountability obligations, commenced in 2011 and will be facilitated with external consultancy in 2013. In the interim a wide range of guides and instruction have been developed and are available to assist budget holders in the effective management of the relationship with funded agencies which is a critical responsibility for each budget holder.
- **Procedures for property acquisitions and disposals** by the HSE comply with the legal obligations set out in Sections 78 and 79 of the Health Act 1947, as amended by the Health Act 2004. The National Director of Finance has authority to approve proposed property transactions up to a limit of €2 million exclusive of VAT, once recommended for approval by the Property Committee. Transactions in excess of this amount must be approved by the CEO, once recommended for approval by the Property Committee and endorsed by the National Director of Finance. Transactions in excess of €2 million once approved by the CEO must then be submitted to the HSE Board for final approval.
- As part of the HSE's annual review of the effectiveness of the system of internal controls, all staff at Grade VIII (or equivalent) level and above are required to complete a **Controls Assurance Statement**, attesting to the existence and operation of controls which are in place in their area of responsibility.

Performance Monitoring and Reporting

- Under Section 29 of the Health Act 2004, the HSE is required to prepare a formal 3 year plan, known as the HSE's **Corporate Plan**. The plan provides the overarching framework within which the organisation will address its priority areas, or key activities, over the three years and gives guidance on where we will focus the efforts of staff and the targeting of resources. The second HSE Corporate Plan covered the years 2008-2011 and set out what the HSE planned to achieve during that timeframe. A draft third plan for the period 2011-2014 was submitted to the Minister for Health on 9 September 2011 in accordance with the legislation and this is currently under consideration in the context of deliberations on proposed new governance and administrative structures and enhanced accountability arrangements for the HSE.
- A **report on performance against the HSE Corporate Plan** 2008-2011 is published on *www.hse.ie*.
- **HealthStat** information continued to be published on the web throughout 2012. The HealthStat forums ceased in May 2012 in advance of the setting up of the CompStat process. **CompStat** is a web-enabled operational performance management and reporting system which replaces HealthStat in 2013. It is based on a balanced accountability framework of Quality, Access and Resources, aligned with current health policy, and uses a scorecard report to track performance against a suite of relevant metrics.

  CompStat has a focus on Acute Hospitals from the perspective of inpatients, outpatients and day cases and a focus on Community Services, based on Local Health Office (LHO) areas, which is representative of all care groups. It presents information in an integrated report by hospital and local health office area. CompStat results will be published on *www.hse.ie* later in 2013.

  CompStat performance results are discussed at monthly CompStat Forum meetings, chaired by the Regional Directors of Operations, which engage with key people in the HSE Regions, Dublin Mid-Leinster, Dublin North East, South and West. These meetings hold managers accountable for their individual performance and provide an opportunity to share best practice and address problem areas in a positive way. The Forum also identifies performance issues that need a national approach.
- The **Corporate Planning and Corporate Performance Directorate** (CPCP) is responsible for the implementation of a comprehensive integrated cross system planning function, a business intelligence unit and operational performance reporting and measurement. The HSE has a comprehensive planning, performance monitoring and management framework. The HSE **Performance Monitoring Control Committee**, chaired by the National Director of Finance, continued in its role of reviewing and validating organisational performance in the key areas of finance, HR management and the achievement of targets identified in the National Service Plan. CPCP provides

key performance reports to the Performance Monitoring Control Committee which provides a view of performance and support decisions on remedial action required to meet financial, HR and activity targets.

- The HSE **Performance Report** provides an integrated analysis of key financial, HR, acute and non-acute performance data and is published monthly on the HSE website, *www.hse.ie*. The activity data reported is based on the Performance Activity and Key Performance Indicators outlined in the National Service Plan. A Supplementary Report is also produced each month which provides more detailed data on the metrics covered in the Performance Report. Biannual Key Result Area reports are also prepared to show progress against specific actions, as set out in the National Service Plan.
- The financial impact of clinical and operational incidents is reflected in cases settled by the State Claims Agency (SCA) and by insurers, on behalf of the HSE. The SCA has a statutory duty to provide advice and assistance to the HSE under the various schemes. It collaborates with HSE risk management, clinical and administrative personnel to support patient safety and to help minimise the occurrence of claims. The SCA hosts an **electronic national adverse events management reporting system** which facilitates the identification of clusters of adverse incidents and allows for root cause analysis of claims. The lessons learned from this analysis support the improvement of patient safety and contribute to the reduction of claims in the HSE. Annually, the SCA plans and implements risk management work programmes based on claims and incident data trend analysis, legal requirements and precedents and recent developments in litigation risk management, nationally or internationally. A comprehensive programme of training and seminars was delivered by the SCA's risk management units during 2012. The SCA provides insurance advices on HSE contracts, licences, schemes and tenders in circumstances where State indemnity applies or on insurances required where it does not apply. This ensures that the State's liabilities are minimised in the most cost effective manner.

Board Oversight

- The HSE has an **Internal Audit** function with appropriately trained personnel which operates in accordance with a written charter/terms of reference which the Board has approved. Work of the National Director of Internal Audit and his team is informed by analysis of the financial risks to which the HSE is exposed. Annual Internal Audit plans, approved by the Audit Committee, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The work of the Internal Audit function is reviewed by the Audit Committee, which reports to the Board. Procedures are in place to ensure that the reports of the Internal Audit function are followed up. The National Director of Internal Audit reports to the Board of the HSE through the Chairman of the Audit Committee and has a close working relationship with the CEO and is a member of the HSE management team. Any instances of fraud or other irregularities identified through management review or audit are addressed by management and where appropriate An Garda Síochána are notified. Work is ongoing to increase the resources of the Internal Audit Directorate, which are presently insufficient, and to complete an agreed new overall structure.
- An **Audit Committee** with an independent chair, comprising three Board members and one independent member was in place during 2012. The Chairman of the Audit Committee is not a member of the HSE Board but reports to the Board on all significant issues considered by the Committee. The Committee operates under agreed Terms of Reference and met on six occasions in 2012. The National Director of Finance and the National Director of Internal Audit attend meetings of the Committee, while the CEO and other members of the executive management team attend when necessary. The external auditors attend as required and have direct access to the Committee Chairman at all times. In accordance with best practice, the Committee met with the National Director of Internal Audit and with the external auditors in the absence of management.
- A **Risk Committee** with an independent chair, comprising four Board members, one independent member and three members of HSE senior management was in place. The Chairman of the Risk Committee is not a member of the HSE Board but reports to the Board on all significant issues considered by the Committee. The Risk Committee operates under agreed Terms of Reference and focuses principally on assisting the Board in fulfilling its duties by providing an independent and objective review of non-financial risks. The Committee also considered internal audit reports concerning the effectiveness of non-financial internal controls and HIQA reports including the implementation of HIQA recommendations. The Committee met on five occasions in 2012. Full liaison between the Audit and Risk Committees of the Board is essential to the proper functioning of these two inter-related Board committees. Liaison is facilitated by joint meetings of the two committees and ongoing engagement between the two committee chairs.
- A **Remuneration and Organisation Committee** was in place, chaired by the Chairman of the Board, and comprising the Deputy CEO and two other Board members and met on one occasion in 2012. The Remuneration and Organisation Committee operates under agreed terms of reference and is responsible for making recommendations to the Board on remuneration and organisational matters in the HSE.
- **Monitoring and review of the effectiveness of the system of internal financial control** is informed by the work of the Internal Audit function, the Audit Committee and the Managers in the HSE with responsibility for the development and maintenance of the management control framework. Comments and recommendations made by the Comptroller and Auditor General in his management letters or other reports, such as reports of the Committee of Public Accounts are of the utmost importance and monitoring and review of their implementation is overseen by the Audit Committee.

Significant Breaches of the Control System in 2012

A Revenue audit concluded in 2012 found underpayment of PRSI, giving rise to a settlement with Revenue totalling €54,000. Where areas of non-compliance are detected, either in the course of Revenue audit or arising from self review exercises, immediate steps are taken to settle the liability with Revenue and ensure that the necessary action is taken to eliminate the scope for such errors. In conjunction with the co-operative compliance programme in place with Revenue, the HSE completed a full scope Tax Risk Assessment with specialist tax assistance during 2012 across all the tax heads for which it must account. The Tax Risk Assessment documents key tax risk areas within the HSE. In addition to identifying specific areas of non-compliance, or potential non-compliance, the report comments on the tax related processes and controls applied by the HSE in the 2011 tax year. A comprehensive self review programme is being undertaken in 2013 of the various areas of tax risk identified with priority being given to those areas regarded as being high risk. Any underpayment of tax identified in the self review will be disclosed to the Revenue Commissioners. The HSE has obtained specialist tax advice which indicated that any liability which might arise would not be expected to be material in the context of the HSE's overall annual tax liability. The establishment of an in-house specialist tax function for the HSE is a priority for 2013. The HSE is committed to exemplary compliance with taxation laws.

During 2012 management reported an alleged fraud involving accounts payable processing at a hospital in Cork. The matter was reported to the Gardaí and investigated by Internal Audit with support from an external specialist forensic audit resource. Electronic funds transfer payments of approximately €55,000 had been made to a bank account of a member of staff for bogus invoices in addition to items to the value of €8,000 which were purchased by the staff member for his personal use. A number of additional payments totalling €107,000 were also set up on the system but were detected by the Finance Department before payment could be effected. A criminal prosecution resulted and the matter was before the courts in 2013 when the HSE staff member pleaded guilty to 11 charges relating to the fraud. An Internal Audit report highlighting the control weaknesses which enabled the fraud to occur was also completed. This report incorporates recommendations to improve controls and so reduce the risk of any future irregularity in this area.

An audit carried out in HSE West has highlighted an unapproved capital project of approximately €1.5m which was funded from revenue expenditure. The upgrade of the East Galway Mental Health Services facility at Toghermore resulted in an overspend of approximately €2m on an approved local budget of €4.6m (43%) for the centre in 2011. This has resulted in value for money exposure and reputational risk for the HSE. The circumvention of capital expenditure protocols has also raised concern over the building's compliance with statutory and building regulations which are designed to meet existing fire/health and safety legislation.

Under new arrangements introduced in 2012, Accounting Officers are required, in the Statement on Internal Financial Control, to attest to compliance with all relevant guidelines in relation to procurement during the relevant financial year. The procurement guidelines require submission to the Comptroller and Auditor General of an annual return which discloses details of any contracts in excess of €25,000 (exclusive of VAT) which have been awarded without a competitive process. This return, called the 40/02 return is signed by the Accounting Officer and was due to be submitted by 31 March 2013 in relation to the financial year 2012.

The HSE does not have an automated centralised system to maintain a register of contracts awarded without a competitive procurement process and as a result has experienced delays in submitting the 40/02 return. In addition, the audit in 2012 and in recent years has identified a significant number of contracts awarded without a competitive process that should have been identified for inclusion on the 40/02 return but were not.

In order to address the weaknesses identified, the HSE has assigned responsibility for collating the required information to a designated Assistant National Director of Procurement. In addition, control assurance statements signed by individual managers (which feed into the overall Statement on Internal Financial Control) will from 2013 onwards require a declaration that managers have complied with procurement guidelines.

Formal Reviews in the Year

The scale of costs within the Primary Care and Medical Cards Schemes and the volume of transactions associated with them means that there are potential areas of risk that need to be managed. Medical card application processing was centralised in 2011, and revealed a significant degree of variability in the granting of medical cards when processing was devolved. In 2012 the HSE commissioned two external **reviews into the processing and expenditure on medical cards** in the Primary Care Reimbursement Service (PCRS). The first review completed in April 2012 focused on developing proposals for the streamlining and improvement of processes and customer service. The second review completed in October 2012 sought to identify the cost drivers in relation to PCRS expenditure and evaluate the risk areas and associated controls. The action plan for implementation of the recommendations of both reports was progressed throughout 2012. Some of the changes introduced during 2012 and planned for 2013 are outlined below.

In addition to the normal three-yearly review of eligibility on expiration of a medical card, targeted reviews of eligibility were introduced during 2012, in relation to medical cards which had been inactive for more than 12 months. In such cases, medical card holders were formally contacted to confirm that they were still resident in the State. In cases where no response was received, eligibility was removed.

Legislation which came into effect in March 2013 allows the sharing of data between the Revenue Commissioners, the Department of Social Protection and the HSE. The availability to the HSE of data indicating changes in a medical card holder's circumstances, such as change in employment status, income levels and change in eligibility for Department of Social Protection schemes, will inform the focus of targeted interventions in 2013.

The introduction of these additional controls will strengthen the risk management framework for schemes and in doing so, will reduce risk and exposure to excess payments for card holders who are no longer eligible.

In 2013, the HSE also commenced the review of eligibility in relation to a random sample of medical card holders. Analysis of the results of these reviews will allow the HSE to estimate the level of ineligibility in the medical card system, provide an indicator of how well the control and review systems are working and identify changes in procedures necessary to combat any new risks emerging or deficiencies in its systems.

In June/July 2012, a **Review of Financial Management Systems** (FMS) in the health service was undertaken by a project team led by an international expert. The overall intention of the project was to review the present state of the financial management system in place in the health sector in the context of the serious overruns which were projected to occur in 2012, the continuation of a challenging financial environment for the foreseeable future, and the radical reforms envisaged in the Programme for Government. The FMS review was completed in July 2012 and numerous recommendations were made across a number of areas including financial management capacity, the process of managing surpluses and deficits, accountability arrangements, the role of the regions and risk management. A wide ranging review of financial management and cost containment systems in the health service has commenced since the FMS review was completed. This second review, which was finalised during Q4 2012, included the preparation of an action plan for the implementation of the FMS review. It also included an analysis of existing cost containment plans, an assessment of various options for achieving cash savings and recommendations for strengthening the financial management infrastructure within the Irish health service.

The controls assurance process of the HSE is directed at enabling the Deputy CEO as Accounting Officer and the Board and Chairman of the HSE to deliver upon their requirement to satisfy themselves and represent to the Minister for Health and to the Oireachtas that there is appropriate effective control within the HSE. During 2012 a formal **Review of the System of Internal Control** in the HSE was completed by the Finance Directorate with input from the Quality and Patient Safety Directorate, the results of which have informed this Statement on Internal Financial Control. The review was carried out by finance and quality and risk managers with specific expertise in the areas of finance, audit, control, quality and risk. Annual reviews of the system of internal control use an established methodology which has been further developed in carrying out this review during 2012. The scope of the review in 2011 extended for the first time to clinical management in the HSE, who completed Controls Assurance Statements. The scope was further expanded in 2012 with the requirement of Clinical Directors to complete a self assessment review in the bilateral (one-to-one) interview sessions. The methodology of the 2012 review involved reference to:

- Status of the recommendations of the 2007-2011 Reports on the Review of the Effectiveness of the System of Internal Control;
- Controls Assurance Statements completed by all senior managers, administrative and clinical, from National Director Level to Grade VIII (or equivalent relevant) level. This had regard to the material risks that could affect the HSE, the methods of managing those risks, the controls that are in place to contain them and the procedures to monitor them;
- Results and findings of formal structured bilateral interviews with a representative sample of approximately 110 managers and heads of service and their responses to an internal controls questionnaire (ICQ) completed during each interview;
- Internal Audit reports, 2012 audit programme;
- Audit Committee and Risk Committee Minutes/Reports;
- Reports and management letters of the Comptroller and Auditor General;
- The 2012 audit programme of the Comptroller and Auditor General and in particular, the audit risks identified therein;
- Assessment of the progress of the implementation of recommendations contained in previous Internal Audit reports and reports of the Comptroller and Auditor General;
- Internal news/media releases;
- HSE Board Committee Minutes;
- Steering Group/Working Group/Implementation Groups etc Minutes;
- External Reviews/Reports; There were three external reviews completed in 2012 and some ongoing into 2013 commissioned by the HSE or by the Department of Health to examine specific control environments within the HSE. The reviews include Long Stay income collection at HSE Residential Units (Crowleys DFK), Tax Risk Assessment (KPMG), Independent Review of Financial Performance Management System and Associated Processes of the HSE (Ogden) and Addressing weaknesses in financial management and cost containments in the Irish Health Service Executive (PA Consulting).
- Reports of the Committee of Public Accounts;
- Health Information and Quality Authority Reports;
- Mental Health Commission Reports;
- Quality Patient Safety Audit Reports; and
- Government policy, such as *Future Health – A Strategic Framework for Reform of the Health Service 2012-2015*, Programme for Government, etc.

Extension of the Controls Assurance Process

The Controls Assurance Process 2011 introduced a requirement that clinical managers at the equivalent of Grade VIII Managers and above would sign Controls Assurance Statements. A further element of the Controls Assurance Process, the Internal Controls Questionnaire (ICQ), was extended to include Clinical Directors for the first time in 2012. The ICQ is completed by a sample of senior managers during a formal bilateral (one-to-one) interview. This represents a significant integration of clinical and financial risk management to enable a comprehensive assurance process for the HSE Board. Full compliance by staff with the extended controls assurance process in 2012 has not been achieved. Of the 1,178 staff on the Integrated Services Directorate's Register, 1,011 (or 85%) have signed as of 11 March 2012. This compares to 69% compliance at the same date last year.

While the percentage rate for overall compliance with the process has improved, there are still particular service areas where compliance has been low. The individual Registers identify the staff who have and have not signed a Controls Assurance Statement and the level of non-compliance, while improved, remains unacceptable. The absence of a signed Controls Assurance Statement attesting to the operation of controls in such a large number of cases gives rise to a concern that corporate risks may not be appropriately identified and addressed.

ICQ interviews were conducted with a representative sample of over 100 senior managers from across the services. The percentage rate for overall compliance with the process with the clinical managers was 6%. Steps are being taken by management to address this unacceptable level of compliance. A number of other Executive Clinical Directors and Clinical Directors have not signed and have advised that they wish to consult with the National Clinical Director prior to signing.

It was necessary to conclude the Controls Assurance process to enable the National Clinical Director to provide assurance to the CEO. However each Regional Director of Operations was instructed to;

- Conclude the 2012 process to the maximum extent possible.
- Arrange training/briefing sessions for clinical managers where this is required.
- Continue to engage with individual managers (clinical and other), who have not signed their statements, to ensure they sign.

Correspondence has also issued to the National Clinical Director requesting him to reiterate the nationally agreed position relating to the Controls Assurance Statements process to the Clinical Directors in the system.

Conclusion

The report of the Review of the System of Internal Control in the HSE was circulated to senior management in March 2013. The evaluation of the effectiveness of the system of internal control has had regard to the continuous development of the control systems of the HSE as a relatively immature organisation, comprising an amalgamation of health bodies and their legacy systems. The roll out and subsequent extension in scope and depth of the annual controls assurance process in recent years has had the effect of increasing awareness and understanding of the control system throughout the organisation. The monitoring of progress with the implementation of the report's recommendations has improved focus on compliance by managers.

There have been breaches of the control environment of the HSE which are referenced in this statement. These breaches point to the need for continued emphasis on and development of the control environment and a focus on the need to drive a single organisation wide culture of compliance. In summary, notwithstanding control breaches which were identified and are being addressed by management as set out above, the control environment, control and risk management processes and assurance arrangements are improving but are still not totally effective. There are a number of areas where specific action is recommended to increase effectiveness and consolidate on the improvements which have been put in place since the previous report. Structured plans for the implementation of the recommendations of the Review of the System of Internal Control in the HSE are prepared by management. The implementation of these recommendations by management will be monitored by the Audit Committee during the year and will be reassessed in the 2013 review of the system of internal controls.

Changes in Health Structures and Management

At a HSE Board meeting on 30 July 2012, the Board noted the then CEO, Mr Cathal Magee, had announced his intention to step down. It was agreed that Mr Tony O'Brien would be appointed by the Board to act as Deputy CEO while the position of CEO remained vacant, pending the enactment of the Health Service Executive (Governance) Bill 2012, at which time the position of Director General would be established and the post of CEO will cease to exist. The Minister for Health Dr James Reilly announced on 27 July 2012 Mr Tony O'Brien as the new Director General designate for the HSE to formally assume the position of Director General once the new Governance Legislation is passed by the Oireachtas. In the meantime, as Director General designate, he will work closely with all relevant figures in the HSE in preparing for the new Directorate structure which is being established under that legislation.

The Health Service Executive (Governance) Bill, 2012 strengthens the accountability arrangements between the HSE and the Government. The HSE is committed to supporting the Programme for Government change agenda which will bring about significant changes to the way health services are managed and delivered in 2013 and beyond. In the meantime, preparations are underway for the new HSE Directorate structure which is being established under that legislation.

In the context of this significant structural change, it is vital to be clear about the accountability for services and expenditure. Current accountable budget holders must focus strongly upon service delivery and expenditure control. The HSE Code of Governance and the Financial, Procurement and HR regulations of the HSE apply across the organisation and set out the behaviours expected. Full compliance with the Code remains a key objective. The controls assurance process of the HSE will continue to operate in 2013 and will adapt to meet the emerging structural arrangements. Accountability to the HSE Board and to its Risk Committee and Audit Committee will remain key components of the controls environment.

Dr. Ambrose McLoughlin
Chairman

21 May 2013

Report of the Comptroller and Auditor General for Presentation to the Houses of the Oireachtas

I have audited the financial statements of the Health Service Executive for the year ended 31 December 2012 under the Health Act 2004. The financial statements, which have been prepared under the accounting policies set out therein, comprise the accounting policies, the revenue income and expenditure account, the capital income and expenditure account, the balance sheet, the cash flow statement, and the related notes.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and accounting standards specified by the Minister for Health. The statement on the basis of accounting in the accounting policies explains how the accounting standards specified by the Minister differ from generally accepted accounting practice in Ireland.

The Health Service Executive also produces an appropriation account for transactions reflected in the account to which this report relates. I report separately on that account. Any matters arising out of my audits that I consider merit reporting will be outlined in my Report on the Accounts of the Public Services for 2012.

Responsibilities of the Members of the Board

The Board of the Health Service Executive is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view, in accordance with the accounting standards specified by the Minister for Health, of the state of the Health Service Executive's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Health Service Executive's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Health Service Executive's annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared under the accounting standards specified by the Minister for Health, give a true and fair view in accordance with those standards of the state of the Health Service Executive's affairs at 31 December 2012 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Health Service Executive. The financial statements are in agreement with the books of account.

Matters on which I Report by Exception

I report by exception if:

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the Health Service Executive's annual report is not consistent with the related financial statements, or
- the Statement on Internal Financial Control does not reflect the Health Service Executive's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

Eligibility for Medical Cards

I draw attention to Note 35 which discloses that:

- Medical cards were not renewed in relation to 2.7% of renewal applications received in 2012, because the applicants no longer satisfied the eligibility criteria.
- Eligibility to medical cards was removed in relation to 0.8% of the total medical card population in 2012, following a request from the Health Service Executive for card holders to confirm their residence in the State where the medical card had been inactive for a significant period.

The Statement on Internal Financial Control outlines the steps taken by the Health Service Executive to improve control over medical card eligibility.

The Health Service Executive has not quantified the element of expenditure under the Primary Care Reimbursement Service which relates to individuals who are not eligible for medical cards. I am examining this issue further and may report on the results of my examination in due course.

Compliance with Procurement Guidelines

I also draw attention to the Statement on Internal Financial Control and the section therein which sets out instances of non-compliance with public procurement guidelines and provides details of the proposed actions to address these weaknesses.

I have nothing to report in regard to other matters upon which reporting is by exception.

Seamus McCarthy
Comptroller and Auditor General

21 May 2013

Revenue Income and Expenditure Account

For Year Ended 31 December 2012

	Note	2012 €'000	2011 €'000
Income			
Exchequer Revenue Grant	*3*	**12,161,428**	12,111,829
Receipts from certain excise duties on tobacco products		**167,605**	167,605
Income from services provided under EU regulations		**220,011**	270,000
Recovery of costs from Social Insurance Fund		**0**	2,600
Patient Income	*4*	**378,716**	365,320
Other Income	*5*	**751,374**	768,148
Dormant Accounts		**0**	1,118
		13,679,134	13,686,620
Expenditure			
Pay and Pensions			
Clinical	*6 & 7*	**3,232,702**	3,245,547
Non Clinical	*6 & 7*	**1,066,275**	1,073,966
Other Client/Patient Services	*6 & 7*	**724,803**	732,275
		5,023,780	5,051,788
Non Pay			
Clinical	*8*	**836,019**	829,711
Patient Transport and Ambulance Services	*8*	**55,601**	56,033
Primary Care and Medical Card Schemes	*8 & 35*	**3,062,261**	2,831,471
Other Client/Patient Services	*8*	**65,729**	65,357
Grants to Outside Agencies	*8*	**3,464,212**	3,449,704
Housekeeping (catering, crockery, linen, etc.)	*8*	**227,362**	227,815
Office and Administration Expenses	*8*	**386,723**	378,441
Long Stay Charges Repaid to Patients	*8*	**1,149**	9,397
Hepatitis C Insurance Scheme	*8*	**911**	980
Other Operating Expenses	*8*	**44,808**	45,679
Payments to State Claims Agency under the Clinical Indemnity Scheme	*8 & 29*	**75,668**	81,204
Nursing Homes Support Scheme (Fair Deal)	*8 & 33*	**570,041**	560,614
		8,790,484	8,536,406
Net Operating (Deficit)/Surplus for the Year		**(135,130)**	98,426

All gains and losses with the exception of depreciation and amortisation have been dealt with through the Revenue Income and Expenditure Account and the Capital Income and Expenditure Account.

The primary financial statements of the HSE comprise the Revenue Income and Expenditure Account, Capital Income and Expenditure Account, Balance Sheet and Cash Flow Statement on pages 69-72.

Chairman

21 May 2013

Deputy Chief Executive Officer

21 May 2013

Financial Governance

Capital Income and Expenditure Account

For Year Ended 31 December 2012

	Notes	2012 €'000	2011 €'000
Income			
Exchequer Capital Funding		**336,671**	332,830
EU Funding		**0**	2,333
Revenue Funding Applied to Capital Projects		**556**	486
Dormant Accounts		**6**	124
Application of Proceeds of Disposals		**4,479**	6,812
Government Departments and Other Sources	*19(c)*	**593**	2,839
		342,305	345,424
Expenditure			
Capital Grants to Outside Agencies (Appendix 2)	*19(b)*	**98,357**	132,755
Capital Expenditure on HSE Capital Projects	*19(b)*	**209,089**	204,311
Adjustment to Liability to the Exchequer*	*19(b)*	**0**	(19,388)
		307,446	317,678
Net Capital Surplus for the Year		**34,859**	27,746
Balance at 1 January		**(179,119)**	(206,865)
Balance at 31 December		**(144,260)**	(179,119)

** Adjustment to Liability to the Exchequer relates to the balance on capital proceeds of disposal account indirectly remitted by way of a reduced technical adjustment on the establishment of the HSE in 2005, netted against historical capital expenditure deficits in 2011.*

All gains and losses with the exception of depreciation and amortisation have been dealt with through the Revenue Income and Expenditure Account and the Capital Income and Expenditure Account.

The primary financial statements of the HSE comprise the Revenue Income and Expenditure Account, Capital Income and Expenditure Account, Balance Sheet and Cash Flow Statement on pages 69-72.

Chairman

21 May 2013

Deputy Chief Executive Officer

21 May 2013

Balance Sheet

As at 31 December 2012

	Notes	**2012 €'000**	**2011 €'000**
Fixed Assets			
Tangible Fixed Assets			
Land and Buildings	*9*	**4,672,627**	4,970,094
Other Tangible Fixed Assets	*10*	**247,139**	296,100
Investments			
Financial Assets	*11*	**3**	3
Total Fixed Assets		**4,919,769**	5,266,197
Current Assets			
Stocks	*12*	**118,265**	121,521
Debtors	*13*	**220,004**	309,340
Paymaster General and Exchequer Balance	*14*	**80,883**	87,782
Cash at Bank or in Hand		**30,310**	28,350
Current Liabilities			
Creditors	*15*	**(1,523,789)**	(1,520,524)
Net Current Liabilities		**(1,074,327)**	(973,531)
Creditors (amounts falling due after more than one year)	*16*	**(50,807)**	(52,445)
Deferred income	*17*	**(9,755)**	(9,634)
Total Assets		**3,784,880**	4,230,587
Capitalisation Account	*18(a)*	**4,919,766**	5,266,194
Capital Reserves	*18(b)*	**(144,260)**	(179,119)
Revenue Reserves	*18(c)*	**(990,626)**	(856,488)
Capital and Reserves		**3,784,880**	4,230,587

The primary financial statements of the HSE comprise the Revenue Income and Expenditure Account, Capital Income and Expenditure Account, Balance Sheet and Cash Flow Statement on pages 69-72.

Chairman

21 May 2013

Deputy Chief Executive Officer

21 May 2013

Financial Governance

Cash Flow Statement

For Year Ended 31 December 2012

	Notes	2012 €'000	2011 €'000
Net Cash Inflow/(Outflow) from Operating Activities	*20*	**(27,896)**	19,055
Net Cash Inflow/(Outflow) from Returns on Investments and Servicing of Finance			
Interest paid on loans and overdrafts		**(5)**	(9)
Interest paid on finance leases		**(1,244)**	(1,340)
Interest received		**291**	199
Net Cash Outflow from Returns on Investments and Servicing of Finance		**(958)**	(1,150)
Capital Expenditure			
Capital expenditure – capitalised		**(134,627)**	(157,297)
Capital expenditure – not capitalised		**(172,820)**	(179,769)
Payments from revenue re: acquisition of fixed assets (net of trade-ins)		**(11,043)**	(18,832)
Revenue funding applied to Capital		**556**	486
Receipts from sale of fixed assets (excluding trade-ins)		**5,135**	6,857
Net Cash Outflow from Capital Expenditure		**(312,799)**	(348,555)
Net Cash Outflow before Financing		**(341,653)**	(330,650)
Financing			
Capital grant received		**336,671**	332,830
Capital receipts from other sources		**599**	5,296
Payment of capital element of finance lease and loan repayments		**(556)**	(486)
Net Cash Inflow from Financing		**336,714**	337,640
Net Cash Flow		**(4,939)**	6,990
(Decrease)/Increase in cash in hand and bank balances in the year	*21*	**(4,939)**	6,990

The primary financial statements of the HSE comprise the Revenue Income and Expenditure Account, Capital Income and Expenditure Account, Balance Sheet and Cash Flow Statement on pages 69-72.

Chairman

21 May 2013

Deputy Chief Executive Officer

21 May 2013

Accounting Policies

Basis of Accounting

The financial statements have been prepared on an accruals basis, in accordance with the historical cost convention. Under the Health Act 2004, the Minister for Health specifies the accounting standards to be followed by the HSE. The HSE has adopted Generally Accepted Accounting Principles (GAAP) in accordance with the accounting standards issued by the Accounting Standards Board subject to the following exceptions specified by the Minister:

1. Depreciation is not charged to the Revenue Income and Expenditure Account, rather it is charged to a reserve account: the Capitalisation Account. Reserve accounting is not permitted under Generally Accepted Accounting Principles (GAAP). Under those principles, depreciation must be charged in the revenue income and expenditure account.
2. Grants received from the State to fund the purchase of fixed assets are recorded in a Capital Income and Expenditure Account. Under Generally Accepted Accounting Principles (GAAP), capital grants are recorded as deferred income and amortised over the useful life of the related fixed asset, in order to match the accounting treatment of the grant against the related depreciation charge on the fixed asset.
3. Pensions are accounted for on a pay-as-you-go basis, and the provisions of FRS 17 Retirement Benefits are not applied.
4. Claims under the Clinical Indemnity Scheme which are paid by the HSE, and administered by the State Claims Agency on the HSE's behalf, are accounted for on a pay-as-you-go basis, and the accruals basis of accounting required by FRS 18 Accounting Policies is not applied. The charge to the Revenue Income and Expenditure Account in 2012 was €75.7m (2011: €81.2m). The actuarially estimated future liability attaching to this scheme at 31 December 2012 is €996m (2011: €866m). Details are set out in Note 29 to the financial statements.

Basis of Preparation

The Programme for Government commits to the HSE ceasing to exist over time. Government has approved the drafting of legislation involving significant changes in the governance of the HSE. This legislative change is the first step in a process of transformation which will require detailed planning. This initial step is designed to avoid disruptive change at a difficult and challenging time for health and social services. Legislation which will have the cumulative effect of abolishing the HSE will be brought forward on a sequential basis, as part of the overall health reform programme, with functions transferring elsewhere as part of the move towards a system of Universal Health Insurance. In addition, functions relating to child protection will transfer from the HSE to the proposed new Children and Families Support Agency. The financial statements for the year ended 31 December 2012 have been prepared on a going concern basis.

The Nursing Homes Support Scheme (A Fair Deal)

Payments received from eligible people are accounted for as long stay charges within patient income. The scheme provides that in certain circumstances a portion of the amount payable may be deferred and collected at a point in the future by the Revenue Commissioners. Charges so deferred are not accounted for in the financial statements of the HSE.

Income Recognition

i. The HSE is funded mainly by monies voted annually by Dáil Éireann in respect of administration, capital and non-capital services. The amount recognised as income in respect of voted monies represents the net recourse to the Exchequer to fund payments made during the year. Income in respect of administration and non-capital services is accounted for in the Revenue Income and Expenditure Account. Income in respect of capital services is accounted for in the Capital Income and Expenditure Account. Revenue funding applied to meet the repayment of monies borrowed by predecessor agencies and which were used to fund capital expenditure is accounted for in the Capital Income and Expenditure under the heading Revenue Funding Applied to Capital Projects.

ii. Patient and service income is recognised at the time service is provided.

iii. Superannuation contributions from staff are recognised when the deduction is made (see pensions accounting policy below).

iv. Income from all other sources is recognised on a receipts basis.

v. The amount of income, other than Exchequer grant, which the HSE is entitled to apply in meeting its expenditure is limited to the amount voted to it as 'Appropriations-in-Aid' in the annual estimate. Appropriations in aid are receipts that may, under Section 2 of the Public Accounts and Charges Act, 1891, be used to meet expenditure to the extent authorised by the annual Appropriation Act. In general, these are receipts arising in the normal course of business under the Vote. Other income received in the year in excess of this amount must be surrendered to the Exchequer. Other income is shown net of this surrender.

Capital Income and Expenditure Account

A Capital Income and Expenditure Account is maintained in accordance with the accounting standards laid down by the Minister for Health. Exchequer Capital Funding is the net recourse to the Exchequer to fund payments made during the year in respect of expenditure charged against the Capital Services subheads in the HSE's Vote. Capital funding is provided in the HSE's Vote for construction/purchase of major assets, capital maintenance and miscellaneous capital expenditure not capitalised on the balance sheet. In addition, capital funding is provided in the HSE's Vote for payment of capital grants to outside agencies. An analysis of capital expenditure by these categories is provided in Note 19 to the financial statements.

Balance on Income and Expenditure Accounts

Most of the income in both the Revenue and Capital Income and Expenditure Accounts is Exchequer Grant which is provided to meet liabilities maturing during the year as opposed to expenditure incurred during the year. A significant part of the remaining income is accounted for on a receipts basis. However, expenditure is recorded on an accruals basis. As a result, the balances on the income and expenditure accounts do not represent normal operating surpluses or deficits, as they are largely attributable to the difference between accruals expenditure and cash-based funding.

Grants to Outside Agencies

The HSE funds a number of service providers and bodies for the provision of health and personal social services on its behalf, in accordance with the provisions of Sections 38 and 39 of the Health Act, 2004. Before entering into such an arrangement, the HSE determines the maximum amount of funding that it proposes to make available in the financial year under the arrangement and the level of service it expects to be provided for that funding. This information is set out in nationally standardised documentation which is required to be signed by both parties to the arrangement. This funding is charged, in the year of account to the income and expenditure account at the maximum determined level for the year, although a certain element may not actually be disbursed until the following year.

Leases

Rentals payable under operating leases are dealt with in the financial statements as they fall due. The HSE is not permitted to enter into finance lease obligations under the Department of Finance's Public Financial Procedures, without Board approval and prior sanction. However, where assets of predecessor bodies have been acquired under finance leases, these leases have been taken over by the HSE on establishment. For these leases, the capital element of the asset is included in fixed assets and is depreciated over its useful life.

In addition to the normal GAAP treatment for assets acquired under finance leases, the cost of the asset is charged to the Capital Income and Expenditure Account and the Capitalisation (Reserve) Account is credited with an equivalent amount. The outstanding capital element of the leasing obligation is included in creditors. Interest is charged to the income and expenditure account over the period of the lease.

Capital Grants

Capital grant funding is recorded in the Capital Income and Expenditure Account. In addition to capital grant funding, some minor capital expenditure is funded from revenue. The amount of this revenue funding expended in the year in respect of minor capital is charged in full in the Revenue Income and Expenditure Account in the year. This accounting treatment, which does not comply with Generally Accepted Accounting Principles, is a consequence of the exceptions to Generally Accepted Accounting Principles specified by the Minister.

Tangible Fixed Assets and Capitalisation Account

Tangible fixed assets comprise Land, Buildings, Work in Progress, Equipment and Motor Vehicles. Tangible fixed asset additions since 1 January 2005 are stated at historic cost less accumulated depreciation. The carrying values of tangible fixed assets taken over from predecessor bodies by the HSE are included in the opening balance sheet on establishment day, 1 January 2005, at their original cost/valuation. The related aggregate depreciation account balance was also included in the opening balance sheet. As allowed for by FRS 15 Tangible Fixed Assets, the HSE has not adopted a policy of revaluation.

In accordance with the accounting standards prescribed by the Minister, expenditure on fixed asset additions is charged to the Revenue Income and Expenditure Account or the Capital Income and Expenditure Account, depending on whether the asset is funded by capital or revenue funding. Capital funded assets and Revenue funded assets are capitalised if the cost exceeds certain value thresholds; €2,000 for computer equipment and €7,000 for all other asset classes. Asset additions below this threshold and funded from revenue are written off in the year of purchase. Asset additions below this threshold funded from Capital are included in Note 19(b) under 'Expenditure on HSE projects not resulting in Fixed Asset additions'. A breakdown of asset additions by funding source is provided in Note 19 (a) to the accounts. Depreciation is not charged to the income and expenditure account over the useful life of the asset. Instead, a balance sheet reserve account, the Capitalisation Account, is the reciprocal entry to the fixed asset account. Depreciation is charged to the Fixed Assets and Capitalisation Accounts over the useful economic life of the asset.

Depreciation is calculated to write-off the original/cost valuation of each tangible fixed asset over its useful economic life on a straight line basis at the following rates:

- Land: land is not depreciated.
- Buildings: depreciated at 2.5% per annum.
- Modular buildings (i.e. prefabricated buildings): depreciated at 10% per annum.
- Work in progress: no depreciation.
- Equipment – computers and ICT systems: depreciated at 33.33% per annum.
- Equipment – other: depreciated at 10% per annum.
- Motor vehicles: depreciated at 20% per annum.

On disposal of a fixed asset, both the fixed assets and capitalisation accounts are reduced by the net book value of the asset disposal. An analysis of the movement on the Capitalisation Account is provided in Note 18 to the accounts.

Proceeds of disposal of fixed assets are considered as Exchequer Extra Receipts (EERs) under the Department of Finance's Public Financial Procedures. The HSE is not entitled to retain these sales proceeds for its own use and must surrender them to the Exchequer, except in the case of proceeds applied for Mental Health and other projects as sanctioned, subject to a maximum threshold of €8m in 2012. The application of any additional proceeds of disposal from surplus assets over and above €8m is subject to the approval of the Department of Public Expenditure and Reform.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is the estimated proceeds of sale less costs to be incurred in the sale of stock.

Accounting for Bad and Doubtful Debts

Known bad debts are written off in the period in which they are identified. Specific provision is made for any amount which is considered doubtful. General provision is made for patient debts which are outstanding for more than one year.

Pensions

Eligible HSE employees are members of various defined benefit superannuation schemes. Pensions are paid to former employees by the HSE. The HSE is funded by the State on a pay-as-you-go basis for this purpose. The Vote from the State in respect of pensions is included in income. Pension payments under the schemes are charged to the income and expenditure account when paid, as follows:

i. HSE employees are accounted for under superannuation within the pay classification (see Note 7);

ii. Employees from the voluntary health service providers are accounted for under grants to outside agencies within the non-pay classification (see Note 8 and Appendix 1).

Contributions from HSE employees who are members of the schemes are credited to the income and expenditure account when received. Contributions from employees of the voluntary health service providers who are members of the scheme are retained as income of the health service provider.

In previous years, no provision was made in respect of accrued pension benefits payable in future years under the pension scheme. This continues to be the treatment adopted by the HSE following the accounting specifications of the Minister.

Pension Related Deduction

Under the Financial Emergency Measures in the Public Interest Act 2009, a pension levy was introduced for all staff who are members of a public service pension scheme, including staff of certain HSE-funded service providers. Pension levy collected by service providers as well as pension levy deducted from HSE staff is accounted for as income by the HSE. Details of amount deducted in respect of the pension levy are set out in Note 5(a) to the Financial Statements.

Patients' Private Property

Monies received for safe-keeping by the HSE from or on behalf of patients are kept in special accounts separate and apart from the HSE's own accounts. Such accounts are collectively called Patients' Private Property accounts. The HSE is responsible for the administration of these accounts. However, as this money is not the property of the HSE, these accounts are not included on the HSE's balance sheet. The HSE acts as trustee of the funds. Patients' Private Property accounts are independently audited each year. The audits of these accounts are either completed or in the process of completion for the year ended 31 December 2012.

Notes to the Financial Statements

Note 1 Segmental Analysis by Area of Operation

	Acute Hospital Services 2012 €'000	Community Services 2012 €'000	Support Services 2012 €'000	Total 2012 €'000	Total 2011 €'000
Expenditure					
Pay and Pensions					
Clinical	1,436,278	1,340,420	456,004	**3,232,702**	3,245,547
Non Clinical	338,095	417,158	311,022	**1,066,275**	1,073,966
Other Client/Patient Services	198,130	430,838	95,835	**724,803**	732,275
	1,972,503	2,188,416	862,861	**5,023,780**	5,051,788
Non Pay					
Clinical	549,721	238,664	47,634	**836,019**	829,711
Patient Transport and Ambulance Services	34,633	20,584	384	**55,601**	56,033
Primary Care and Medical Card Schemes	34,403	3,025,763	2,095	**3,062,261**	2,831,471
Other Client/Patient Services	1,014	64,267	448	**65,729**	65,357
Grants to Outside Agencies	2,228,668	1,223,717	11,827	**3,464,212**	3,449,704
Housekeeping	107,356	115,327	4,679	**227,362**	227,815
Office & Administrative Expenses	97,701	151,544	137,478	**386,723**	378,441
Long Stay Charges Repaid to Patients	0	0	1,149	**1,149**	9,397
Hepatitis C Insurance Scheme	0	0	911	**911**	980
Other Operating Expenses	10,867	27,918	6,023	**44,808**	45,679
Payments to State Claims Agency under the Clinical Indemnity Scheme	0	0	75,668	**75,668**	81,204
Nursing Homes Support Scheme (Fair Deal)	0	570,041	0	**570,041**	560,614
	3,064,363	5,437,825	288,296	**8,790,484**	8,536,406
Gross expenditure for the year	5,036,866	7,626,241	1,151,157	**13,814,264**	13,588,194
Total Income (not analysed by area of operation)				**13,679,134**	13,686,620
Net Operating (Deficit)/Surplus for the Year				**(135,130)**	98,426

Note 2 Net Operating (Deficit)/Surplus

	2012 €'000	2011 €'000
Net operating (deficit)/surplus for the year is arrived at after charging:		
Audit fees*	**547**	547
Executive board members' remuneration	**344**	416
Non-executive board members' remuneration	**0**	85

** Audit Fees have been re-stated for 2011 as €12,500 related to Patients Private Property Accounts which has been reimbursed to the HSE.*

Note 2 **Net Operating (Deficit)/Surplus** *(continued)*

Executive board members remuneration comprises the following elements:

	Incoming Deputy CEO	Outgoing CEO	2012	2011
	€'000	€'000	€'000	€'000
Chief Executive Officer's (CEO) basic pay	71	213	**284**	322
CEO Superannuation scheme payments	0	51	**51**	80
CEO Car allowance	0	9	**9**	14
	71	273	**344**	416

No Board members' expenses were incurred in 2012.

The following Board members were reimbursed for travel and subsistence, telephone and professional expenses in carrying out their duties as senior managers. No expenses were incurred in their roles as Board members:

	2012 €	2011 €
Dr Frank Dolphin – resigned 2011	**0**	10,367
John Fitzgerald – resigned 2011	**0**	41
Cathal Magee	**612**	505
Tony O'Brien	**1,560**	0
Laverne Mc Guinness	**6,166**	4,454
Brian Gilroy – resigned 2012	**15**	3,247
Dr. Barry White	**551**	324
Dr. Philip Crowley	**514**	0
	9,418	18,938

2011 Board members' expenses have been restated to include expenses which were incurred in 2011, but reimbursed in 2012.

The Board comprises senior officials from the Department of Health and from the HSE. In accordance with Government pay policy, public servants who sit on State boards or who may be nominated to such boards independently of their public service employment are not paid remuneration in the form of board fees and their remuneration applies to their HSE executive roles only.

At a HSE Board meeting on 30 July 2012, the Board noted the CEO had announced his intention to step down and it was agreed that Tony O'Brien would be appointed by the Board to act as Deputy CEO while the position of CEO remained vacant pending the enactment of the Health Service Executive (Governance) Bill 2012 at which time the position of Director General would be established.

Cathal Magee stepped down on 19 August 2012 (his salary includes €6,791 for holiday pay). Tony O' Brien was appointed on 20 August 2012.

Tony O' Brien's salary and allowances have been sanctioned by the Department of Public Expenditure and Reform and have been apportioned from his date of appointment only. Prior to his appointment, he was an employee of the HSE but on secondment to the Department of Health.

Note 3 Exchequer Revenue Grant

	2012 €'000	2011 €'000
Net Estimate voted to HSE (HSE Vote 39)	**12,520,933**	12,460,440
Less net Surplus to be surrendered (Note 22)	**(22,834)**	(15,781)
Net recourse to Exchequer	**12,498,099**	12,444,659
Less: Capital services funding from the State (HSE Vote 39)	**(336,671)**	(332,830)
Exchequer Revenue Grant	**12,161,428**	12,111,829

Note 4 Patient Income

	2012 €'000	2011 €'000
Private Charges	**247,703**	240,328
Inpatient Charges	**34,571**	32,036
Emergency Department Charges	**9,574**	9,472
Road Traffic Accident Charges	**5,173**	4,599
Long Stay Charges	**81,695**	78,885
	378,716	365,320

Note 5 Other Income

(a) Other Income

	2012 €'000	2011 €'000
Superannuation Income	**195,611**	197,874
Other Payroll Deductions	**8,704**	9,626
Pension levy deductions from HSE own staff	**241,547**	249,566
Pension levy deductions from service providers	**110,441**	111,277
Agency/Services – provided to Local Authorities and other organisations	**7,928**	8,545
Canteen Receipts	**11,735**	12,654
Income from other Agencies (See Note 5(b) analysis below)	**43,664**	32,136
Miscellaneous Income (See Note 5(c) analysis below)	**131,744**	146,470
	751,374	768,148

Note 5 **Other Income** *(continued)*

(b) Income from Other Agencies

	2012 €'000	2011 €'000
National Council for Professional Development of Nursing & Midwifery	**143**	739
Department of Health, Drugs Program Unit (formerly Department of Community Rural & Gaeltacht Affairs, OMD (Office of the Minister for Drugs))	**22,122**	21,592
Department of Arts, Heritage & The Gaeltacht – Helicopter Services	**50**	48
Department of Children & Youth Affairs – Young People's Facilities and Services	**1,215**	1,205
Health Research Board	**1,029**	1,333
Department of Justice – Traveller Conflict Mediation Initiative	**100**	0
EU Income*	**3,910**	731
Dept of Social Community & Family Affairs – Monetary Advice & Budgeting Service (MABS)	**17**	196
Genio Trust – mental health projects	**343**	0
Limerick Regeneration Agencies**	**127**	55
Employment Response – employment initiatives for persons with a disability	**203**	0
FÁS***	**254**	1,206
National Treatment Purchase Fund****	**14,151**	5,031
	43,664	32,136

** CAWT (Cooperation and Working Together) income, separately reported for 2011, has been reclassified as EU Income. CAWT work to improve the health and well being of the border populations, by working across boundaries and jurisdictions.*

*** Limerick Regeneration Agencies was not separately disclosed in 2011 and had been included in Miscellaneous Income, the comparatives have been re-stated to reflect this.*

**** FÁS was not separately disclosed in 2011 and had been included in Miscellaneous Income, the comparatives have been re-stated to reflect this.*

***** National Treatment Purchase Fund was not separately disclosed in 2011 and had been included in Miscellaneous Income, the comparatives have been re-stated to reflect this. The significant year on year increase is as a result of a change in policy to support public hospitals to treat patients in-house rather than referring them out for both elective and non elective procedures.*

(c) Miscellaneous Income

	2012 €'000	2011 €'000
Rebate from Pharmaceutical Manufacturers	**36,369**	43,523
Prescription Levy Income	**29,864**	27,629
Certificates and Registration Income (Births, Deaths and Marriages)	**8,448**	8,999
Parking	**12,132**	11,625
Other Miscellaneous Income	**44,931**	54,694
	131,744	146,470

Note 6 **Pay and Pensions Expenditure**

	2012 €'000	2011 €'000
Clinical HSE Staff		
Medical/Dental	**717,539**	692,994
Nursing	**1,389,080**	1,462,071
Health & Social Care Professional (formerly Paramedical)	**602,928**	611,409
Superannuation	**407,161**	353,630
	3,116,708	3,120,104
Clinical Agency Staff		
Medical/Dental	**37,041**	53,702
Nursing	**55,176**	49,901
Health & Social Care Professional (formerly Paramedical)	**23,777**	21,840
	115,994	125,443
Non Clinical HSE Staff		
Management/Administration	**570,113**	574,759
General Support Staff	**322,798**	345,392
Superannuation	**156,243**	136,362
	1,049,154	1,056,513
Non Clinical Agency Staff		
Management/Administration	**6,153**	5,683
General Support Staff	**10,968**	11,770
	17,121	17,453
Other Client/Patient Services HSE Staff		
Other Patient & Client Care	**600,152**	621,409
Superannuation	**92,971**	77,192
	693,123	698,601
Other Client/Patient Services Agency Staff		
Other Patient & Client Care	**31,680**	33,674
	31,680	33,674
Total Pay Expenditure	**5,023,780**	5,051,788

Note 7 **Employment**

The number of employees at 31 December by Area of Operation was as follows (in whole time equivalents (WTEs)):

	2012	2011
Hospital Care (incl. National Cancer Control Programme)	**26,707**	27,388
Primary Care	**33,688**	35,051
Ambulance Services	**1,551**	1,535
Corporate & Shared Services	**2,671**	2,751
Environmental Health*	**582**	544
Population Health*	**398**	453
Total HSE employees	**65,597**	67,722
Voluntary Sector – Hospital Services	**21,846**	22,076
Voluntary Sector – Primary and Community Services	**14,063**	14,594
Total Voluntary Sector employees	**35,909**	36,670
Total Employees per Department of Health methodology as encompassed in the Employment Control Framework	**101,506**	104,392
Directly employed home helps	**3,746**	4,397
Total Employees	**105,252**	108,789

Employment numbers as shown above are calculated in accordance with a methodology agreed with the Department of Health for the purpose of monitoring compliance with the employment ceiling laid down by the Department as encompassed by the Employment Control Framework.

** Population Health employee numbers have been re-analysed to show Environmental Health separately for current and previous year.*

Employment costs charged to the Revenue Income and Expenditure account:

	2012 €'000	2011 €'000
Wages and Salaries	**4,044,933**	4,164,785
Employer PRSI	**322,472**	319,819
Pension Costs	**656,375**	567,184
	5,023,780	5,051,788

The Minister for Finance signed the Public Service Pension Rights Order 2011 (S.I. No. 80 of 2011) on 23 February 2011. This specified 29 February 2012 as the end-date for the so-called 'grace period' within which pensions were unaffected by the pay cuts introduced in the Financial Emergency Measures in the Public Interest (No. 2) Act 2009 (FEMPI (No2) Act 2009). Consequently the total cost of lump sums increased significantly in 2012. Over 3,000 individual members of staff (2,165 whole time equivalents) retired prior to the end of the 'grace period' in February 2012, under which retirement benefits were based on salary levels that applied prior to the introduction of pay cuts by the Government over recent years. The net cost of lump sum payments in respect of these retirement cases amounted to €152m.

Note 7 **Employment** *(continued)*

Summary Analysis of Pay Costs

	Clinical	Non Clinical	Other Client/ Patient Services	Total	Total
	2012 €'000	2012 €'000	2012 €'000	2012 €'000	2011 €'000
Basic Pay	2,064,251	759,118	459,986	**3,283,355**	3,374,110
Allowances	84,574	16,221	18,576	**119,371**	122,392
Overtime	128,205	13,004	15,955	**157,164**	169,857
Night duty	53,779	6,507	10,425	**70,711**	74,181
Weekends	106,315	26,836	43,204	**176,355**	182,372
On-Call	52,984	1,462	744	**55,190**	49,873
Arrears	13,605	2,562	1,825	**17,992**	15,430
Employer PRSI	205,834	67,201	49,437	**322,472**	319,819
Superannuation	407,161	156,243	92,971	**656,375**	567,184
Total HSE Pay	3,116,708	1,049,154	693,123	**4,858,985**	4,875,218
Agency Pay	115,994	17,121	31,680	**164,795**	176,570
Total Pay	3,232,702	1,066,275	724,803	**5,023,780**	5,051,788

Total Pay Costs above relate to HSE services only. Agency pay costs in 2012 represents 3.3% of total pay costs (2011: 3.5%). Pay costs for employees in the voluntary sector are accounted for under Non-Pay Expenditure (Revenue Grants to Outside Agencies). See Note 8 and Appendix 1.

Note 8 **Non Pay Expenditure**

	2012 €'000	2011 €'000
Clinical		
Drugs and Medicines (excl. demand led schemes)	**222,953**	221,388
Blood/Blood Products	**31,261**	36,837
Medical Gases	**8,064**	8,583
Medical/Surgical Supplies	**225,771**	217,624
Other Medical Equipment	**81,660**	81,912
X-Ray/Imaging	**27,743**	26,411
Laboratory	**106,722**	105,544
Professional Services e.g. therapy costs, radiology etc.	**85,125**	85,665
Education and Training	**46,720**	45,747
	836,019	829,711
Patient Transport and Ambulance Services		
Patient Transport	**42,023**	42,987
Vehicles Running Costs	**13,578**	13,046
	55,601	56,033

Note 8 **Non Pay Expenditure** *(continued)*

	2012 €'000	2011 €'000
Primary Care and Medical Card Schemes		
Doctors' Fees and Allowances	**488,445**	475,672
Pension payments to Former District Medical Officers/Dependants	**4,226**	4,640
Pharmaceutical Services	**2,100,070**	1,934,279
Dental Treatment Services Scheme	**64,087**	52,277
Community Ophthalmic Services Scheme	**30,398**	27,956
Cash Allowances (Blind Welfare, Domiciliary Care, etc.)	**48,127**	59,937
Fostering Payments	**108,981**	104,545
Capitation Payments*	**217,927**	172,165
	3,062,261	2,831,471
Other Client/Patient Services		
Professional Services (e.g. care assistants, childcare contracted services, guardian ad litem costs etc.)	**59,122**	57,638
Education and Training	**6,607**	7,719
	65,729	65,357
Grants to Outside Agencies		
Revenue Grants to Outside Agencies (Appendix 1)[a]	**3,445,173**	3,431,395
Grants funded from other Government Departments/State Agencies (Appendix 1)	**19,039**	18,309
	3,464,212	3,449,704

[a] *Included in the 2012 figures above is an additional €70m in once off grants to 9 hospitals to cover budget overruns in 2011 (€24m) and 2012 (€46m).*

	2012 €'000	2011 €'000
Housekeeping		
Catering	**54,452**	57,542
Heat, Power & Light	**76,661**	70,340
Cleaning & Washing	**78,449**	80,735
Furniture, Crockery & Hardware	**5,747**	7,117
Bedding & Clothing	**12,053**	12,081
	227,362	227,815
Office and Administration Expenses		
Maintenance	**42,439**	45,149
Bank Loan and Finance Leases	**555**	486
Bank Interest	**5**	9
Prompt Payment Interest	**204**	327
Lease Interest	**1,244**	1,340
Bank Charges	**465**	569
Insurance	**3,853**	5,206
Audit**	**547**	547
Legal and Professional Fees**	**66,884**	54,271
Bad and Doubtful Debts	**12,512**	13,640
Education and Training	**5,712**	9,300

Note 8 **Non Pay Expenditure** *(continued)*

	2012 €'000	2011 €'000
Travel and Subsistence	**53,861**	57,016
Vehicle Costs	**341**	705
Office Expenses/Rent & Rates	**156,104**	149,422
Computers and Systems Maintenance	**41,997**	40,454
	386,723	378,441
Long Stay Repayments Scheme		
Long Stay Charges Repaid to Patients (see Note 31)	**1,065**	8,222
Non-Pay Costs of Administering the Repayments Scheme	**84**	1,175
	1,149	9,397
Hepatitis C Insurance Scheme		
Insurance Premium Loadings and Claims (see Note 32)	**894**	968
Non-Pay Costs of Administering the Insurance Scheme	**17**	12
	911	980
Other Operating Expenses		
Miscellaneous (Appendix 3)	**44,808**	45,679
	44,808	45,679
Payments to State Claims Agency under the Clinical Indemnity Scheme		
Awards paid in settlement of claims (Note 29)	**75,668**	81,204
	75,668	81,204
Private Nursing Homes and Contract Beds***		
Private Nursing Homes Fair Deal (Note 33)	**467,285**	417,712
Private Nursing Homes Contract Beds and Subvention Payments	**102,756**	142,902
	570,041	560,614

** Capitation payments increase year on year is mainly as a result of a €17m increase in the accrual in respect of outstanding E111 claims with Public Hospitals in 24 other EU member states for treatments abroad. These claims cover the period from 2007 to 2012 and are as a consequence of the HSE taking over responsibility for these claims from the Department of Health. There was also an additional €7m E111 claims processed in 2012.*

*** Audit Fees have been re-stated for 2011 to exclude €12,500 relating to the audit of Patients Private Property Accounts which has been reimbursed to the HSE. Legal & Professional fees have been restated to include these costs.*

**** The costs included above relate only to payments made to private nursing homes in relation to (i) The Nursing Homes Support Scheme (Fair Deal) and (ii) contract beds and payments to patients under the Nursing Home Subvention Scheme.*

Note 9 **Tangible Fixed Assets Land and Buildings**

	Land	Buildings*	Work in Progress	Total 2012
	€'000	€'000	€'000	€'000
Cost/Valuation				
At 1 January 2012	2,021,833	3,468,614	253,646	**5,744,093**
Additions	82	35,491	69,471	**105,044**
Transfers from Work in Progress	0	88,928	(88,928)	**0**
Disposals	(307,727)	(4,891)	(1,342)	**(313,960)**
At 31 December 2012	1,714,188	3,588,142	232,847	**5,535,177**
Depreciation				
Accumulated Depreciation at 1 January 2012	0	773,999	0	**773,999**
Charge for the Year	0	90,148	0	**90,148**
Disposals	0	(1,597)	0	**(1,597)**
At 31 December 2012	0	862,550	0	**862,550**
Net Book Values				
At 1 January 2012	2,021,833	2,694,615	253,646	**4,970,094**
At 31 December 2012	1,714,188	2,725,592	232,847	**4,672,627**

** The net book value of fixed assets above includes €33.5m (2011: €35.3m) in respect of buildings held under finance leases; the depreciation charged for the year above includes €1.8m (2011: €1.8m) on those buildings.*

Note 10 **Tangible Fixed Assets Other than Land and Buildings**

	Motor Vehicles	Equipment	Work in Progress	Total 2012
	€'000	€'000	€'000	€'000
Cost/Valuation				
At 1 January 2012	90,958	1,187,195	227	**1,278,380**
Additions	3,581	35,753	1,292	**40,626**
Transfers from Work in Progress	225	9,264	(9,489)	**0**
Disposals	(2,782)	(14,206)	0	**(16,988)**
At 31 December 2012	91,982	1,218,006	(7,970)	**1,302,018**
Depreciation				
Accumulated Depreciation at 1 January 2012	77,681	904,599	0	**982,280**
Charge for the Year	6,947	81,758	0	**88,705**
Disposals	(2,742)	(13,364)	0	**(16,106)**
At 31 December 2012	81,886	972,993	0	**1,054,879**
Net Book Values				
At 1 January 2012	13,277	282,596	227	**296,100**
At 31 December 2012	10,096	245,013	(7,970)	**247,139**

Note 11 **Investments**

	2012 €'000	2011 €'000
Unquoted Shares	**3**	3
	3	3

Note 12 **Stocks**

	2012 €'000	2011 €'000
Medical, Dental and Surgical Supplies	**33,156**	32,610
Laboratory Supplies	**6,260**	6,193
Pharmacy Supplies	**16,873**	17,974
High Tech Pharmacy Stocks	**32,603**	32,403
Pharmacy Dispensing Stocks	**1,306**	1,716
Blood and Blood Products	**1,421**	1,300
Vaccine Stocks	**15,984**	17,601
Household Services	**8,010**	8,881
Stationery and Office Supplies	**2,063**	2,275
Sundries	**589**	568
	118,265	121,521

Note 13 **Debtors**

	2012 €'000	2011 €'000
Patient Debtors – Private Facilities in Public Hospitals	**53,283**	96,806
Patient Debtors – Public Inpatient Charges	**12,530**	12,950
Patient Debtors – Long Stay Charges	**8,450**	7,937
Prepayments and Accrued Income	**20,037**	17,330
Other Debtors:		
Pharmaceutical Manufacturers	**27,674**	52,788
Payroll Technical Adjustment	**31,593**	33,721
Pension Levy Deductions from Staff/Service Providers	**11,314**	8,875
Statutory Redundancy Claim	**9,844**	11,660
AMNCH (Tallaght Hospital)*	**0**	23,759
Local Authorities	**3,241**	2,912
National Treatment Purchase Fund/Special Delivery Unit	**3,602**	2,035
Payroll Advances and Overpayments	**6,463**	6,596
Voluntary Hospitals re: National Medical Device Service Contracts	**8,425**	4,531
Sundry Debtors	**23,548**	27,440
	220,004	309,340

** The €24m balance owed by AMNCH (Tallaght Hospital) at 31 December 2011 was written off in 2012 through an additional once off grant allocation (see Note 8). The reduction in the patient debtors is largely due to accelerated payments totaling €49.8m from the three main health insurance companies received in December 2012. These accelerated payments are based on insurer estimates of private patients who have incurred charges for treatments in acute hospitals but where the claims process had not been finalised.*

Note 14 **Paymaster General and Exchequer Balance**

	2012 €'000	2011 €'000
Paymaster General Bank Account	**98,242**	103,513
Net Liability to the Exchequer	**(17,359)**	(15,731)
Paymaster General and Exchequer Balance	**80,883**	87,782

Note 15 **Creditors**

	2012 €'000	2011 €'000
Finance Leases	**1,945**	1,556
Trade Creditors	**149,468**	150,448
Accruals Non Pay	**614,556**	620,950
Accruals – Grants to Voluntary Hospitals & Outside Agencies	**276,400**	277,515
Accruals Pay	**345,718**	313,792
Income Tax and Social Welfare	**120,796**	138,189
Lottery Grants Payable*	**1,232**	1,067
Sundry Creditors	**13,674**	17,007
	1,523,789	1,520,524

** The HSE administers the disbursement of National Lottery grants for local programmes under the National Lottery's Health and Welfare Funded Schemes.*

Note 16 **Creditors (amounts falling due after more than one year)**

(a) Finance lease obligations – buildings

	2012 €'000	2011 €'000
After one but within five years	**4,470**	4,194
After five years	**32,578**	33,799
	37,048	37,993

	2012 €'000	2011 €'000
(b) Department of Environment & Local Government Subsidised Loans – accommodation for the homeless	**70**	1,062

The €1.062m Department of Environment and Local Government subsidised loans relates to loans taken out by Aontacht Phobail Teoranta, a subsidiary which has been subsumed into the HSE. The subsidised loans were provided by the Department of Environment and Local Government under a Capital Funding Scheme for the Provision of Rental Accommodation by Approved Housing Bodies, (Voluntary and Co-Operative Housing).

The loans constitute ten different mortgages with a twenty year term and under the terms of the agreement are non repayable provided they are used to accommodate homeless people. The relevant Councils on behalf of the Department of the Environment have agreed the redemption value on the mortgages at December 2012 as €70,062 as it is not possible to assign the mortgages to the HSE. The HSE will issue payment to the Councils for this amount in order to obtain clear title to the properties.

Note 16 **Creditors (amounts falling due after more than one year)** *(continued)*

(c) Liability to the Exchequer in respect of Exchequer Extra Receipts

Proceeds of disposal of fixed assets are considered as Exchequer Extra Receipts (EERs) under the Department of Public Expenditure and Reform's Public Financial Procedures. The HSE is not entitled to retain these sales proceeds for its own use and must surrender them to the Exchequer except in the case of proceeds used for Mental Health and other projects as sanctioned.

	2012 €'000	2011 €'000
Gross Proceeds of all disposals in year	**5,180**	6,875
Less: Net expenses incurred on disposals	**(45)**	(18)
Net proceeds of disposal	**5,135**	6,857
Less Application of Proceeds	**(4,480)**	(6,812)
At 1 January	**65**	19,408
Balance at 31 December	**720**	19,453
Less written off against historical capital expenditure deficits	**0**	19,388
Balance at 31 December after write back of historical deficits	**720**	65
Liability to the Exchequer Sale Proceeds – Other Sales/Capital Grant Refunds	**1,665**	1,665
Liability to the Exchequer – Statutory Rebate Claim	**11,304**	11,660
Total Liability to the Exchequer	**13,689**	13,390
Total Creditors (amounts falling due after more than one year)	**50,807**	52,445

Note 17 **Deferred Income**

Deferred income comprises (i) unspent income of €8.9m arising from funding, donations and bequests where the purposes to which money may be applied has been specified but the related expenditure has not been incurred and (ii) income of €0.8m from sales of land which have not been concluded.

Note 18 **Capital and Reserves**

(a) Capitalisation Account

	2012 €'000	2011 €'000
At 1 January	**5,266,194**	5,274,663
Additions to fixed assets in the year	**145,670**	176,129
Less: Net book value of fixed assets disposed in year	**(313,245)**	(13,908)
Less: Depreciation charge in year	**(178,853)**	(170,690)
Balance at 31 December	**4,919,766**	5,266,194

(b) Capital Reserves

	2012 €'000	2011 €'000
At 1 January	**(179,119)**	(206,865)
Net Operating Surplus for the year	**34,859**	27,746
Balance at 31 December	**(144,260)**	(179,119)

Note 18 **Capital and Reserves** *(continued)*

(c) Revenue Reserves

	2012 €'000	2011 €'000
At 1 January	**(856,488)**	(955,293)
Revenue Reserves Aontacht Phobail Teoranta (see Note 16 & 27)	**992**	255
Revenue Reserves Office of Tobacco Control	**0**	123
Revenue Reserves Tolco Limited	**0**	1
Net Operating (Deficit)/Surplus for the year	**(135,130)**	98,426
Balance at 31 December	**(990,626)**	(856,488)

(d) Reconciliation of Movement on Reserves

	2012 €'000	2011 €'000
Closing Creditors at 31 December	**1,574,596**	1,572,969
Less Opening Creditors at 1 January	**1,572,969**	1,630,908
	1,627	(57,939)
Less Increase/(Decrease) in Current Assets	**(97,531)**	71,993
(Increase)/Decrease in Deferred Income	**(121)**	(3,381)
	99,279	(126,551)
Net Operating Deficit/(Surplus)	**135,130**	(98,426)
Revenue Reserves from subsumed agencies	**(992)**	(379)
Net Capital (Surplus)	**(34,859)**	(27,746)
	99,279	(126,551)

Note 18(d) above illustrates the reconciliation between the Movement in Reserves ((surplus)/deficit for the year) and the changes to Assets and Liabilities on the Balance Sheet.

Note 19 **Capital Expenditure**

(a) Additions to Fixed Assets

	2012 €'000	2011 €'000
Additions to Fixed Assets (Note 9) Land and Buildings	**105,044**	125,588
Additions to Fixed Assets (Note 10) Other than Land and Buildings	**40,626**	50,541
	145,670	176,129
Transferred from subsumed agencies	**0**	1,358
Funded from Capital Vote of HSE*	**134,627**	157,297
Funded from Revenue Vote of HSE*	**11,043**	17,474
	145,670	176,129

** Capital funded assets and Revenue funded assets are capitalised if the cost exceeds certain value thresholds – €2,000 for computer equipment and €7,000 for all other asset classes.*

Note 19 **Capital Expenditure** *(continued)*

(b) Analysis of expenditure charged to Capital Income and Expenditure Account

	2012 €'000	2011 €'000
Expenditure on HSE's own assets (Capitalised)	**134,627**	157,297
Expenditure on HSE projects not resulting in Fixed Asset additions	**74,462**	47,014
Adjustment to Liability to the Exchequer*	**0**	(19,388)
Total expenditure on HSE projects charged to capital	**209,089**	184,923
Capital grants to outside agencies (Appendix 2)	**98,357**	132,755
Total Capital Expenditure per Capital Income and Expenditure Account	**307,446**	317,678

** Adjustment to Liability to the Exchequer relates to balance on capital proceeds of disposal account indirectly remitted by way of a reduced technical adjustment on the establishment of the HSE in 2005, netted against historical capital expenditure deficits in 2011.*

(c) Analysis of Income from Government Departments and Other Sources in respect of capital projects

	2012 €'000	2011 €'000
Department of Health, Drugs Program Unit (formerly Department of Community Rural and Gaeltacht Affairs, OMD, (Office of the Minister for Drugs))	**0**	519
Department of Environment, Community & Local Government – RAPID	**0**	49
Employment Response – employment initiatives for persons with a disability	**0**	205
Sustainable Energy Ireland (SEI) – energy savings in acute hospitals	**317**	673
St. Coleman's Care Centre Ltd. – Care Centre Achill	**117**	413
Friends of Castlecomer District Hospital – construction of front entrance	**0**	131
Other Miscellaneous Income	**159**	849
	593	2,839

Note 20 **Net Cash Inflow/(Outflow) from Operating Activities**

	2012 €'000	2011 €'000
(Deficit)/Surplus for the current year	**(135,130)**	98,426
Capital element of lease payments charged to revenue	**556**	486
Less Interest received	**(291)**	(199)
Purchase of equipment charged to Revenue Income and Expenditure	**11,043**	18,832
All interest charged to Revenue Income and Expenditure	**1,249**	1,349
Decrease in Stock	**3,256**	6,566
(Increase)/Decrease in Debtors	**89,336**	(71,569)
Increase/(Decrease) in Creditors	**3,265**	(41,537)
Revenue Reserves from Subsumed Agencies	**992**	379
Increase/(Decrease) in Creditors (falling due in more than one year)	**(1,301)**	1,879
Increase in Deferred Income	**121**	3,381
Increase/(Decrease) in Long Term Loan	**(992)**	1,062
Net Cash Inflow/(Outflow) from Operating Activities	**(27,896)**	19,055

Note 21 **Reconciliation of Net Cash Flow to Movement in Net Funds**

	2012 €'000	2011 €'000
Change in net funds resulting from cash flows		
Net funds at 1 January	**116,132**	109,142
Movement in net funds for the year from cash flow statement	**(4,939)**	6,990
Net funds at 31 December	**111,193**	116,132

Note 22 **Vote Accounting**

(a)

Exchequer disbursements during the year are based on annual amounts voted by Dáil Eireann. Any part of the amount voted which has not been expended by 31 December in accordance with Government accounting rules must be surrendered to the Exchequer.

It is a statutory requirement of the Accounting Officer of the HSE that no overspending of the Vote takes place. In practice it is almost impossible to achieve an actual outturn which matches the exact Vote amount. As a result, it is inevitable that this prudent approach will result in small surpluses. The surplus to be surrendered amounts to €22.8m, which represents 0.1% of the total Vote of the HSE.

The HSE is required under the Health Act 2004 to produce two sets of financial statements, Annual Financial Statements and Appropriation Account. The Annual Financial Statements are prepared using the accruals basis of accounting (with specific exceptions as outlined under Accounting Policies) while the Appropriation Account is prepared on a cash basis.

(b) Summary Appropriation Account, prepared under Government Accounting rules

	Estimate 2012 €'000	Outturn 2012 €'000	Estimate 2011 €'000	Outturn 2011 €'000
HSE Vote 39 Gross Expenditure	**14,034,455**	**13,987,444**	13,942,487	13,902,830
Appropriations-in-Aid	**1,513,522**	**1,489,345**	1,482,047	1,458,171
Net Vote Expenditure	**12,520,933**	**12,498,099**	12,460,440	12,444,659

	2012 €'000	2011 €'000
Surplus to be Surrendered*	**22,834**	15,781

** While the Appropriation Account shows a surplus to be surrendered based on cash accounting principles, it is important to note that the Annual Financial Statements prepared under the accruals basis of accounting shows a deficit for the year. A summary reconciliation is shown in Note 22(c) below and a more detailed reconciliation is available on the HSE website* www.hse.ie*.*

Note 22 **Vote Accounting** *(continued)*

(c) For information purposes see below Note 3 extract from HSE's 2012 draft unaudited Appropriation Account:

	2012 €'000	2011 €'000
Statement of Assets and Liabilities as at 31 December 2012		
Capital Assets	**4,919,766**	5,266,194
Financial Assets	**3**	3
	4,919,769	5,266,197
Current Assets		
Bank and cash	**30,310**	28,350
PMG Balance	**98,242**	103,513
Stocks	**118,265**	121,521
Debtors and Prepayments	**207,713**	229,792
Other debit balances	**12,291**	79,548
Total Current Assets	**466,821**	562,724
Less Current Liabilities		
Creditors	**149,469**	150,448
Accrued expenses	**1,259,304**	1,246,230
Deferred Income	**9,755**	9,634
Other credit balances	**165,823**	176,291
Net Liability to the Exchequer	**17,359**	15,731
Total Current Liabilities	**1,601,710**	1,598,334
Net Current Assets	**(1,134,889)**	(1,035,610)
Net Assets	**3,784,880**	4,230,587
Net Liability to the Exchequer at 31 December		
Surplus appropriations to be surrendered	**22,834**	15,781
Exchequer grant undrawn	**(5,475)**	(50)
Net liability to the Exchequer	**17,359**	15,731
Represented by:		
Debtors		
Net Paymaster General Position and Cash	**128,553**	**131,862**
Debit Balances: Suspense	**54,629**	**55,788**
	183,182	**187,650**
Creditors		
Due to State	**(120,796)**	**(138,190)**
Credit Balances: Special Income & Expenditure	**(27,150)**	**(15,229)**
Credit Balances: Suspense	**(17,877)**	**(18,500)**
	(165,823)	**(171,919)**
Net Current Liabilities	**17,359**	**15,731**

Note 23 **Pensions**

Eligible staff employed in the HSE are members of a variety of defined benefit superannuation schemes.

Superannuation entitlements (i.e. pensions) of retired staff are paid out of current income and are charged to the income and expenditure account in the year in which they become payable. In accordance with a directive from the Minister for Health, no provision is made in the financial statements in respect of future pension benefits. Superannuation contributions from employees who are members of these schemes are credited to the income and expenditure account when received. No formal actuarial valuations of the HSE's pension liabilities are carried out. The pension charge to the Revenue Income & Expenditure Account for 2012 was €656m (2011: €567m).

Note 24 **Capital Commitments**

	2012 €'000	2011 €'000
Future tangible fixed assets purchase commitments:		
Within one year	**258,397**	363,030
After one but within five years	**516,217**	434,050
After five years	**0**	0
	774,614	797,080
Contracted for but not provided in the financial statements	**215,708**	237,304
Included in the Capital Plan but not contracted for	**558,906**	559,776
	774,614	797,080

The HSE has a multi-annual capital investment plan which prioritises expenditure on capital projects in line with strategic objectives in the Corporate Plan and the Annual Service Plan. The commitments identified above are in respect of the total cost of projects for which specific funding budgets have been approved at year end. These commitments may involve costs in years after 2012 for which budgets have yet to be approved. This includes non contractual commitments in respect of projects planned but yet to be approved in order to provide for healthcare infrastructural deficits including HIQA compliance and the new Central Mental Hospital.

Note 25 **Property**

The HSE estate comprises 2,626 properties.

Title to the properties can be analysed as follows:	2012 Number of Properties	2011 Number of Properties
Freehold	**1,656**	1,666
Leasehold	**970**	989
Total Properties	**2,626**	2,655
Primary utilisation of the properties can be analysed as follows:		
Delivery of health and personal social services	**2,536**	2,559
Administration and Support Services (including medical card processing, etc)	**90**	96
Total Properties	**2,626**	2,655

The change in the number of properties in 2012 is as a result of property disposals and the removal of properties from the estate during the year through the ongoing Lease Cost Reduction Initiative and the Mental Health Disposals Initiative.

Note 26 **Operating Leases**

Operating lease rentals (charged to income and expenditure account)

	2012 €'000	2011 €'000
Land and buildings	**40,639**	37,991
Motor Vehicles	**129**	91
Equipment	**614**	543
	41,382	38,625

The HSE has the following annual lease commitments under operating leases which expire:

	2012 Land and Buildings €'000	2012 Other €'000	2012 Total €'000	2011 Total €'000
Within one year	8,021	540	**8,561**	8,959
In the second to fifth years inclusive	7,695	41	**7,736**	9,305
In over five years	24,249	0	**24,249**	19,748
	39,965	581	**40,546**	38,012

Note 27 **Subsidiary Undertakings**

Aontacht Phobail Teroanta was partially subsumed at 31 December 2010 and the transfer of remaining balances continued in 2011 and 2012.

The HSE has no other subsidiary undertakings.

Note 28 **Taxation**

The HSE has been granted an exemption in accordance with the provisions of Section 207 (as applied to companies by Section 76), Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act, 1997. This exemption which applies to Income Tax/Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax, extends to the income and property of the HSE. The exemption is subject to review by the Revenue Commissioners and, if conditions as specified are not met, the exemption may be withdrawn from the date originally granted.

The HSE completed a full scope Tax Risk Assessment with specialist tax assistance during 2012 across all the tax heads for which it must account. A comprehensive self review programme is being undertaken in 2013 of the various areas of tax risk identified with priority being given to those areas regarded as being high risk. Any underpayment of tax identified in the self review will be disclosed to the Revenue Commissioners. Until the self review programme is completed it is not possible to estimate the tax liability (if any) and accordingly, no provision has been made in the financial statements. Any liability is not expected to be material in the context of the overall tax liability of the HSE. The establishment of an in-house specialist tax function for the HSE is a priority for 2013. The HSE is committed to exemplary compliance with taxation laws.

Note 29 **Insurance**

Prior to 1 January 2001, HSE insurance premium was subject to retro-rating. Under the retro-rating basis, the final premium is not determined until the end of the coverage period and is based on the HSE's loss experience for that same period. The retro-rated adjustment payable by the HSE is subject to maximum and minimum limits. At 31 December 2012 it was not possible to accurately quantify the liability, if any, which may arise as a result of future retro-rating. The maximum liabilities for retro-rated claims still outstanding, based on agreed levels of each insurable risk is €5,000 and €1.62m for employers liability and public liability respectively. All insurance premiums from 1 January 2001 have been paid on a flat basis only and no retro-rating applies to cover from this date forward. Until the transfer to State indemnity on 1 January 2010, the HSE was insured against employers liability and public liability risks up to an indemnity limit, under both retro-rated and flat-rated bases.

Note 29 **Insurance** *(continued)*

State Claims Agency

Since 1 July 2009 the HSE is funded for claims processed by the State Claims Agency under the terms of the Clinical Indemnity Scheme. From 1 January 2010 the National Treasury Management Agency (Delegation of Functions) Order 2009 extended the State indemnity to personal injury and third party property damage claims against the HSE. Awards paid to claimants under the terms of the scheme are accounted for on a pay-as-you-go basis. At 31 December 2012, the estimated liability incurred to that date under the Clinical Indemnity Scheme and State indemnity was €996m. Of this €996m, approximately €950m relates to the Clinical Indemnity Scheme, with the balance of the estimated liability relating to non-clinical claims. In 2012, the charge to the Revenue Income and Expenditure Account was €75.7m (2011: €81.2m). Based on actuarial estimates, the charge to the Income and Expenditure Account is expected to increase significantly in future years. In accordance with the directions of the Minister for Health, no provision has been made for this liability in the financial statements.

Note 30 **Contingent Liabilities – Actions by Pharmacists**

Pharmacists lodged a claim with the HSE for loss of retail mark up on products dispensed under the terms of the over 70 Medical Card, products which would otherwise have been subject to higher margin where full eligibility did not exist. The claim is in the amount of €100m, over and above the amount of €30 million currently paid per annum. The Irish Pharmaceutical Union (IPU) indicated that they would engage in non-binding mediation but may pursue the HSE through the courts if they are dissatisfied with the outcome. The matter of universal entitlement to a medical card for persons aged 70 years and over was removed by legislation in 2009. The Department of Health have confirmed that the HSE has applied the policy as set out and intended over the period during which automatic eligibility was in place for persons aged 70 years and over. On this basis, the financial effects of this contingent liability have not been provided in the financial statements and the HSE have advised the IPU that the HSE has no historical liability in relation to this matter.

Contingent Liabilities – General

The HSE is involved in a number of claims involving legal proceedings which may generate liabilities, depending on the outcome of the litigation. The HSE has insurance cover for professional indemnity, fire and specific all risk claims. In most cases such insurance would be sufficient to cover all costs, but this cannot be certain due to indemnity limits and certain policy conditions. The financial effects of any uninsured contingencies have not been provided in the financial statements.

Note 31 **The Health (Repayment Scheme) Act, 2006**

The Health (Repayment Scheme) Act 2006 provides the legislative basis for the repayment of what has been referred to as 'long stay charges' which were incorrectly levied on persons with full medical card eligibility prior to 14 July 2005. The Scheme allows for the repayment of charges to the following people:

- Living people who were wrongly charged at any time since 1976
- The estates of people who were wrongly charged and died on or after 9 December 1998

Under the provisions of the Act, the HSE appointed an external third party to act as Scheme Administrator. A special account is set up which is funded by monies provided by the Oireachtas and from which repayments are made. An amount of €1.7m was set aside in 2012 for this purpose. The best estimate of the total cost of repayments, at the inception of the Scheme based on the terms as set out in the Act was up to €1bn. Repayments were expected to be made to approximately 20,000 living patients and to the estates of approximately 40,000 to 50,000 deceased former patients.

The Scheme closed to new applicants on the 31 December 2007 and nearly 14,000 claims have been received in respect of living patients and nearly 27,000 claims in respect of estates. The Scheme is now estimated to cost in the region of €489m. The Scheme received some applications relating to patients in private nursing homes which were turned down on the basis that they were not contemplated within the scope of the Scheme. Proceedings are ongoing in 326 cases, involving patients who spent time in private nursing home facilities. None of the cases have yet proceeded to a hearing. Consequently, it is considered inappropriate to attempt to estimate any potential future liability or to detail the uncertainties attaching thereto since to do so might prejudice the outcome of court proceedings.

Following discontinuation of appeals to the High Court brought by the HSE and the Department of Health in respect of determinations by the Appeals Officer granting eligibility to clients of certain disability services, €8m has been provided in the 2013 HSE budget to fund repayments for outstanding claims lodged under the Scheme and the associated administrative costs.

Note 31 **The Health (Repayment Scheme) Act, 2006** *(continued)*

In 2012, the following expenditure has been charged to the Revenue Income and Expenditure Account in respect of the Repayments Scheme:

	2012 €'000	**2011 €'000**
Pay	**7**	479
Repayments to Patients (see Note 8)	**1,065**	8,222
Payments to Third Party Scheme Administrator	**64**	885
Legal and Professional Fees	**9**	249
Office Expenses	**11**	41
	1,156	9,876

Note 32 **Hepatitis C Compensation Tribunal (Amendment) Act, 2006**

The Hepatitis C Compensation Tribunal (Amendment) Act 2006 established a statutory scheme to address insurance difficulties experienced by persons infected with Hepatitis C and HIV through the administration within the State of blood and blood products. This scheme addresses the problems faced by these persons due to their inability to purchase mortgage protection and life assurance policies as a result of contaminated blood products being administered to them. The scheme will cover the insurance risk for the 1,700 or more people entitled to avail of assurance products, regardless of any other medical conditions these people may have, once they pay the standard premium that an uninfected person of the same age and gender would pay. The life assurance element of the scheme was launched by the HSE in September 2007. A further element, providing for travel insurance cover, was introduced in March 2009.

The overall cost over the lifetime of the scheme is estimated at €90m. The cumulative expenditure on the insurance scheme to 31 December 2012 was €4.9m.

In 2012, the following expenditure has been charged to the Revenue Income and Expenditure Account in respect of the Insurance Scheme:

	2012 €'000	**2011 €'000**
Pay	**83**	93
Payments of premium loadings	**245**	352
Payments of benefits underwritten by HSE	**649**	616
Office Expenses	**17**	12
	994	1,073

Note 33 **Long Term Residential Care (incorporating Fair Deal)**

In 2012, the total cost of long term residential care was €972.4m. This included:

- €467.2m paid to private nursing homes under the Fair Deal Scheme;
- €102.7m paid in respect of contract beds and subvention;
- €362.2m relating to the costs of public nursing homes – expenditure incurred in the running of HSE long stay residential units is reported across a range of pay and non pay headings in the financial statements;
- €40.3m paid to voluntary bodies – these amounts form part of the total revenue grants to voluntary bodies of €3,464m in 2012.

The Nursing Homes Support Scheme (Fair Deal) commenced in 2009 and phases out the former Nursing Home Subvention Scheme and the 'contract beds' system. Under the Scheme, people who need nursing home care have their income and assets assessed, and then contribute up to 80% of assessable income and up to 5% of the value of the assets they own towards the cost of their care. The HSE pays the balance, if any, of the costs of their care in both public and registered private nursing homes covered. Transitionary funding as a once-off measure was provided in 2012 to the public and voluntary homes to assist them in making adjustments necessary to move from block grant funding to a 'money follows the patient' funding model.

Note 33 **Long Term Residential Care (incorporating Fair Deal)** *(continued)*

Payments under the Nursing Homes Support Scheme (Fair Deal)

	2012 €'000	**2011 €'000**
Payments provided on a 'money follows the patient' basis		
Payments to private nursing homes	**467,285**	417,712
Public nursing homes	**337,572**	*
Nursing Homes Support Scheme payments included in Revenue Grants to Outside Agencies (Appendix 1)	**38,915**	*
	843,772	417,712
Fair Deal transitional funding		
Public nursing homes	**14,580**	0
Included in Revenue Grants to Outside Agencies (Appendix 1)	**1,471**	0
Total funding provided in relation to Fair Deal	**859,823**	417,712

** Included in block grant to voluntary agencies, not separately identified in 2011.*

Income from Fair Deal patient contributions for those patients in public homes amounted to €48.7m and is included in these financial statements under Patient Income (see Note 5).

Income from Fair Deal patient contributions for those patients in voluntary homes amounted to €5.3m and is retained by those homes.

Contract beds and subvention payments

In 2012, payments of €102.7m (2011: €142.9m) were made in relation to contract beds and nursing home subvention. These schemes are being phased out having had no new entrants since the Nursing Homes Support Scheme began in 2009.

Expenditure within public facilities

Within the public homes in 2012 there was an additional €10.1m of costs relating to long term care. These costs related to fixed unit costs and other costs incurred which were in excess of the reimbursed 'money follows the patient' rate paid under the Nursing Homes Support Scheme.

Note 34 **Ancillary State Support**

Ancillary State Support is an optional extra feature of the Nursing Homes Support Scheme for people who own property or assets in the State. Instead of paying the full weekly contribution for care from their own means, a client can choose to apply for a Nursing Home Loan, to cover the portion of their contribution, which is based on property or land-based assets within the State. The HSE then pays that portion of the cost of care on top of the State Support payment. The loan is paid back to the State after the sale of the asset or on the death of the client, whichever occurs first. Repayment of the loan is made to the Revenue Commissioners. In certain cases, repayment of the loan can be deferred. This part of the scheme is designed to protect people from having to sell their home during their lifetime to pay for nursing home care.

The total gross amount of Ancillary State Support advised to Revenue as at 31 December 2012 from the commencement of the Nursing Homes Support Scheme was €11.425 million representing 869 client loans and the Revenue Commissioners have confirmed to the HSE that they had received €6.024 million of loan repayments representing 527 client loans.

Note 35 **Primary Care and Medical Card Schemes**

Note 8 outlines the expenditure on Primary Care and Medical Card Schemes (€1.936m in 2012) which includes expenditure on doctors' fees and pharmaceutical and other services that are based on entitlements to a means tested medical card. As at 31 December 2012 there were 1,853,877 medical cards in issue with an additional 131,102 GP Visit cards.

The centralisation of medical card processing in 2011 allowed for standardisation of the application and renewal process and the uniform application of eligibility rules. 2012 was the first full year of operation of the centralised programme.

Most medical cards are now awarded for a three-year period. However if the HSE becomes aware, or the individual informs the HSE, of changes in the circumstances that affect eligibility the individual may lose the medical card. During 2012, the HSE conducted two types of review of eligibility, renewals and inactive cards.

During 2012, the HSE issued renewal notices in relation to 365,986 medical cards (both full medical cards and GP visit cards). Renewal applications were received in relation to 327,069 cards.

- Continuing eligibility was confirmed in relation to 318,242 cards (97.3%)
- 8,827 medical cards (2.7%) were not renewed because the eligibility criteria, e.g. income thresholds were not met;

In a further 38,917 cases medical cards were not renewed because they did not respond at all to the renewal correspondence including the renewal reminder processes.

In 2012, for the first time, the HSE contacted individuals whose medical cards had been inactive for periods of twelve months and over for the purpose of confirming residence in the State. Where a reply could not be elicited after a number of letters, eligibility was removed. During 2012, 39,465 individuals whose medical cards had been inactive were contacted requesting residence confirmation. As at May 2013,

- 23,950 individuals (61%) had confirmed residence
- Eligibility was removed in relation to 14,972 cards (38%)

The HSE is following up on the remaining 543 cards and has not removed eligibility.

Details of the additional control measures introduced in 2012 and 2013 are set out in the Statement on Internal Financial Control.

Note 36 **Post Balance Sheet Events**

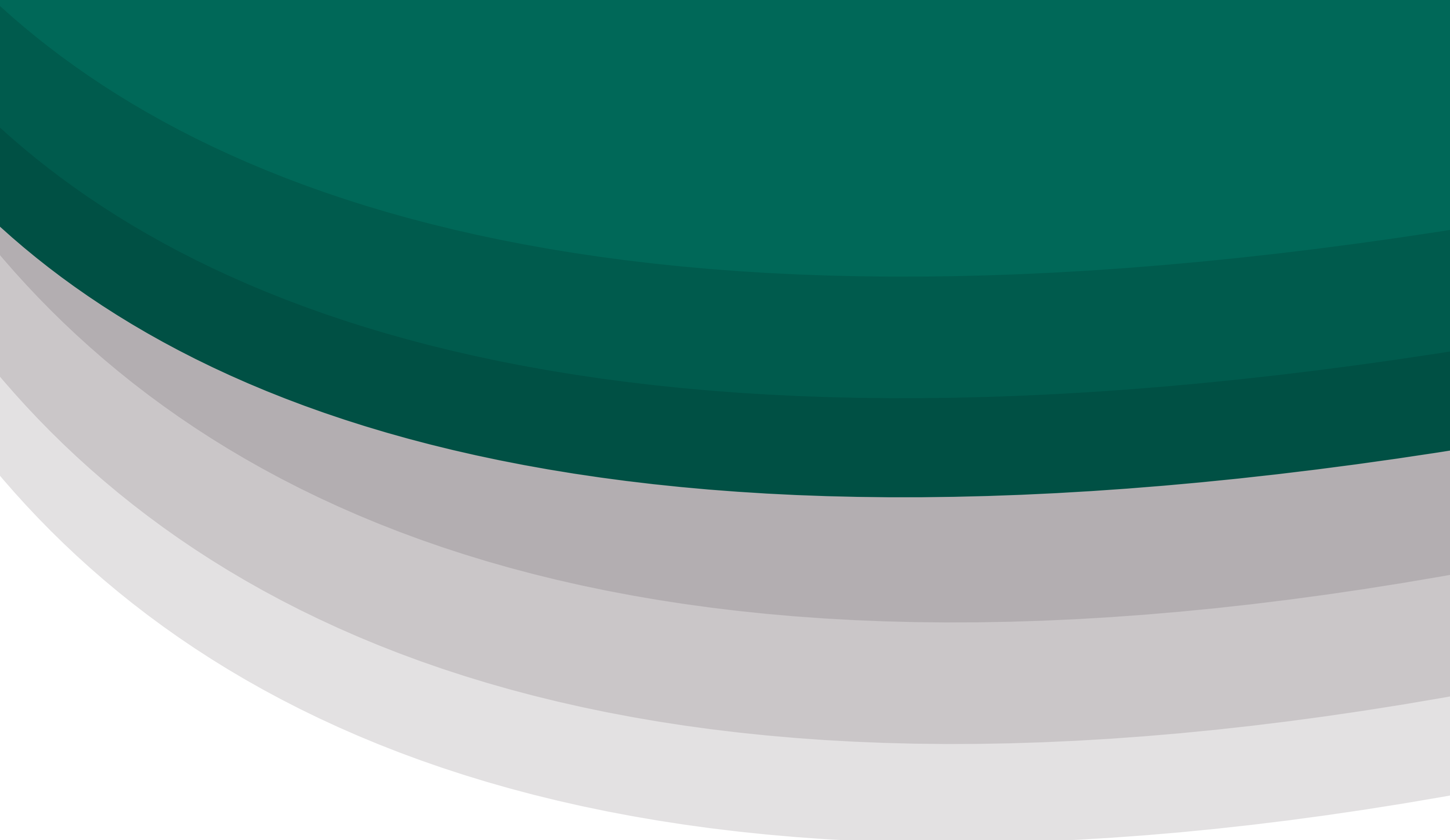
No circumstances have arisen or events occurred, between the balance sheet date and the date of approval of the financial statements by the Board, which would require adjustment or disclosure in the financial statements.

Note 37 **Related Party Transactions**

In the normal course of business the Health Service Executive may approve grants and may also enter into other contractual arrangements with undertakings in which HSE Board members may have an interest. The Health Service Executive adopts procedures in accordance with the Department of Finance's Code of Practice for the Governance of State Bodies, the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001, in relation to the disclosure of interests of Board members. These procedures have been adhered to by the Board members and the HSE during the year. During 2012 two voluntary agencies in which Board members declared an interest were approved grants of €925,666 and €46,071 respectively. The Board members concerned did not receive any documentation on the transactions nor did the members participate in or attend any Board discussion relating to these matters.

Note 38 **Approval of Financial Statements**

The financial statements were approved by the Board on 28 March 2013.



Appendices

Appendix 1: Revenue Grants and Grants Funded by Other Government Departments/State Agencies

(Analysis of Grants to Outside Agencies in Note 8)

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Total Grants under €100,000 (2,311 Grants)	**41,265**	**1,597**	**42,862**
Ability West Ltd.	22,351		22,351
Abode Hostel and Day Centre	1,020		1,020
Acquired Brain Injury Ireland (formerly Peter Bradley Foundation)	8,841		8,841
Active Retirement Ireland	234		234
Adapt House Women's Refuge Centre, Limerick	638		638
Adapt Kerry Ltd.	169		169
Addiction Response Crumlin (ARC)	278	690	968
Adelaide and Meath Hospital, Dublin, Incorporating the National Children's Hospital	218,704		218,704
Adoption Authority of Ireland	126		126
Aftercare Recovery Group	110		110
Age Action Ireland	498		498
Age and Opportunity	562		562
AIDS Fund Housing Project (Centenary House)	375		375
AIDS Help West	209		209
Aiseanna Tacaiochta	450		450
Aiseiri	279		279
Aislinn Centre, Kilkenny	631		631
Alcohol Action Ireland	150		150
All Communicarers Ltd.	698		698
All In Care	5,091		5,091
Alliance	248		248
Alpha One Foundation	141		141
Alzheimer Society of Ireland	10,344		10,344
Amber Kilkenny Women's Outreach	419		419
AMEN	156		156
An Cosán	652	41	693
Ana Liffey Drug Project	776	609	1,385
Anchor Treatment Centre	282		282
Aoibhneas Foundation Ltd.	916		916
Aosóg	200		200
Arabella Counselling, t/a Here2Help	227		227
Aras Mhuire Day Care Centre (North Tipperary Community Services)	316		316
ARC Cancer Support Centre	190		190
Ard Aoibhinn Centre	3,050		3,050
Ardee Day Care Centre	285		285
Arlington Novas Ireland	2,706	84	2,790
Arthritis Ireland	186		186
Asperger Syndrome Association of Ireland (ASPIRE)	281		281
Associated Charities Trust	190		190

Appendices

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Association for the Healing of Institutional Abuse (AHIA) (previously known as the Aislinn Centre, Dublin)	233		233
Athlone Community Services Council Ltd.	557		557
Autism Initiatives Group	3,992		3,992
Autism West Ltd.	554		554
Aware	164		164
Baile Mhuire Recuperative Unit for the Elderly	282		282
Balcurris Boys Home Ltd.	606		606
Ballinasloe Social Services	133		133
Ballincollig Senior Citizens Club Ltd.	352		352
Ballyboden Children's Centre	137		137
Ballyfermot Advanced Project Ltd.	0	547	547
Ballyfermot Home Help	2,379		2,379
Ballyfermot Star Ltd.	63	293	356
Ballymun Day Nursery (Tir na nOg)	244		244
Ballymun Local Drugs Task Force	103	262	365
Ballymun Youth Action Project (YAP)	568	52	620
Ballyowen Meadows Childrens Residential Centre	850		850
Ballyphehane and Togher Community Resource Centre	157		157
Barnardos	8,393	349	8,742
Barretstown Camp	153		153
Barrow Valley Enterprises for Adult Members with Special Needs Ltd. (BEAM)	353		353
Base Youth Centre	200		200
Bawnogue Youth and Family Support Group (BYFSG)	127	299	426
Beaufort Day Care Centre	174		174
Beaumont Hospital	234,494		234,494
Before 5 Nursery and Family Centre	138		138
Belong to Youth Services Ltd.	194		194
Belvedere Social Service	566		566
Bergerie Trust	303		303
Bernard Van Leer Foundation	104		104
Blakestown and Mountview Youth Initiative (BMYI)	526	65	591
Blanchardstown and Inner City Home Helps	3,847		3,847
Blanchardstown Local Drugs Task Force	0	227	227
Blanchardstown Youth Service	111	67	178
Bluebird Care	3,932		3,932
Bodywhys – The Eating Disorder Association of Ireland	287		287
Bon Secours Sisters	1,258		1,258
Bonnybrook Day Nursery	237		237
Brainwave – Irish Epilepsy Association	802		802
Bray Area Partnership	43	64	107
Bray Community Addiction Team	0	758	758
Bray Lakers Social and Recreational Club Ltd.	145		145
Bray Travellers Group	0	107	107
Bray Women's Refuge	598		598
Brothers of Charity Services Ireland	163,945		163,945
Bushy Park Treatment Centre	53	57	110
Cabra Resource Centre	163	68	231
Cairde	382		382
Cairdeas Centre Carlow	263		263

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Camphill Communities of Ireland	1,032		1,032
Cancer Care West	501		501
Cappagh National Orthopaedic Hospital	24,799		24,799
Capuchins	112		112
Cara Housing Association	197		197
Care at Home Services	129		129
CareBright	3,274		3,274
Care for the Elderly at Home Ltd.	222		222
Care of the Aged, West Kerry	110		110
Caredoc GP Co-operative	6,695		6,695
Careline	110		110
Caremark Ireland	1,986		1,986
Carers Association Ltd.	3,866		3,866
Careworld	409		409
CARI Foundation	252		252
Caring and Sharing Association (CASA)	226		226
Caring for Carers Ireland	939		939
Caritas	2,030		2,030
Carlow Day Care Centre (Askea Community Services)	107		107
Carlow Regional Youth Service	125		125
Carlow Social Services	437		437
Carlow Women's Aid	134		134
Carlow/Kilkenny Home Care Team	222		222
Carnew Community Care Centre	144		144
Carrickmacross Parent and Friends Association	710		710
Carriglea Cairde Services Ltd. (formerly Sisters of the Bon Sauveur)	8,808		8,808
Casadh	0	200	200
Castle Homecare	696		696
Catholic Institute for Deaf People (CIDF)	1,115		1,115
CAWT (Cooperation And Working Together)	0	886	886
CDA Trust Ltd. (Cavan Drug Awareness)	0	198	198
Central Remedial Clinic	16,182		16,182
Centres for Independent Living (CIL)	10,512		10,512
Charleville Care Project Ltd.	260		260
Cheeverstown House Ltd.	23,005		23,005
Cheshire Ireland	21,216		21,216
Childrens Sunshine Home	3,804		3,804
ChildVision (St. Joseph's School for the Visually Impaired)	4,160		4,160
Chrysalis Community Drug Project	0	267	267
Cill Dara Ar Aghaid	0	341	341
Cork City Links	103		103
Clann Mór	937		937
Clarecare Ltd. incorporating Clare Social Service Council	6,214		6,214
Clarecastle Daycare Centre	360		360
Clarehaven Women and Children Refuge Centre	492		492
Clareville Court Day Centre	120		120
CLASP (Community of Lough Arrow Social Project)	123		123
Clondalkin Addiction Support Programme (CASP)	559	306	865
Clondalkin Drugs Task Force	198	120	318

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Clones Branch of the Mentally Handicapped	228		228
Clonmany Mental Health Association	104		104
Clonmel Community Resource Centre	151		151
Clontarf Home Help	2,026		2,026
CLR Home Help	2,305		2,305
CLUB 91 (formerly Chez Nous Service), Sligo	125		125
Co-Action West Cork	6,048		6,048
Cobh General Hospital	1,372		1,372
Comfort Keepers Ltd.	6,100		6,100
Community Creations Ltd.	131		131
Community Games	201		201
Community Home Maker and Family Support Service	374		374
Community Nursing Unit North West	552		552
Community Response, Dublin	209	116	325
Community Substance Misuse Team Limerick	0	430	430
Connaught St. Family Centre	427		427
Console (Living with Suicide)	239		239
Contact Care	805		805
Coolmine Therapeutic Community Ltd.	840	993	1,833
Coombe Women's Hospital	49,132		49,132
COPE Foundation	43,720		43,720
COPE Galway	2,324		2,324
Cork Alzheimers Home Support (CAHS)	120		120
Cork Association for Autism	3,409		3,409
Cork Family Planning Clinic	201		201
Cork Foyer Project	289		289
Cork Mental Health Association	224		224
Cork Social and Health Education Project (CSHEP)	731		731
Cork University Dental School and Hospital	1,996		1,996
Cottage Home Child and Family Services	1,456		1,456
County Limerick VEC	110		110
County Wexford Community Workshop, Enniscorthy/New Ross Ltd.	3,857		3,857
County Wexford Partnership Ltd.	310		310
Cox's Demense Youth and Community Project Ltd.	145		145
CPL Healthcare	2,189		2,189
Criticare Services	195		195
CROI (West of Ireland Cardiology Foundation)	215		215
Crosscare	4,707		4,707
Crumlin Home Help	3,207		3,207
Cuan Mhuire	1,002		1,002
Cuan Saor Women's Refuge and Support Service	429		429
Cuanlee Ltd.	199		199
Cumas Teo.	219	159	378
Cunamh	418		418
Cura	890		890
Cystic Fibrosis Registry of Ireland	140		140
Dara Residential Services	1,747		1,747
Darndale Belcamp Child Care	262		262
Darndale Belcamp Drug Awareness	132	67	199

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Darndale Day Nursery	120		120
Daughters of Charity	95,597	220	95,817
Daughters of Charity (formerly Sisters of the Sacred Hearts of Jesus and Mary)	14,638		14,638
Deafhear.ie	4,615		4,615
Deansrath Family Resource Centre	255		255
Delta Centre Carlow	2,736		2,736
Dental Health Foundation Ireland	193		193
Depaul Ireland	2,300		2,300
Derralossary House	784		784
Diabetes Federation of Ireland	308		308
Disability Federation of Ireland (DFI)	1,405		1,405
Dóchas	422	72	494
Dolmen Clubhouse Ltd.	126		126
Domestic Violence Advocacy Service	302		302
Domestic Violence Response Ltd.	103		103
Don Bosco Teenage Care Housing Association	2,423		2,423
Donegal Women's Refuge Group (DDVS)	446		446
Donegal Youth Services	117		117
Donnycarney Youth Project Ltd.	277	71	348
Donnycarney/Beaumont Home Help	1,496		1,496
Donnycarney/Beaumont Local Care	114		114
Donore Community Development	15	214	229
Doras Buí	138		138
Down Syndrome Ireland	163		163
Drogheda Community Services	130		130
Drogheda Homeless Aid Association	166		166
Drogheda Women's Refuge	467		467
Dromcollogher and District Respite Care Centre	368		368
Drug Treatment Centre Board	7,937		7,937
Drumcondra Home Help	1,406		1,406
Drumkeerin Care Of The Elderly	202		202
Drumlin House Training Centre	185		185
Dublin AIDS Alliance (DAA) Ltd.	378	74	452
Dublin City Council Homeless Agency	617		617
Dublin Dental Hospital	6,260		6,260
Dublin North East Drugs Task Force	58	163	221
Dun Laoghaire Home Help	846		846
Dun Laoghaire Rathdown Community Addiction Team	0	484	484
Dun Laoghaire Rathdown Outreach Project	182	157	339
Early Childhood Ireland	118		118
Edenmore Day Nursery	279		279
Edward Worth Library	140		140
Empowerment Plus	442		442
Enable Ireland	37,172		37,172
Ennis Community Development Project	139		139
Errigal Truagh Special Needs Parents and Friends Ltd.	148		148
Extern Ireland	5,418		5,418
Extra Care (ROI)	596		596
Familiscope	83	73	156

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Farranree Sheltered Housing Association	101		101
Father McGrath Multimedia Centre (Family Resource Centre)	152		152
Fatima Home, Tralee	312		312
Ferns Diocesan Youth Services (FDYS)	217		217
Festina Lente Foundation	383		383
Fighting Blindness Ireland	113		113
Fingal Home Care	5,533		5,533
Fingal LEADER Partnership	117		117
Finglas Addiction Support Team	0	429	429
Finglas Home Help/Care Organisation	2,347		2,347
First Step Trust	273		273
Focus Ireland	4,718		4,718
Fold Ireland	1,809		1,809
Foróige	3,088		3,088
Friedreich's Ataxia Society in Ireland	118		118
FRS Homecare	745		745
Gaelic Athletic Association (Alcohol and Substance Abuse Prevention Programme)	100		100
Galway City and County Childcare Strategy Group	127		127
Galway Hospice Foundation	3,428		3,428
Genio Trust	6,500		6,500
Gheel Autism Services Ltd.	5,540		5,540
Good Shepherd Sisters	2,112		2,112
Graiguenamanagh Elderly Association	129		129
Greater Blanchardstown Response to Drugs	84	61	145
GROW	1,412		1,412
Guardian Ad Litem and Rehabilitation Office (GALRO)	1,513		1,513
Hail Housing Association for Integrated Living	298		298
Hands On Peer Education (HOPE)	0	112	112
Headstrong	909		909
Headway the National Association for Acquired Brain Injury	2,420		2,420
Hesed House	112	144	256
Hill Street Family Resource Centre	224		224
Holy Angels Carlow, Special Needs Day Care Centre	759		759
Holy Family School	120		120
Holy Ghost Hospital	158		158
Home Again (formerly Los Angeles Society)	1,505		1,505
Home Care Plus	146		146
Home Help Services Ballymun	1,721		1,721
Home Instead Senior Care	11,034		11,034
Home Youth Liaison Service	531		531
Homecare Independent Living Ltd.	2,495		2,495
HomeCare North East Bay Ltd.	1,219		1,219
Homecare Solutions Ltd.	137		137
Homeless Girls Society Ltd.	705		705
Homestart Family Support Services	179		179
HP Medical Services	343		343
IADP Inter-Agency Drugs Project UISCE	0	269	269
Iar Ros Teicneolaiocht	110		110
ILAM (Ireland) Ltd.	150		150

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Immigrant Counselling and Psychotherapy (ICAP)	394		394
Inchicore Community Drugs Team	261	187	448
Inchicore Home Help	1,307		1,307
Inclusion Ireland	441		441
Incorporated Orthopaedic Hospital of Ireland	7,566		7,566
Ire Services	303		303
Irish Advocacy Network	771		771
Irish Association for Spina Bifida and Hydrocephalus (IASBH)	951		951
Irish Association of Young People in Care (IAYPIC)	360		360
Irish Carers Association	104		104
Irish College of General Practitioners	182		182
Irish Family Planning Association (IFPA)	1,296		1,296
Irish Foster Care Association (IFCA)	389		389
Irish Guide Dogs for the Blind	783		783
Irish Haemophilia Society (IHS)	549		549
Irish Heart Foundation	318		318
Irish Homecare Services	3,879		3,879
Irish Hospice Foundation	321		321
Irish Kidney Association (IKA)	202		202
Irish Motor Neurone Disease Association	248		248
Irish Patients Association	146		146
Irish Prison Service	264		264
Irish Society for Autism	3,717		3,717
Irish Society for Quality and Safety in Healthcare (ISQSH)	143		143
Irish Society for the Prevention of Cruelty to Children (ISPCC)	468	141	609
Irish Sudden Infant Death Association (ISIDA)	255		255
Irish Travellers Movement (ITM)	5,946	229	6,175
Irish Wheelchair Association (IWA)	35,275		35,275
Jack and Jill Childrens Foundation	612		612
Jobstown Assisting Drug Dependency Project (JAAD Project)	214	72	286
K Doc (GP Out of Hours Service)	1,962		1,962
Kalbay Ltd.	1,851		1,851
KARE Plan Ltd.	1,580		1,580
KARE, Newbridge	14,936		14,936
KASMHA (Kilkenny Association for Severely Mentally Handicapped Adults)	1,026		1,026
Kerry Diocesan Youth Service	407		407
Kerry Parents and Friends Association	8,077		8,077
Kilbarrack Coast Community Programme Ltd. (KCCP)	276	58	334
Kilbarrack/Foxfield Day Centre	153		153
Kildare and West Wicklow Community Addiction Team Ltd.	0	402	402
Kildare Youth Services (KYS)	915		915
Killinarden (KARP)	147		147
Kilmaley Voluntary Housing Association	150		150
Kingsriver Community	279		279
Knocknaheeny Holyhill Special Justice Project	250		250
L'Arche Ireland	2,621		2,621
Leitrim Association of People with Disabilities (LAPWD)	516		516

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Leitrim Development Company	258		258
Leopardstown Park Hospital	12,155		12,155
Letterkenny Women's Centre	278		278
Letterkenny Youth And Family Service	110		110
Liberties and Rialto Home Help	1,059		1,059
Life Pregnancy Care Service	402		402
Lifestart Foundation	944		944
Limerick Social Services Council	1,145		1,145
Limerick Youth Service Community Training Centre	384		384
Link (Galway) Ltd.	157		157
Liscarne Court Senior Citizens	119		119
Little Angels Hostel Letterkenny	112		112
Lochrann Ireland Ltd.	135		135
Longford Community Resources Ltd.	187		187
Longford Social Services Committee	160		160
Loughboy Child Care Project	191		191
Lourdes Day Care Centre	183		183
Macroom Senior Citizens Housing Development Sullane Haven Ltd.	107		107
Mahon Community Creche	173		173
Mahon Family Resource Centre	199		199
Marian Court Welfare Home Clonmel	130		130
Marian Day Nursery and Family Centre	166		166
Marino Institute of Education	115		115
Marino/Fairview Home Help	872		872
Mater Misericordiae University Hospital Ltd.	228,354		228,354
Matt Talbot Adolescent Services	1,314		1,314
Mayo Women's Support Services	328		328
Mead Village Day Care Centre	222		222
Meath Accessible Transport t/a Flexi Bus	140		140
Meath Partnership	0	368	368
Meath Womens Refuge and Support Services (MWRSS)	255		255
Mental Health Associations (MHAs)	1,635		1,635
Mental Health Ireland	133		133
Merchant's Quay Ireland (MQI)	1,929	58	1,987
Mercy Family Centre Ltd.	386	24	410
Mercy University Hospital, Cork	64,230		64,230
MIDWAY – Meath Intellectual Disability Work Advocacy You Ltd.	2,043		2,043
Mid-West Regional Drugs Task Force	76	448	524
Migraine Association of Ireland	138		138
Milford Care Centre	11,402		11,402
Miss Carr's Housing Association Ltd.	319		319
Moatview Day Nursery	141		141
Molyneaux House for the Blind	367		367
Moorehaven Centre Tipperary Ltd.	1,057		1,057
Mount Cara House	116		116
Mounttown Neighbourhood Youth Project	176	20	196
Mountview/Blakestown Community Drugs Team	278	75	353
MS Ireland – Multiple Sclerosis Society of Ireland	2,609		2,609
Muintir na Tire Ltd.	135		135

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Mulhuddart/Corduff Community Drugs Team	257	81	338
Multiple Sclerosis North West Therapy Centre Ltd.	254		254
Muscular Dystrophy Ireland	1,197		1,197
National Association of Housing for the Visually Impaired Ltd.	456		456
National Council for the Blind of Ireland (NCBI)	6,634		6,634
National Federation of Voluntary Bodies in Ireland	279		279
National Maternity Hospital	45,723		45,723
National Nutrition Surveillance Centre UCD	178		178
National Office of Victims of Abuse (NOVA)	796		796
National Rehabilitation Hospital	26,233		26,233
National Service Users Executive	348		348
National Suicide Research Foundation (NSRF)	836		836
National University of Ireland, Galway (NUIG)	973		973
National Youth Council of Ireland	119		119
Nazareth House, Mallow	2,831		2,831
Nazareth House, Sligo	2,133		2,133
New Beginnings Childcare and Residential Service	730		730
New Ross Community Hospital	232		232
Newbridge and Dun Laoghaire Community Training Centre	134		134
Newbury House Family Centre, Mayfield, Cork	133		133
Newport Social Services, Day Care Centre	239		239
Nightingale TLC	261		261
No Name Youth Club Ltd.	165		165
North and West Connemara Rural Project	124		124
North Dublin Inner City Homecare and Home Help Services	2,195		2,195
North Tipperary Community and Voluntary Association (CAVA)	462		462
North Tipperary Disability Support Services Ltd.	735		735
North Tipperary Leader Partnership	494		494
North West Alcohol Forum	406	70	476
North West Parents and Friends Association	1,995		1,995
North West Regional Drugs Task Force	0	154	154
Northside Community Health Initiative (NICHE)	355		355
Northside Homecare Services Ltd.	1,161		1,161
Northside Inter-Agency Project (NIAP)	250		250
Northside Partnership	169	149	318
Northstar Family Support Project	0	165	165
Northwest Hospice	1,056		1,056
Nua Healthcare Services	640		640
Nurse on Call – Homecare Package	1,092		1,092
Oasis Counselling Service	0	173	173
O'Connell Court Residential and Day Care	285		285
Offaly Local Development Company	120	100	220
One Family	494		494
One in Four	539		539
Open Door Day Centre	347		347
Open Heart House	255		255
Order of Malta	493		493
Ossory Youth Services	129		129
Our Lady's Children's Hospital, Crumlin	129,712		129,712

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
Our Lady's Hospice, Harold's Cross	29,337		29,337
Our Lady's Nursery Ballymun Ltd.	371		371
Outhouse Ltd.	193		193
Outreach Project Network – OASIS Project	524		524
Pact	367		367
Parents First Cork Ltd.	103		103
Partnership Care West	224		224
Patient Focus	216		216
Paul Partnership Limerick	164	105	269
Peacehaven Trust	675		675
Peamount Hospital	24,293		24,293
Peter McVerry Trust (previously known as The Arrupe Society)	835	91	926
PHC Care Management Ltd.	772		772
Phoenix Community Resource Centre	112		112
Pieta House	283		283
Positive Action	288		288
Post Polio Support Group (PPSG)	383		383
Prague House	119		119
Praxis Care Group	2,555		2,555
Presentation Sisters	358		358
Private Home Care, Lucan	265		265
Prosper Fingal Ltd.	6,606		6,606
Raheny Community Nursing Unit	5,023		5,023
Rape Crisis Network Ireland (RCNI)	3,966		3,966
Rathmines Home Help Services	361		361
Red Ribbon Project	337		337
Regional and Local Drugs Task Forces	324	370	694
Rehab Group	41,334		41,334
Resilience Ireland (Resilience Healthcare Ltd.)	362		362
Respond! Housing Association	643		643
Rialto Community Development	123	149	272
Rialto Community Drugs Team	238		238
Rialto Community Network	77	47	124
Rialto Partnership Company	334	415	749
Right of Place Second Chance Group	186		186
Ringsend and District Response to Drugs	244	49	293
Ronanstown Community Child Centre	60	55	115
Roscommon Home Services Co-op	3,421		3,421
Roscommon Partnership Company Ltd.	267		267
Roscommon Support Group Ltd.	919		919
Rotunda Hospital	46,059		46,059
Rowlagh Day Nursery	168		168
Royal College of Physicians	901		901
Royal College of Surgeons in Ireland	1,195		1,195
Royal Hospital Donnybrook	19,230		19,230
Royal Victoria Eye and Ear Hospital	21,185		21,185
Ruhama Women's Project	122	101	223
Runway Medical – Homecare Package	865		865
S H A R E	150		150

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
SAFE Ireland	464		464
Salesian Youth Enterprises Ltd.	333	32	365
Salvation Army	3,150		3,150
Samaritans	410		410
Sandra Cooneys Homecare	870		870
Sandymount Home Help	369		369
Sankalpa	249		249
Saoirse Housing Association Ltd.	717		717
SAOL Project	263	61	324
Schizophrenia Ireland Lucia Foundation	1,640		1,640
Servisource Recruitment	1,312		1,312
Sevenoaks Nursery	120		120
Shalamar Finiskilin Housing Association	203		203
Shannondoc Ltd. (GP Out of Hours Service)	4,920		4,920
Sharing the Care, Enniscorthy	124		124
Simon Communities of Ireland	7,210		7,210
Sisters of Charity	15,861		15,861
Sisters of Charity of Jesus and Mary, Moore Abbey	42,217		42,217
Sisters of Charity St. Marys Centre for the Blind and Visually Impaired	3,326		3,326
Sisters of La Sagesse Services	15,779		15,779
Sisters of Mercy	427		427
Slí Eile Support Services Ltd.	190		190
Sligo County Child Care Committee	123		123
Sligo Family Centre	222		222
Sligo Family Support Ltd.	228		228
Sligo Social Services Council Ltd.	1,029	49	1,078
Smyly's Trust Services	1,810		1,810
Snug Community Counselling	0	151	151
Society of St. Vincent de Paul (SVDP)	3,070		3,070
Sonas Housing Association	1,214		1,214
Sophia Housing Association	817		817
South Doc GP Co-operative	7,396		7,396
South Dublin Senior Citizens Club	104		104
South Infirmary Victoria University Hospital	48,422		48,422
South Meath Alcohol and Substance Misuse Response	0	140	140
Southside Outreach Team Autistic Children	139		139
Spinal Injuries Ireland	305		305
Spiritan Asylum Services Initiative (SPIRASI)	402		402
Springboard Projects	2,320		2,320
St. Aengus' Community Action Group	146		146
St. Aidan's Services	3,742		3,742
St. Andrew's Resource Centre	368	53	421
St. Anne's Day Nursery Ltd.	208		208
St. Anne's Youth Centre Ltd.	352		352
St. Bridget's Day Care Centre	121		121
St. Carthage's House Lismore	122		122
St. Catherine's Association Ltd.	7,127		7,127
St. Christopher's Services, Longford	8,262		8,262
St. Cronan's Association	820		820

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
St. Dominic's Community Response Project	185	38	223
St. Fiacc's House, Graiguecullen	332		332
St. Francis' Hospice	7,082		7,082
St. Gabriel's School and Centre	2,006		2,006
St. Helena's Family Resource Centre	325		325
St. Hilda's Services For The Mentally Handicapped, Athlone	4,071		4,071
St. James' Hospital	323,906		323,906
St. James' Hospital, Jonathan Swift Hostels	4,417		4,417
St. John Bosco Youth Centre	107	58	165
St. John of God Hospitaller Services	132,964		132,964
St. John's Hospital	19,869		19,869
St. Joseph's Foundation	12,054		12,054
St. Joseph's Home for the Elderly	827		827
St. Joseph's Home, Kilmoganny, Co. Kilkenny	127		127
St. Joseph's School for the Deaf	1,867		1,867
St. Kevin's Home Help Service	414		414
St. Laurence O' Toole SSC	979		979
St. Lazarian's House, Bagenalstown	229		229
St. Luke's Home	3,547		3,547
St. Luke's Hospital (UK)	229		229
St. Mary's School for the Deaf	1,193		1,193
St. Michael's Hospital, Dun Laoghaire	25,661		25,661
St. Michael's House	74,562		74,562
St. Michael's Day Care Centre	163		163
St. Monica's Community Development Committee	445	74	519
St. Mura's Adoption Society	119		119
St. Patrick's Hospital	353		353
St. Patrick's Special School	159		159
St. Patrick's Wellington Road	8,117		8,117
St. Vincent's Hospital Fairview	14,417		14,417
St. Vincent's Trust, St. Mary's Day Nursery	248		248
St. Vincent's University Hospital, Elm Park	206,584		206,584
Star Project Ballymun Ltd.	145	71	216
Stella Maris Facility	154		154
Stewarts Hospital	44,082		44,082
Stillorgan Home Help	584		584
Streetline	631		631
Sunbeam House Services	19,549		19,549
Tabor House, Navan	110	20	130
Tabor Lodge	468		468
Tabor Society	674		674
Tallaght Home Help	1,387		1,387
Tallaght Partnership	2	299	301
Teach Mhuire Day Care Centre	144		144
Teach Tearmainn, Kildare	119		119
Teen Challenge Ireland Ltd.	6	333	339
Temple Street Children's University Hospital	81,771		81,771
Templemore Day Care Centre	174		174
Terenure Home Care Service Ltd.	940		940
The Beeches Residential Home	145		145

Name of Agency	Revenue Grants 2012 €000's	Grants Funded by other Government Departments/State Agencies 2012 €000's	Total Grants 2012 €000's
The Care People	175		175
The Cavan Centre	280		280
The Sexual Health Centre	192		192
The Sexual Violence Centre	290		290
Thurles Community Social Services	337		337
Tipperary Association for Special Needs	132		132
Tipperary Hospice Movement	224		224
Togher Pre School and Family Centre	150		150
Tolka River Project	0	147	147
Transfusion Positive	176		176
Treoir	526		526
Trinity College Dublin	102		102
Tullow Day Care Centre	165		165
Turners Cross Social Services Ltd.	163		163
Union of Our Lady of Charity	151		151
Valentia Community Hospital	707		707
Vita House Family Centre, Roscommon	106		106
Walkinstown Association for Handicapped People Ltd.	4,050		4,050
Walkinstown Greenhills Resource Centre	0	246	246
Wallaroo Pre-School	105		105
Waterford and South Tipperary Community Youth Service	570		570
Waterford Association for the Mentally Handicapped	2,122		2,122
Waterford Hospice Movement	205		205
Well Woman Clinics	551		551
Wellsprings	631		631
West Cork Carers Support Group Ltd.	131		131
West Limerick Resources Ltd.	165		165
West of Ireland Alzheimer Foundation	1,063		1,063
Westdoc (GP Out of Hours Service)	1,016		1,016
Western Care Association	28,925		28,925
Westmeath Community Development Ltd.	245		245
Wexford Homecare Service	205		205
Wexford Women's Refuge	336		336
White Oaks Housing Association Ltd.	269	49	318
Wicklow Community Care Home Help Services	5,670		5,670
Windmill Therapeutic Training Unit	449		449
Women's Aid	694		694
Women's Aid Dundalk Ltd.	436		436
Young Men's Christian Association (YMCA)	415		415
Youth Action Programmes	278		278
Youth Advocacy Programme	2,503		2,503
Youth for Peace Ltd.	147		147
Total Grants to Outside Agencies (see Note 8)	**3,445,173**	**19,039**	**3,464,212**

Appendix 2: Analysis of Capital Grants to Outside Agencies

(Capital Income and Expenditure Account)

Name of Agency	Capital Grants 2012 €000's
Total Grants under €100,000 (10 Grants)	**395**
Adelaide and Meath Hospital, Dublin Incorporating the National Children's Hospital	4,076
Beaumont Hospital	2,507
Bloomfield Care Centre Ltd.	615
Cappagh National Orthopaedic Hospital	1,261
Coombe Women's Hospital	3,977
Daughters of Charity	555
Headway the National Association for Acquired Brain Injury	473
Heliwest	170
Mater and Children's Hospital Development Ltd.	46,914
Mater Misericordiae University Hospital Ltd.	3,096
Mercy University Hospital, Cork	1,820
Mid-Western Hospital Development Trust	225
National Maternity Hospital	507
National Paediatric Hospital	7,677
National Rehabilitation Hospital	342
Our Lady's Children's Hospital, Crumlin	351
Rosedale Home, Waterford	100
Rotunda Hospital	771
South Infirmary Victoria University Hospital	611
St. James' Hospital	2,174
St. Michael's Hospital, Dun Laoghaire	100
St. Vincent's Hospital Fairview	1,688
St. Vincent's University Hospital, Elm Park	14,230
Temple Street Children's University Hospital	3,722
Total Capital Grants to Outside Agencies (Note 19(b))	**98,357**

Appendix 3: Miscellaneous

(Analysis of Miscellaneous Expenditure in Note 8)

	2012 €'000	2011 €'000
Maintenance Farm and Grounds	1,606	2,050
Security	18,152	18,262
Fluoridation	2,207	1,241
Memberships	73	541
Licences	749	898
Subscriptions	634	725
Sundry Expenses	11,969	11,786
Burial Expenses	84	144
Secondment Charges	3,223	3,006
Recreation (Residential Units)	1,235	1,399
Materials for Workshops	1,889	2,380
Home Adaptations	757	792
Meals on Wheels Subsidisation	1,867	1,880
Refunds	363	575
Total Miscellaneous Expenditure (see Note 8)	**44,808**	**45,679**

Front cover photographs (top to bottom):

1. *Eileen Fleming, Advanced Nurse Practitioner, with David Corbett in the new ED at Kerry General Hospital*
2. *Margaret O'Brien, whose story features as part of the HSE 'QUIT' campaign*
3. *At the launch of the 'All About Us' booklet at the Renal Dialysis Unit in Waterford Regional Hospital were patient Celine Looby and staff members Margaret Moran and Cathy Cleary*
4. *Participants from the HSE Ballytivnan Training Centre and Rosses Sheltered Workshop who took part in the snag golf programme at Sligo Golf Academy, which was organised with Sligo Sports and Recreation Partnership*
5. *Dr. Diarmuid Cadogan, Dr. Ian Daly, Kate O'Neill, Dr. Conor Bowe and Dr. Karl Kavanagh at the launch of the St. James's Hospital Liberties Fun Run to raise funds for St. James's Hospital*
6. *At the official opening of Hillside, a new state-of-the-art centre for children with disabilities, and their families, were Denise Woods, Emma McElvaney and May Beth Harvey, all members of the HSE Child Development Team, with Ellie Flanagan, aged 9*
7. *Johanna McWilliams, Clinical Nurse Manager 2, and Jane Ormond, Clinical Nurse Manager 1, members of the Renal Home Therapies Unit team in Beaumont Hospital*
8. *At the launch of the Action on Antibiotics campaign were Dr. Nuala O'Connor, ICGP, Claire Byrne, RTE, and Dr. Fidelma Fitzpatrick, HSE/RCPI Clinical Lead*
9. *Mother Shauna Cullen and baby Kyla-Sui, with newborn hearing screener Liz Devlin at the Midland Regional Hospital, Portlaoise*
10. *Occupational therapist Laura Binions and physiotherapist Aisling O'Flynn carry out a 'flexibility' test on older people at an event organised by HSE physiotherapists and health promotion staff in Ballymun, Dublin where older people in Ballymun were given free fitness tests as part of Positive Ageing Week.*

Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Oak House
Limetree Avenue
Millennium Park
Naas
Co. Kildare

Telephone: 045 880400

www.hse.ie

Dr. Steevens' Hospital
Steevens' Lane
Dublin 8

Telephone: 01 6352000

www.hse.ie

May 2013

ISBN 978-1-906218-65-2

© 2013 HSE