Health Service Executive

Annual Report and Financial Statements 2020

About This Report

This Annual Report describes the performance and operation of the Health Service Executive during 2020. It has been prepared according to legislative requirements and is arranged as below:

PART I

Section 1: Foreword

Outlines our key messages through the Statement from the Chair of the Board and the Chief Executive Officer Review

Section 2: Strategic Context and Direction

Describes the exceptionally challenging context in which services were delivered in 2020 and outlines our longer-term vision and direction

Section 3: Operational Delivery

Describes how services were delivered during 2020, summarises performance against our National Service Plan 2020, and elaborates on the key enablers for making change happen

Section 4: Our Management and Accountability

Provides an overview of key governance and accountability arrangements within the HSE, including a Board Members' Report and Risk Management Report for 2020

Appendices

Includes a description of our organisational structure and the mechanism through which services are delivered, a report on expenditure and Human Resource data, a report on the National Service Plan 2020 scorecard and key activity, a report on capital infrastructure, a schedule of Board and Committee attendance, fees and expenses, a checklist describing how legislative compliance has been met within this Annual Report and a glossary/list of acronyms

PART II

Financial Governance

Sets out our financial governance including the Annual Financial Statements

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PART I

PART II

1 Foreword

1.1 Statement from the Chair of the Board

As Chair of the HSE Board, I and my colleagues are pleased to submit the HSE Annual Report and Financial Statements for 2020.

At the beginning of 2020, Ireland was reporting the fastest improving life expectancy in the European Union (EU), and our people were self-reporting the best health in the EU. However, the service was at its limit and waiting times and trolleys were a sign of that strain. To address that, progressive reform was underway in a number of areas aligned with *Sláintecare* policy, from service developments to enhance the experience of patients, to new ways of working changing the way services were delivered, underpinned by tighter financial disciplines. The HSE Board was in place to provide improved oversight and strengthened governance, and development was underway of a new Corporate Plan to outline our vision and set our objectives for the next three years.

The focus of all our efforts was on the provision of safe health and social care services, and on addressing long-standing challenges for the health service, including long waiting lists for scheduled care in hospitals and long waits in emergency departments, particularly for older people and those who have more complex needs. Other challenges included an over-reliance on residential models of care and lack of sufficient services to enable our ageing population to maintain their independence and live well in the community. Waiting times for mental health services for children and adults, long waits for community-based services such as therapies, and insufficient availability of home-based person-centered support for people with disabilities and their families were also a significant concern.

The emergence of COVID-19 changed the focus of healthcare systems in Ireland as it did throughout the world. Over the year, we have seen the most extraordinary of responses from both the public and from staff across the HSE. On behalf of the Board, I am deeply grateful for the support of the public and the hard work and dedication of every member of our staff, in particular those who are working tirelessly on the frontline. General practitioners, pharmacists and other community-based workers also deserve our thanks as does everyone working in our section 38 and 39 partner organisations. We also owe thanks to stakeholders, representative bodies, regulators and officials in the Department of Health (DoH).

Guided by public health advice teams, we will continue to maximise the delivery of high-quality health and social care services in a COVID-19 environment. As part of the response to COVID-19, a range of innovative initiatives were put in place by the HSE and the opportunity now exists to take forward those changes which should be retained in the future. Doing so will ensure that we capitalise on the gains that have been made during the crisis, minimising long-term impacts for patients and staff while maximising value.

With the availability now of effective vaccines, we must continue to be mindful of and to mitigate the risk that COVID-19 poses to 'normal' healthcare activities. The very significant budget allocation for the health service in 2021 underlines the strong strategic alignment that now exists between the HSE, the Minister for Health and his Department. We are pleased that the investment that is being entrusted to the HSE gives us the means to provide improved services for people in Ireland and are determined to progress important strategic reforms. We are investing in initiatives that we consider most likely to deliver demonstrable improvements to health service performance and delivery and have also prioritised the mitigation of the most significant risks for the HSE as identified in our Corporate Risk Register.

With an increasing population who are living longer, it is crucial that the health services effectively plan for future healthcare needs. We have to earn the right to continued investment through 2021 and beyond by demonstrating the impact and benefit of the new model of health and care in line with *Sláintecare* and as defined in our Corporate Plan. New ways of delivering services bring great opportunities and will ensure that future healthcare in Ireland remains of the highest quality, with the patient placed at the heart of all we do.

As we continue to live with COVID-19, thanks to the strong social solidarity of our people we do so with hope and optimism for a better future but hold those no longer with us in our hearts. On behalf of the Board and the HSE, I express my sympathies to all those who have experienced loss and suffering over the past year.

I would like to thank sincerely all the Board members who served during the year for their commitment and valued contribution as well as those who gave their time to our Board Committees. I would also like to thank the Minister for Health and his officials for their support in the shared challenge, and of course our Chief Executive Officer (CEO), Paul Reid, his management team and all our HSE colleagues who have worked so well, so hard, and so innovatively through the past months. I look forward to our continued collaboration, striving to provide the health service that our population deserves.

Meitheal de dhíth arís.

Ciarán Devane
Chair HSE Board

1.2 Chief Executive Officer Review

I am pleased to publish the HSE Annual Report and Financial Statements 2020.

2020 was a year like no other, not just for our health service, but for the entire nation. As news of the devastating COVID-19 virus began emerging early last year, images from Wuhan, China, and Bergamo in Italy served as a stark warning of the challenges that lay ahead for our health service and to our way of life.

As an organisation we prepared carefully for the virus that was spreading across the globe with early discussions focused on creating extra beds within our existing hospital infrastructure and using private hospitals. However, we did not know the scale of what was to come – for example, the HSE was required to work in exceptionally difficult circumstances to secure unprecedented levels of Personal Protective Equipment (PPE) to protect frontline workers. Prior to the pandemic we were spending €15m a year on PPE. In 2020, our expenditure on PPE was over €900m.

I am immensely impressed by how the people living in this country worked with the public health system in handling the pandemic, and as Chief Executive Officer I am particularly proud of the responsiveness of our health service. There has never been change implemented so quickly by so many with such great impact. This is a reflection of the commitment, hard work and perseverance of our staff. There are also many learnings that we must take from this pandemic, and it is important to consider in retrospect what worked well and what we could have done better as an organisation. This is something we have prioritised throughout the year and which has informed our planning for 2021 and beyond.

The past year highlighted the importance of fast decisive action in responding to the pandemic while still doing all in our power to mitigate risk to our patients, service users, staff and the general public. Our crisis response was much stronger as a result, and staff felt much more empowered to get on with the job at hand.

With the support of Government and all of our health stakeholders, we implemented new pathways of care for COVID-19 and non-COVID-19 services, built hospital capacity, resourced community services to treat people closer to home, and developed and adopted eHealth technology at an unprecedented rate. While brought about through difficult circumstances, these changes are aligned with our long-term *Sláintecare* direction and I am committed to ensuring that many of these new ways of working will be here to stay.

It is clear that we need to maintain our COVID-19 response well into 2021 and also future proof our health service for unforeseen occurrences such as future pandemics. We will need to ensure that we grow both capacity and expertise within our infrastructure so that we can scale up when needed, and in the meantime maintain versatility, partnership and innovation within our system.

On a personal level, I have been deeply saddened by the loss of life due to this devastating pandemic. In particular, we remember our healthcare workers who we have lost to COVID-19. While every loss of life is a terrible tragedy, it has been particularly difficult to lose cherished colleagues who came to work to protect us and to protect the public. They will forever be in our thoughts. I am also very mindful of the huge sacrifice made by so many people. I recognise the distress that this pandemic has caused to so many and I am very grateful for the level of co-operation and understanding shown by so many patients, services users and families when normal health and social care services were interrupted.

I am very optimistic about the kind of society we will get back while acknowledging that things will look different. I believe we are going to be stronger as we emerge after the vaccination programme. We are making good progress utilising the vaccines available to us at this time and look forward to receiving the larger quantities expected over the coming months. There is also hope in terms of the patterns of virus transmission and COVID-19 hospitalisations. We are currently in the late stages of the third wave of COVID-19 and key indicators are improving. This is due to the immense effort of our citizens, the selfless work of all our staff and the invaluable support of our Board. The entire nation is indebted to your service. One of my proudest moments last year was in April when I received a call from An tUachtarán Michael D. Higgins, to express his deep gratitude on behalf of the people of Ireland to all of the staff working in the HSE. Just like our President, I also share this deep pride in our workforce.

COVID-19 Pandemic

The past year was a year with many significant challenges faced, coupled with many advances achieved. The first cases of COVID-19 were reported in China in December 2019. From early 2020, we braced ourselves for a year that would put our health service under extreme pressure. In January, I convened the first meeting of the HSE National Crisis Management Team to plan for our response to the pandemic – a team that met 67 times throughout the year. Our preparations began immediately and at pace. Every element of the COVID-19 response that we are now familiar with had to be either built from first principles or adapted from our usual ways of working. We mobilised a public health response following the confirmation of the first positive case in Ireland, with the first death related to COVID-19 reported on 11 March 2020. Very sadly, the pandemic claimed the lives of over 2,200 people in Ireland in 2020 – fellow citizens who will always be remembered.

Due to the novel nature of the virus and the scale of the pandemic, the HSE, like many other public health systems, has been on a steep learning curve. However, we have some of the best-trained staff in the world and this, together with high levels of motivation right across the organisation, has helped us, particularly during the more acute phases of this pandemic. The policy and operational response to COVID-19 have been heavily supported by the public response to the pandemic. The Irish public appreciated at a very early stage the essential contribution which they play in the prevention of COVID-19 transmission. By agreeing to modify everyday behaviours and by adhering voluntarily to the public health guidance, we managed to suppress the initial wave of the pandemic, while also managing to bring the second wave in 2020 under control.

Due to the constantly evolving situation we have not always had the information or the time to work through solutions to traditional comfortable levels. We have been forced to make decisions and operate at pace, and while this certainly has its drawbacks, it gave staff significantly more autonomy by affording them more localised decision-making opportunities.

2020 Developments

Despite the disruption caused by COVID-19, during 2020 we made progress on a number of strategic and operational developments.

Before the onset of COVID-19, I commissioned the HSE Corporate Centre Review in order to put in place more effective structures to support service delivery, and to ensure that our resources are invested in frontline health services as far as possible. Our experience in dealing with COVID-19 has given us an invaluable insight into how we might permanently embed the better ways of working together that emerged by necessity. More than ever it is clear that we need to streamline our management processes to allow more decisions to be made by the right people at hospital and community level. Since October, stakeholder meetings and design workshops have taken place with a key focus on cross-functional scenarios covering a range of topics including service planning, health and wellbeing and service improvement, and on the development of organisational structures for the integrated operations and clinical functions. The design activities for the remaining functions will take place in 2021.

June saw the launch of *Sharing the Vision – A Mental Health Policy for Everyone*, the successor strategy to *A Vision for Change* which was first published in 2006. Fully aligned to *Sláintecare, Sharing the Vision* focuses on providing wider access for all patients at primary care level where possible, and support for greater usage of digital health interventions. The policy advocates provision of additional access routes to treatment, where service users are included in care planning and interventions provided are outcome measured. Since June, the HSE has progressed over 100 actions consolidated in an Implementation Roadmap.

The HSE's CervicalCheck programme successfully changed to human papilloma virus (HPV) cervical screening as planned in March. While services were then paused due to the impact of the pandemic, when the programme resumed all CervicalCheck screening tests were now HPV cervical screening with follow-up cytology if required. Based on significant improvements in science, technology and research into the development of cervical cancer, HPV cervical screening is now the best available primary screening test.

Many capital projects were progressed in 2020 including the National Forensic Mental Health Service Portrane, a new bed block at University Hospital Limerick, the National Rehabilitation Hospital and continuing work on the National Children's Hospital. Work also continued on the Connolly Outpatient and Urgent Care Centre unit throughout the year.

Performance

COVID-19 has had a significant impact on our ability to achieve the objectives and targets of our *National Service Plan 2020*. The most significant impact was felt with the pausing of all non-urgent care in March on the recommendation of the National Public Health Emergency Team and Government. Phased reintroduction of elective activity began on 5 May in line with national and international clinical guidance. The volumes of patients who can be seen are lower than prior to the pandemic because of necessary additional infection control measures including patient screening, PPE measures and additional cleaning of rooms and equipment.

Prior to the onset of the pandemic, our efforts in scheduled care were beginning to yield gains in the reduction of waiting lists. These improvements were brought about as a result of focused measures by the HSE, working with the Hospital Groups and with the support of the National Treatment Purchase Fund (NTPF). However, COVID-19 has impacted negatively on these improvements, with waiting lists now larger than at the outset of the pandemic. To meet the need and regain some traction in addressing waiting lists the HSE, in collaboration with the NTPF and DoH, developed an Access to Care Action Plan for 2021. This will support additional patient access, including inpatient, day cases, GI scopes and outpatients, through the NTPF, private providers and within HSE sites and services.

COVID-19 also impacted on unscheduled care attendances to emergency departments (EDs) with the number of emergency presentations and the number of trolleys recorded in acute sites significantly lower than the previous year.

Due to targeted investment in primary and community care, the number of people waiting for home support has fallen since January. This has also contributed to keeping our delayed transfers of care positively below target. Access to primary care therapies and their ongoing capacity has been adversely affected by COVID-19 due to the need for infection prevention and control (IPC) measures. The percentage of patients waiting for less than 52 weeks for speech and language therapy, physiotherapy, occupational therapy and psychology are all below target. Palliative care and child and adolescent mental health services (CAMHS) have performed better, surpassing targets for waiting times. The numbers of disability assessments of need have significantly increased in recent months and we are on target to clear the waiting list in 2021.

Strategy and Planning

2020 has certainly been an extraordinary year, not just for our operational services but also for those involved in planning those services. COVID-19 has fundamentally changed the way that healthcare services can be safely delivered and accessed, and we have had to adapt our planning and service delivery models accordingly. Despite the associated challenges, delivering services in a COVID-19 environment has accelerated many service transformations that have been advocated for many years, aligned to the vision of *Sláintecare*. These are particularly evident in the areas of eHealth, community delivered care and service integration. In addition to the material advancements achieved, this transformation has provided the HSE and our stakeholders with confidence that we can deliver meaningful change in a short time period. Following the first wave of COVID-19 infections, the HSE took the opportunity to invest time and effort in meaningful strategic and operational planning, to prepare us for the challenges we knew were ahead.

Service Continuity in a COVID Environment – A Strategic Framework for Delivery was developed to guide the reintroduction of services that were impacted by COVID-19 and minimise ongoing disruption. The Strategic Framework provided national guidance to support local implementation and facilitated the reopening of the majority of our community and acute services by year end. Services have used the Framework, and the ongoing advice provided by the Health Protection Surveillance Centre (HPSC) to plan and mobilise appropriate IPC measures, necessary to keep patients and staff safe from the risk of healthcare acquired COVID-19 infection.

Corporate Plan 2021-2024

Our HSE Corporate Plan was developed in 2020, setting out the key actions we will take over the next three years to improve our health service and the health and wellbeing of people living in Ireland. Our vision is for a healthier Ireland, with the right care, at the right time and in the right place. The implementation of our Corporate Plan has commenced during a time when there is still a lot of uncertainty. We have taken the approach of prioritising a small number of large service transformations, which allow us to focus our efforts and resources to make demonstrable improvements. Our implementation approach, coupled with a 'one team' focus on patients, service users, families and the public, will guide us as we face the new and enduring challenges of providing the best care in the right place, when it is needed most by our patients.

Vaccination Programme

A key dimension of the ongoing response to the COVID-19 pandemic is the implementation of a safe and effective national COVID-19 Vaccination Programme which is operating in a continually evolving environment.

In December, the European Medicines Agency approved the use of the Pfizer/BioNTech COVID-19 Vaccine. On 26 December I took receipt of the first delivery of this vaccine for the HSE. This was a truly momentous day with a palpable sense of hope shared by all in attendance at the cold chain storage facility. This resulted in the first person in Ireland receiving the COVID-19 vaccine on 29 December in St. James's Hospital, Dublin. Since then there have been two further COVID-19 vaccines licensed for use in Ireland, Moderna and AstraZeneca. A number of other vaccines are in the final stages of licensing and approval. Supplies of vaccines are in production but they are limited, with vaccines being given as soon as possible after they arrive in Ireland. Our priorities are safety and working to protect people as quickly as we can. Having a safe and effective vaccine is a major step forward in limiting the impact of COVID-19.

Conclusion

2020 has been a year like no other. As a population and as a health service we have faced significant challenges but have demonstrated how we can pull together, innovating and adapting our practices. Our challenge now is to learn from this collective experience and to build the positive elements into our way of working, confident that we will emerge from the pandemic with a stronger, more united and more integrated health system.

Míle Buíochas.

Paul Reid
Chief Executive Officer

2 Strategic Context and Direction

2.1 The COVID-19 Environment

On 31 December 2019, China alerted the World Health Organisation (WHO) to the diagnosis of several cases of an unusual pneumonia in Wuhan in the Central Hubei province of China. A novel coronavirus (2019-nCoV) was formally identified on 7 January 2020 with the first associated death reported on 11 January. The first case of 2019-nCov in Europe was reported in France on 24 January 2020, and on 30 January the WHO declared 2019-nCoV (now referred to as COVID-19) as a public health emergency of international concern.

The first report of COVID-19 on Irish shores occurred on 28 February 2020 with the first Irish case reported the following day. The first COVID-19 related death in Ireland occurred on 11 March 2020, by which time the number of worldwide reported cases, across 114 countries, exceeded 118,000 and the WHO declared the COVID-19 to be a pandemic. By the end of 2020 there were more than 70 million cases and over 1.6 million deaths worldwide.

In the context of the emerging COVID-19 situation in Europe and worldwide, the HSE initiated its emergency management protocols, with the HSE National Crisis Management Team, chaired by the CEO, meeting on 27 January 2020 and thereafter throughout the year to lead, manage, control and co-ordinate the HSE's response to the pandemic. The HSE Board supported all efforts and gave authority to the CEO to approve expenditure associated with the pandemic (once approved by the DoH and the Department of Public Expenditure and Reform (DPER)) as well as to accept any offers of assistance from the private sector. On the same day, the DoH established a National Public Health Emergency Team (NPHET) for COVID-19, chaired by the Chief Medical Officer, to oversee and provide direction, guidance, support and expert advice across the health service and to the wider public service, in relation to COVID-19.

On 3 March 2020 the Government established a new Cabinet Committee to assess the health, social and economic impacts of the potential spread of COVID-19. The work of the Cabinet Committee included addressing the impacts, mitigation measures and contingencies for cross-sectoral issues that arose. A National Action Plan was approved which ensured that Ireland's response to COVID-19 was public health-led, and cross-government in scale.

On 9 March 2020, building on the planning work already undertaken in February, the HSE established an Integrated National Operations Hub (INOH), chaired by the Chief Operations Officer, to ensure central oversight of the operations response to COVID-19. This multi-disciplinary group was directly concerned with reviewing, planning, co-ordinating and leading workstreams to establish HSE-wide preparedness, processes and the delivery of plans and responses within the healthcare delivery system. A Senior Clinical Group was chaired by the Chief Clinical Officer and Clinical Response Teams were directed within the HSE in the response to the COVID-19 outbreak. The group was also responsible for developing the pathway of care for COVID-19 which included supporting clinical guidance.

COVID-19 Timeline

The WHO declaration of a global pandemic on 11 March 2020 brought about the recommendation to Government from NPHET that Ireland move into the 'delay' phase. On 12 March 2020 Government announced that all schools, colleges, childcare facilities, and cultural institutions would close. The necessity for social distancing was emphasised and instructions regarding indoor and outdoor mass gatherings were issued. On 15 March 2020, the Government closed all pubs, bars and hotel bars.

During the delay phase, a substantial increase in the number of positive COVID-19 cases was anticipated, and in response, the HSE developed a national, rapid, large-scale contact management programme for contact tracing, enabling the HSE to rapidly identify and close down chains of transmission of COVID-19. The HSE put in place a range of measures to understand and learn about the virus, including attending a video conference facilitated by the Chinese Ambassador to Ireland between key HSE personnel and clinical and operational leaders from Hubei Provence in China, the former epicentre of the virus.

The HSE was able to draw on some of the best-trained staff in the world and coupled with high levels of motivation across the organisation – and with the support and co-operation of other Government departments and agencies and particularly the public – Ireland responded well to the huge challenges presented by the pandemic in 2020. The Irish public appreciated at a very early stage the essential contribution which they play in the prevention of COVID-19 transmission. By modifying everyday behaviours and by adhering voluntarily to the public health guidance, Ireland managed to suppress the initial wave of the pandemic and to bring the second wave under control. From a peak of more than 1,000 new cases in April 2020 the number of new cases dropped below five in July 2020 and while cases did peak again in autumn 2020 at more than 1,200 new cases per day, commitment to public health measures allowed Ireland to have the lowest 14-day incident rate of COVID-19 in the EU by 8 December 2020.

Unfortunately, this trend did not continue into 2021 and the third wave in the early part of this year placed the health system under the greatest pressure to date.

Despite hard work and commitment to public health measures, there were two waves of infection, 91,779 positive cases and, most tragically, 2,237 deaths in 2020, including those of healthcare workers. The COVID-19 pandemic affected each inhabitant of Ireland and posed great challenges over the last year including the pressures on our system, the necessity to pause some services and of course the loss and sadness that this pandemic has generated. The long-term impact of the virus will be felt for a long time in the health sector. The need to focus on responding to the pandemic severely impacted services. Many communities and families suffered as a result of the need to cancel appointments, close support and day services, and postpone treatment. Where services were impacted, it is acknowledged and appreciated that the void was filled by families, carers and other volunteers who stepped in more than ever over the course of the pandemic.

However, considering the magnitude of the challenge and what the health service has achieved in the last year, there is also a lot to be proud of. An incredible amount was learned, services were built, practice adapted and need responded to in unprecedented ways, while building the trust and support of the public, government and all areas of society.

The availability of safe, effective vaccines will be central to managing the impact of COVID-19 going forward. In December 2020, the European Medicines Agency (EMA) approved the use of the Pfizer/BioNTech COVID-19 Vaccine and roll-out commenced in Ireland at the end of 2020. The EMA also approved a conditional marketing authorisation for the COVID-19 vaccine developed by Moderna. During 2021, these and other approved vaccines will be administered, on a prioritised basis, to the Irish population through the National Vaccination Programme.

Details of the service response to the COVID-19 pandemic from each operating unit of the HSE are set out in Section 3 of this Annual Report.

2.2 Health of Our Population Informing Service Delivery

The HSE is responsible for providing healthcare to the population of Ireland, estimated to be 4.98 million in April 2020. This represents a population increase of 55,900 from April 2019 which, with the 64,500 increase seen in 2018/2019, represents the largest annual increases since 2008. The population is growing across all regions and age groups, with the most significant growth seen in the older age groups. Life expectancy in Ireland is now above the EU average, demonstrating the success achieved in supporting people to maintain good health as well as providing access to effective healthcare services during illness. In 2020, despite the necessary focus on responding to the COVID-19 pandemic, work continued to ensure a balance between responding to illness and enabling good health and disease prevention.

Ageing Population

The increase in both the proportion and number of older people represents the most significant change in population structure in the last decade. The number of people aged 65 years and over has increased by 35.2% since 2009, more than double the EU average of 16% in the same period. Latest population projections indicate a 38% increase in the number of people aged over 65 years by 2031 and a 68% increase in the population aged over 85 years.

Population ageing presents a significant challenge for health service planning, exacerbated this year by the impact of COVID-19. The rate of inpatient hospital care is over seven times greater among people aged 65 years and older, and 14 times greater for those aged 80 and over, compared to people aged 64 and younger. Similar patterns are seen across other health services including primary and community care services.

Health of the Population

Life expectancy has risen by two years for women and 2.5 years for men since 2008 with women living to 84.1 years and men to 80.5 years in 2018. The most significant increase in life expectancy is driven by reduced mortality rates from major diseases. However, life expectancy is socially patterned and remains lower for unskilled workers compared to professional workers.

Cancer, cardiovascular disease and respiratory disease continue to be the three most common chronic diseases, accounting for three quarters of deaths in Ireland although, overall, age-standardised mortality rates have declined. Approximately 32% of those over 18 years of age currently have one or more chronic diseases.

Over the past decade the age-adjusted cancer incidence in Ireland is slowly declining for males and is stable for women. However, assuming that population cancer risk remains stable, demographic changes will lead to an approximate doubling of the number of cancers (excluding non-melanoma skin cancer) to 43,000 cases overall by 2045.

Greatest gains in **life expectancy** achieved in older age groups, reflecting decreasing mortality rates from major diseases

Mortality rates declined over past decade – mortality rates from circulatory system diseases decreased by 25.1%, respiratory death rates by 10.5% and cancer death rates by 10%

Suicide rates have fallen by 37.8% between 2009 and 2018 – However both self-harm presentations to hospital and suicide in the 15-19 age range are both above European norms

In recent years **age-adjusted cancer incidence** in Ireland is slowly declining for males and is stable for women – however the absolute number of cancer diagnoses is expected to approximately double to 43,000 by 2045 due to population growth and ageing

Frailty refers to the gradual loss in reserves across multiple body systems and is estimated to affect 12.7% of adults aged 50 years and over and 21.5% of people aged 65 and over in Ireland. It is a significant risk factor for falls, deterioration in mental health and cognition, and disability among older adults which contributes to an increased need for health and social care services.

The suicide rate in 2018 was 9 per 100,000 (excluding late registered deaths) which is below the EU average for both males and females. However, both self-harm presentations to hospital (11,600 in 2017) and suicide in the 15-19 age cohort are above European averages. The age-standardised rate of individuals presenting to hospital following self-harm in 2019 was 206 per 100,000. This was 2% lower than the rate in 2018 and 8% lower than the peak rate recorded in 2010 (223 per 100,000).

The 2016 Census reported that 643,000 people (13.5%) had a longstanding illness or difficulty indicative of a disability. This represented an increase of 48,000 (8%) since 2011. Of these 224,000 (34.9%) were aged 65 years and over and 59,000 (9.2%) were aged less than 15 years.

Social Determinants of Health and Marginalised Groups

Our social environment is a key determinant of health status. Poverty, socio-economic status and health are strongly interconnected. Census 2016 reported that 22.5% of the population were exposed to disadvantage and that between 2011 and 2016, the numbers exposed to deprivation increased by 9.1% with those living in extreme disadvantage increasing by 9.8%. For those living in the most deprived areas, life expectancy at birth of males and females in 2016 was 79.4 and 83.2 years respectively compared to 84.4 and 87.7 years respectively for those living in the most affluent areas.

In 2020, the COVID-19 pandemic again highlighted the importance of improving access to health services to help mitigate disadvantage. At the end of the year, almost 1.6 million people in Ireland held a medical card and almost 530,000 held a general practitioner (GP) visit card, making it easier to access essential healthcare.

Ethnic and minority groups within our population include Travellers (30,987), international protection applicants (1,566 applications for international protection received in 2020, a 67% decrease on figures for 2019) and those who are homeless (6,032 adults and 1,034 families listed as homeless).

Research has shown that marginalised groups have a lower life expectancy and more complex health needs than the general population, and the improvement of health outcomes for these groups is a key priority.

Additional data sources: Central Statistics Office; *Healthy Ireland Summary Report 2019*; *The Irish National Dementia Strategy 2014*; International Protection Office; and *Department of Housing, Local Government and Heritage Homelessness Report November 2020*.

The number of people with **dementia** is projected to increase from some 64,000 people in 2020 to over 150,000 people in 2046, more than doubling over that time period

The five-year survival rate for female breast cancer for the period 2012 to 2016 was 84%, an increase from 81% for the period 2005 to 2009

Excluding non-melanoma skin cancer, prostate and female breast cancer were the most **commonly diagnosed invasive cancers** overall and each comprised almost one-third of all invasive cancers in men and women respectively during 2018-2020

The number of people aged 50 years and over, living with **one or more chronic disease**, is estimated to increase by 40% from 2016 levels, to 1.1 million in 2030

It is expected that the number of adults living with **Type 2 diabetes** will increase by 60% in the next 10-15 years

2.3 National Service Plan and Capital Plan 2020

The *National Service Plan 2020* was published on 17 December 2019 following approval from Government. The plan set out the type of health and social services planned for 2020 in line with the allocated budget of more than €17bn. The 2020 plan highlighted a number of key aims and objectives for the HSE. These included:

- Developing and implementing enhanced governance, reporting and oversight models, recognising the role of the HSE Board
- Developing a three-year access plan, to improve access to services and reduce waiting lists and hospital overcrowding in line with the recommendations of the *Health Service Capacity Review 2018* and the *Sláintecare* principle of delivering timely access to care
- Contributing to and implementing the *Sláintecare* Action Plan for 2020-2021
- Continuing to drive the Disability Sector Reform Programme
- Extending activity based funding (ABF) including in the community setting
- Continuing an efficiency programme with a target 1% improvement
- Continuing the use of generic drugs and bio-similar
- Advancing the electronic health records (EHR) project
- Developing and implementing the Pay and Numbers Strategy 2020.

In addition to the NSP, the HSE also prepared a Capital Plan to form part of a rolling ten-year investment plan for health and capital investment. The Capital Plan sets out the capital investments required to support the enhancement of health and social care service provision and drive reform. The initial capital budget allocated to the HSE in 2020 was €744m, including funding for the National Children's Hospital.

The implementation of the *National Service Plan 2020* and, to a lesser extent, the 2020 Capital Plan was severely impacted by the COVID-19 pandemic.

2.4 Our Corporate Plan – Looking Forward

Under the *Health Act 2004* (as amended), the HSE is required to prepare and adopt a Corporate Plan, specifying the key objectives of the HSE for the three-year period concerned. The *Corporate Plan 2021-2024* was submitted to the Minister for Health in September 2020 and was approved in early 2021.

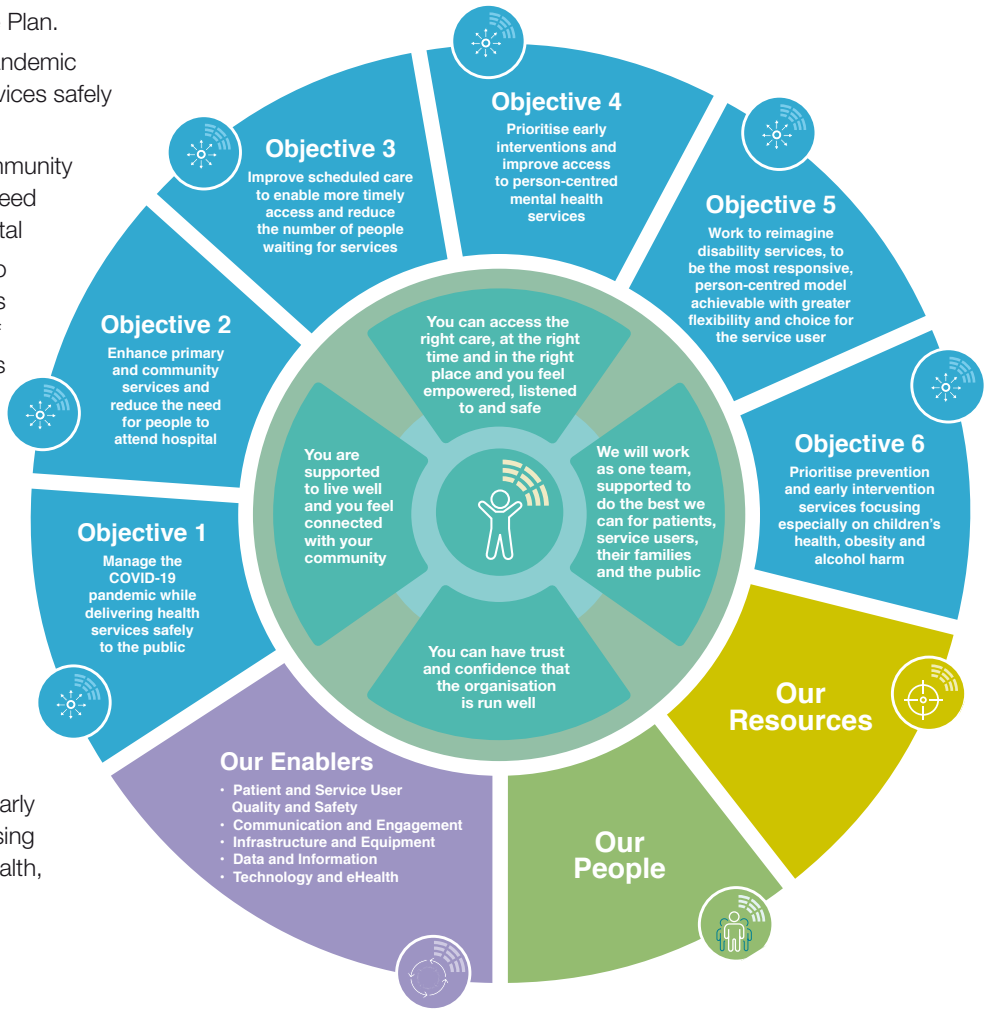
Significant consultation was undertaken in the development of the Corporate Plan. Its focus was to identify the key priorities for stakeholders, allowing us to ensure that key service user and public concerns were addressed.

The new Corporate Plan is ambitious. It seeks to enhance significantly the services we provide in community settings, to improve access to services across the board, to improve value for money, and to accelerate the reform and digitisation of our service, building on our collective experience of living with and working in a COVID-19 environment. While restarting and delivery of core services and continuing to respond to COVID-19 are a primary focus of the Corporate Plan, there is also a focus on transforming services and enhancing the positive changes we have seen across our health system. We will support our people to develop skills and to innovate, and we will bring about a supportive care environment that enables a healthy work-life balance and a culture where everyone is free to raise concerns.

The COVID-19 pandemic has demonstrated how our country and health system can work together as one team towards one goal. Our Corporate Plan sets out how we aim to emerge stronger with better health and a better health service for all.

The Corporate Plan outlines the following objectives, consistent with *Sláintecare* and our vision of a healthier Ireland, with the right care, at the right time and in the right place. They are informed by the Programme for Government, recognised risks, challenges and opportunities, the wider COVID-19 environment, the broader pandemic planning and feedback from the consultation process while developing the Plan.

1. Manage the COVID-19 pandemic while delivering health services safely to the public
2. Enhance primary and community services and reduce the need for people to attend hospital
3. Improve scheduled care to enable more timely access and reduce the number of people waiting for services
4. Prioritise early interventions and improve access to person-centred mental health services
5. Work to reimagine disability services, to be the most responsive, person-centred model achievable with greater flexibility and choice for the service user
6. Prioritise prevention and early intervention services focusing especially on children's health, obesity and alcohol harm.



2.5 Preparing for Brexit

Brexit planning was an important consideration for the HSE over the last number of years. The United Kingdom (UK) left the EU at the end of January 2020 and the Brexit transition period between the UK and the EU ended on 31 December 2020. On 24 December 2020, the EU and UK concluded a Trade and Cooperation Agreement which was applied provisionally from 1 January 2021. The HSE worked closely with the DoH on contingency planning, mitigating actions and readiness for Brexit, with the focus of this work being on the implications across a range of workstreams:

- Continuity of patient and client health services
- Cross-border and frontier arrangements, including Co-operation and Working Together programmes
- Emergency health services (including the National Ambulance Service (NAS))
- Public health matters
- Environmental health services – food import control and export certification
- Workforce issues and recognition of qualifications
- Continuity of supply of goods and services/procurement arrangements
- General Data Protection Regulation (GDPR) compliance
- Communications.

In 2020, the HSE worked closely with the DoH and other agencies on Brexit contingency planning as part of the whole-of-government Brexit readiness programme. Extensive and in-depth work was conducted in numerous areas including medicines, medical devices and GDPR. This involved identifying, assessing and addressing the necessary contingency measures and actions required to maintain services post-Brexit. The HSE continues to work closely with service providers, suppliers and patients in relation to the 2021 Brexit environment, with consideration also of the existing Northern Ireland Protocol and Withdrawal Agreement and the whole-of-government approach to the COVID-19 pandemic.

Brexit remains a risk to the delivery of healthcare services in Ireland, and managing and monitoring its impact will continue into the future.

3 Operational Delivery

3.1 COVID-19 Impact and HSE Response

1.3m users of COVID-19 mobile tracker app

COVID-19 is the most serious global pandemic in over a century. Its impact was felt in all aspects of our lives and by the end December 2020, there were nearly 92,000 positive cases and more than 2,200 deaths in Ireland. In dealing with COVID-19, a national unity of purpose was demonstrated in the manner that the population as a whole embraced and complied with public health advice and guidance. Within the HSE, the commitment, dedication and courage of our staff and, in particular, those who were working tirelessly on the frontline, was central to the effective management of the virus itself and to the delivery of safe services.

As noted in Section 2.1 of this Annual Report, to ensure an effective, co-ordinated response to the pandemic, a range of structures and associated processes were established by the HSE including: the National Crisis Management Team to lead, manage and control the overall HSE response; the INOH to ensure central oversight and co-ordination of the operational response to COVID-19; and a Senior Clinical Group to provide clinical support, guidance and direction to the HSE's response.

Our Response to COVID-19

Our fight against COVID-19 required us to maintain a balance between careful, considered planning and rapid decision-making, led by public health in line with data, evidence and best practice as it emerged. The pathway of care for patients focused on community provision, to the greatest extent possible, as this presented the greatest opportunity to scale up the response within the available timeframe and within the appropriate location for care.

Peer vaccinators

A rise of 24.5% in the number of staff getting the flu vaccine earned South Tipperary General Hospital in Clonmel the Best Improver Award at the National Immunisation Office's staff vaccine awards. TJ White, Director of Nursing, said peer vaccinators among the staff were key to the success of the campaign. *"It was so important to bring them on board so the staff could see that getting the flu vaccine wasn't just a directive from above, it was something their colleagues supported and endorsed"* he said.

Our models of care were operationalised through the structures referenced above. Within INOH, 10 workstreams were established, covering delivery and enabling functions, which ensured that there was an agile and responsive approach that minimised duplication and supported interdependencies. The INOH also established nine Area Crisis Management Teams across the country to ensure that the response was driven locally with national guidance and oversight.

The pandemic necessitated a range of new services and new ways of working to be introduced at pace to respond to the health needs of the population and to protect staff. It also necessitated close working with community volunteers and external agencies including An Garda Síochána and the Defence Forces without whom the challenges facing the health service would have been insurmountable. In responding to COVID-19, we relied heavily on the expertise of the voluntary health sector (section 38 and 39 agencies) to deliver a substantial element of health and social care services. The work undertaken underscores the importance of continuing to build on these relationships, grounded on mutual trust and respect, recognising and working collaboratively to address the particular challenges faced by our voluntary partners.

Cost of PPE in excess of €900m

Adapting services to keep pace with public health advice

In order to meet COVID-19 care needs, elective and non-essential health services were restricted and staff were redeployed from all areas of the health service, including to provide increased support for dedicated public health helplines. These were not easy decisions and the long-term implications were carefully considered; however, in the circumstances, other options were not available. The practice of remote working was encouraged, where feasible, with online training provided to make this work easier and more effective.

The development of key technology initiatives enabled and supported the COVID-19 model of care. These included a COVID-19 Care Tracker (CCT) system to support patient flow and information management requirements, a mobile phone app to assist in contact tracing, electronic prescribing, and telehealth solutions to enable access to care closer to home.

A national easily accessible repository of clinical guidance was developed to help equip healthcare workers in all sectors with the latest COVID-19 clinical guidance. The repository provided nationally consistent advice, based on best available knowledge and written by clinical subject matter experts, to strengthen the clinical management of patients.

An agreement was put in place ensuring that private hospital sector capacity was available to supplement the public system, to respond to the risk of large-scale surges in the incidence of COVID-19.

Infection prevention and control (IPC) guidance was provided to support services with IPC COVID-19 requirements including the provision of direct advice and support, publication of documents and the delivery of education webinars and communication campaigns.

Health protection surveillance (collecting, collating, analysing and communicating of major communicable diseases) provided daily and weekly reports on COVID-19 for key stakeholders. The HPSC provided up-to-date information, accessible by all, through their website (hpsc.ie) and worked closely with HSE Communications to ensure accurate information was provided via hse.ie.

Supporting long-term residential facilities

COVID-19 Response Teams were established in March across all Community Healthcare Organisations (CHOs) to support public health outbreak teams covering all residential services as well as home support settings.

The composition of these teams centred on specialist expertise for older people and residential care, inclusive of consultant geriatricians, directors of nursing, residential care services, public health personnel, nursing and administrative supports. The teams had capacity to provide telephone support, on-site visits and assessments, access to PPE supply lines, and updated IPC and public health advice including training materials.

To mitigate the risk to residents of long-term residential facilities of contracting COVID-19, testing for residents and staff was provided by deployed staff including those from the NAS. The positivity rates from each round of testing were examined to observe areas of concern.

25,000 tests per day laboratory capacity

The scale of the outbreak and/or COVID-19 detection in staff arising from serial testing presented a number of significant challenges including:

- Provision of safe levels of patient care in the context of parallel management of COVID-19 outbreaks and increasing levels of end-of-life care associated with both winter and COVID-19 related morbidity/mortality
- Capacity of HSE to step in to provide intensive supports to voluntary and private residential facilities, including on the ground management and clinical leadership advice, infection, prevention and control guidance and in particular deployment of HSE staff to these facilities.

Deployment of staff from external agencies such as the Defence Forces and the return of close contact healthcare workers helped to mitigate some of these concerns.

Implementation of the recommendations arising from the *COVID-19 Nursing Homes Expert Panel Report* is a priority for 2021 to both support long-term residential facilities experiencing outbreaks and to prevent future outbreaks. This programme of work aims to further develop mechanisms that will consider a person's suitability for rehabilitation and/or reablement services prior to admission to a nursing home, continue to enhance public health measures in residential care settings and develop an integrated IPC strategy for the community, including nursing homes.

Testing and tracing

A sustainable and flexible National Testing and Tracing Operating Model for COVID-19 was developed at pace, as part of the HSE response to controlling and suppressing the transmission of the disease. The National Testing and Tracing service pathway comprises referrals for testing, swabbing, laboratory testing, result communication and contact tracing (including surveillance and outbreak management).

Improvements to the service continued throughout the year and included:

- A governance model aligned to best practice and service need
- A dedicated workforce comprised of nationwide clinical and non-clinical staff supported by flexible arrangements with third party service providers and other public sector organisations to respond to the rapidly evolving pandemic

Unprecedented additional capacity delivered

HBS Estates delivered additional capacity nationwide in the effort to contain and prevent the spread of COVID-19, including additional community and acute bed capacity, testing centres and clinical assessment centres. Pictured is the former St. Finbarr's Chapel Cork which was converted in just 13 days to provide 19 beds.

"Estates teams across the country worked tirelessly to rise to the challenge" said Jim Curran, Head of Estates.

- A clinically led referral service with an enhanced seven day a week GP out of hours referral service
- Nationwide permanent community testing centres (swabbing) with the availability of extended opening hours
- Highly agile 'pop-up' testing and swabbing fleet supported by the NAS
- Enhanced laboratory capacity of up to 25,000 tests (per day) by year end
- A national Contact Management Programme and dedicated contact tracing centres to support the regional public health departments
- New systems and technologies developed and deployed including the HSE COVID-19 tracker contact tracing app
- Key performance indicators (KPIs) and associated targets were defined across the service pathway to support performance monitoring and improvement.

440,000 contact tracing calls completed

All of these developments have enabled us to complete over 720,000 GP referrals, to complete over 2.3 million laboratory tests and to complete over 440,000 contact tracing calls during the year.

Procuring personal protective equipment (PPE)

The provision of a stable and responsive PPE supply and distribution service was an essential requirement but was also a significant challenge as the worldwide demand for PPE increased to 100 times its normal level (according to the WHO). A national supply chain strategy for PPE, including encouraging indigenous manufacturing was developed. A new Distribution Operating Model was implemented to distribute PPE in compliance with established clinical guidelines, ensuring the sustainable management of increased sourcing and distribution activity and the need for additional storage capacity required.

A cross-governmental and multi-agency sourcing model approach was deployed that allowed the HSE to leverage the political, diplomatic and commercial networks available. A demand forecast model was developed and enhanced reporting on PPE procurement was put in place.

By the end of December, almost 868 million items of PPE including masks, gowns, gloves and face shields had been received by the HSE.

Providing accommodation

A key requirement in dealing with the COVID-19 pandemic was the provision of self-isolation facilities for those who were unable to self-isolate safely at home and the provision of temporary accommodation for healthcare workers who ordinarily live with vulnerable persons or who share accommodation (excluding with family members) where they were at increased risk of COVID-19 transmission.

The HSE entered into a contract with Citywest Hotel for its use as an isolation facility. By December, there had been over 1,500 admissions with over 1,300 healthcare workers additionally facilitated for quarantine. Eighty third-party locations had been approved to ensure staff could avail of accommodation, with 35 locations in use.

Resuming and continuing services

In parallel with the delivery of COVID-19 models of care, a key priority for the organisation was the reinstatement, maintenance and enhancement of non-COVID-19 health and social care services. As knowledge and experience of managing the pandemic increased, the safe resumption of services was prioritised and further information on this can be seen in Section 3.2 of this Annual Report.

Reform during COVID-19

Our experience in dealing with COVID-19 has given us invaluable insights into how we might permanently embed the better ways of working together that emerged by necessity. This includes examining how management processes can be streamlined to allow more decisions to be made by the right people at hospital and community level. Since October, stakeholder meetings and design workshops have been taking place with a focus on cross-functional scenarios covering a range of topics including service planning, health and wellbeing and service improvement, and on the development of organisational structures for integrated operations and clinical functions.

40,950 doses of COVID-19 vaccine received into Ireland in December

The HSE is committed to making the principles of *Sláintecare* a reality and many of these principles have been deployed in how our response to the pandemic has been organised, including the acceleration of the delivery of many service transformations. These are particularly evident in the areas of eHealth, community healthcare and service integration. In an extremely challenging environment, our focus remained on delivering demonstrable improvements to health service performance and delivery through technological and other innovative initiatives.

The pandemic has also demonstrated the increased value and importance of data in supporting effective decision-making. Considerable progress has been made in better harnessing and capitalising on the data available within the HSE and drawing on this to effectively plan and predict service demand.

These new initiatives, along with enhanced investment, will have a transformative effect on our health service. Work is continuing to address backlogs and improve waiting times for scheduled care, while continuing the shift towards primary care, underpinned by better access to diagnostics and by investment in community and home-based care. A strong focus on digitisation will reduce inefficiencies, speed up patient flow and improve patient experience.

Further detail in relation to reform can be found throughout this Annual Report.

Childhood vaccination clinics

As part of an overall national effort, the immunisations for the academic year, which were paused due to the pandemic, were completed in July for over 6,000 school aged children who attended the Dublin North City and County Community Healthcare immunisation hub at the National Show Centre. Using learning from COVID-19 testing and assessment, bays were set up which allowed the immunisations to be carried out in accordance with public health guidelines.

Workforce Impact

With the impact of COVID-19, our workforce came under immense pressure due to the requirement to fundamentally change how services were delivered. Examples of the affected workforce included hospital staff who cared for an increasing number of COVID-19 patients and those redeployed to completely new roles to help deal with the spread of the virus. Other examples included staff working behind the scenes, in areas such as environmental health, procurement, estates, and information and communications technology (ICT) to ensure that services could function as they should in the public health emergency.

In the initial weeks, our focus was on accelerating and expanding our frontline services and protecting the most vulnerable in society. Subsequently, our focus needed to be on finding new and innovative ways to provide healthcare to the population and this has provided an opportunity for all healthcare workers to reimagine how services can be delivered.

Where staff contracted the COVID-19 virus and needed to self-isolate, or restrict their movements due to close contact, there were significant challenges in maintaining the necessary staffing levels. Staff across the organisation stepped up to minimise any impact on service delivery and many retired staff returned to the workplace to assist in fighting the pandemic. A widespread programme of redeployment was initiated both within the health service and across the wider public service with over 8,000 new appointments made.

Huge sacrifices were made by healthcare workers to ensure that care continued to be delivered while minimising the risk of passing on infection to others including, where necessary, living away from home to protect their own families and friends. Additionally, many staff continued to work while also providing care to children and vulnerable relatives where schools and services were forced to close. Sadly, several cherished colleagues lost their lives to COVID-19 and our sincere condolences are with their families and loved ones. We continue to work together with determination and commitment to honour their memories.

Financial Impact

The COVID-19 pandemic has had an unprecedented impact on the HSE and has placed significant pressure on funding and expenditure during the full year 2020.

The HSE received additional revenue and capital funding from the DoH in 2020 of €3.3bn of which €2.8bn has been provided for initiatives to ensure the delivery of ongoing health services.

This additional funding has been used in particular across the following key areas and initiatives which are fundamental to the HSE's COVID-19 response. These are summarised below:

- Testing and Tracing initiative
- GP COVID-19 related services
- Temporary Assistance Payments Scheme (TAPS) for private nursing homes
- Commissioning of private hospital capacity
- Procurement of PPE and associated logistics costs
- Winter planning in the context of the pandemic
- Capital costs related to setting up testing centres, step down facilities such as Citywest, Dublin, and enabling works in various locations to reflect additional safety needs related to COVID-19.

Items of expenditure which are driven by COVID-19 initiatives are further detailed below:

- Costs related to PPE have increased to over €900m. This level of expenditure on PPE was required to ensure the safety of HSE staff, patients and service users
- Other medical equipment purchases have increased by €107m mainly due to additional minor (non-capital) equipment across health settings
- Laboratory costs and testing have increased by €157m arising from COVID-19 testing needs
- Doctor's fees and allowances have increased by €192m as a direct result of additional COVID-19 hygiene requirements
- The TAPS scheme has provided an additional €77m in respect of private nursing home services
- Property and office administration type costs have increased by €117m as additional resources have been needed to support frontline staff, step down facilities and social distancing safety measures.

COVID-19 Vaccination Programme

The end of 2020 brought new hope with the approval of a vaccine against COVID-19. Planning for the roll-out of the vaccination programme was informed by the Government's High-Level Task Force on COVID-19 vaccination who provided the proposal for the national COVID-19 vaccination strategy on 11 December 2020. An implementation plan set out a three-phase approach to the vaccine roll-out with phase 1 focused on the establishment of the programme and delivery of vaccinations to the first two prioritised groups (residents and staff of long-term residential facilities and frontline healthcare workers). The first vaccine was administered in Ireland on 29 December 2020. The HSE continues to work in partnership with the Government taskforce, the DoH and other stakeholders in the delivery of the national COVID-19 Vaccination Programme taking the lead role in its operational roll-out.

The Vaccination Programme is being rolled out in accordance with the published vaccine allocation sequencing approach and vaccination delivery schedules. There will continue to be an ongoing national focus on the effective implementation of the Vaccination Programme and the HSE will continue to adapt in an agile way to this dynamic environment.

Key elements of the COVID-19 Vaccination Programme include:

- Developing a logistical framework to support the roll-out of the vaccine to the population
- Ensuring that the required workforce is in place to deliver the Vaccination Programme, through the design and implementation of new clinical protocols, programmes of education and training, both online and face-to-face
- Ensuring the safe delivery of the Programme
- Providing an integrated information technology system to schedule, record and track immunisations
- Ensuring that a comprehensive approach to surveillance and monitoring is in place for the Vaccination Programme
- Ensuring effective communications in support of the Vaccination Programme.

Addressing needs of the homeless population

A strong response by the Dublin Regional Homeless Executive, the HSE and section 39 funded agencies, along with Community Drug and Alcohol Task Forces, successfully minimised the risk of COVID-19 to vulnerable homeless people and homeless people living with addiction in the community. The joint approach not only addressed issues relating to COVID-19 but also allowed other issues to be addressed including access to accommodation and drug treatment.

3.2 Restarting Services and Delivering non-COVID-19 Care in 2020

COVID-19 affected the entire population, not just those who contracted the virus. All health services across acute, community and population health settings were impacted. In March 2020, services such as non-essential surgery, health procedures and other non-essential health and social care services were curtailed in response to COVID-19 and following guidance from NPHET. This decision, while necessary, impacted a great number of people and resulted in unavoidable distress for patients, services users and their families. The forbearance and understanding of service users and their families played a critical role in reducing the impact of the pandemic. These difficult decisions allowed the health system to provide critical care to an increasing number of confirmed COVID-19 patients and reduced the risk of capacity being exceeded. The decisions also supported staff and patients to comply with physical distancing guidelines, and the need to redeploy staff and resources to support the delivery of COVID-19 services.

Subsequently, there was an urgent need to rethink how services could be resumed. To address this, a strategic framework *Service Continuity in a COVID Environment – A Strategic Framework for Delivery* and a roadmap *A Safe Return to Health Services – Restoring health and social care services in a COVID environment* were developed and published during summer 2020. New ways of working and new models and pathways of care were rolled out across the health system to support the reintroduction and scaling up of services in a COVID-19 environment.

Some of the key actions taken in 2020 to increase service levels and restart activity included:

- Additional beds were provided in community and acute settings including additional critical care beds
- Integration between acute and community services was increased, improving safe access to diagnostics and specialist advice
- Increased outreach support to mitigate reduced day service capacity
- A dedicated scheduled care transformation team was established to co-ordinate and support the planning and delivery of necessary reforms
- Integration of multi-siloed information sources to one platform provided real-time information to support the planning and delivery of care
- Provision of additional infrastructure and equipment
- Arrangements with private hospitals were negotiated to enable the HSE to meet essential and elective care needs including delivery of over 13,000 inpatient cases, over 53,000 day cases, over 52,000 outpatient attendances and over 85,000 diagnostics
- Technology solutions were developed and deployed including digitally connected clinical systems and online platforms (further information can be seen in Section 3.5 of this Annual Report)
- The use of telehealth to engage with patients was a key feature and resulted in over 650,000 patients being seen virtually in acute services and over 96,000 patients receiving virtual consultations from community services
- Drive-through clinics were developed to ensure patients could be seen in a safe environment for some scheduled activities
- Delivery of home dialysis and other services previously delivered in hospital such as immunoglobulin therapy was increased.

As a result of these initiatives, once non-critical care could resume, levels of activity rose in the second half of 2020.

Winter Planning

In 2020, the impact of the COVID-19 pandemic challenged the overall capacity and capability of the health service in a way that was unprecedented.

The HSE's Winter Plan for 2020/2021 *(Winter Planning within the COVID-19 Pandemic (October 2020 - April 2021))* aimed to mitigate the extraordinary challenges brought about by the pandemic, ensuring that services were prepared for the additional external pressures associated with the winter period and within a COVID-19 environment.

Existing services were severely interrupted with both community and acute settings affected, and new services had to be rapidly developed and deployed. Healthcare delivery occurred in a high-risk environment where outbreak and surge could ensue at any time, making winter 2020/2021 the most challenging winter for the health service in living memory. The HSE's Winter Plan for 2020/2021 focused on three key initiatives:

- Enhancing community capacity to decrease acute hospital demand
- Enhancing alternative community pathways to minimise acute hospital admissions
- Enabling timely acute care and discharge from hospital.

Over €600m in funding was allocated to support these initiatives.

The Winter Plan 2020/2021 was a shorter-term tactical plan within the broader pandemic planning which focused on restoring our services in a prioritised manner, with investment targeted at redesigning and rebuilding services guided by the vision, principles, approach and priorities of *Sláintecare*. A 'community-first' approach to the delivery of care was central to ensuring that service delivery was reoriented towards general practice, primary care and community-based services. The enhancement of community services allows people to remain at home, with community specialist teams working in an integrated way with NAS and acute services to reduce hospital admissions and ensure people are discharged from hospital without delay. By implementing innovative healthcare measures, we are working to ensure the optimised health and wellbeing of the public and of our staff.

Online speech and language therapy

Speech and language teams used available technology to provide online support and get sessions restarted for children. Sessions used a mix of virtual activities (such as online games) and real pictures and objects held up to the screen, allowing work to continue on therapy goals such as building listening skills, telling news, understanding language concepts and making long sentences. The response from families and children has been hugely positive with parents feeling that they were active participants in their child's therapy.

3.3 Performance and Key Achievements in 2020

Operational performance is measured primarily on the basis of how we delivered against our National Service Plan (NSP) which sets out the type and volume of health and social care services to be provided in response to the funding made available and the level of staff to be deployed. The NSP was supported by detailed operational plans identifying named responsible people for its delivery.

Under the *Health Service Executive (Governance) Act 2019*, the Board of the Executive is accountable to the Minister for Health for the performance of the HSE. The Performance and Accountability Framework sets out the systems, procedures and practices for performance management and accountability within the HSE including with statutory, voluntary and private providers, and with the Board and DoH/Minister for Health. Under this Framework, the National Performance Oversight Group has delegated authority from the CEO to serve as a key performance and accountability oversight and scrutiny process for the health service and to support the CEO and the Board in fulfilling their accountability responsibilities. This Group meets on a monthly basis. It is their responsibility, as part of the overall performance and accountability process, to scrutinise the performance of the health service provider organisations to assess achievement of objectives in accordance with the NSP.

A summary of key activity in 2020 is set out in the table below:

Key activity in 2020

NSP 2020 had over 130 priorities with over 550 supporting actions across all areas of service delivery and enabling functions. Overall, during the year:

- Over 60,000 referrals to community intervention teams (32% greater than expected activity)
- Over 1.1 million patients seen in community therapy settings (30% less than expected activity)
- Over 17.5 million home support hours delivered to almost 53,000 people and 149 people in receipt of an intensive homecare package (lower than expected activity by 6%, 1% and 37%)
- 86 new emergency residential places developed for people with a disability (34% more than expected activity)
- Almost 10,500 referrals seen by child and adolescent mental health teams (3% less than expected activity)
- Over 920,000 day case procedures (19% less than expected activity)
- Over 560,000 inpatients discharged from hospital (13% less than expected activity)
- Over 1.1 million new and return ED attendances (18% less than expected activity).

Further information on key activity in 2020 can be seen in Appendix 3 of this Annual Report and on hse.ie.

Specific actions and achievements from 2020 for each of the key programmes of care include the following:

Health and Wellbeing

- Technology and online solutions were developed to support a number of programmes including the Living Well Programme, supporting people living with long-term health conditions, which was adapted into a series of online self-management workshops, the Minding Your Wellbeing online programme of five 20-minute videos commenced in October and a virtual workshop was developed to deliver the Making Every Contact Count (MECC) Enhancing Your Skills training programme
- New communication campaigns were launched during the year including #UequalsU, a campaign to address human immunodeficiency virus (HIV) related stigma, and a new ‘Quit for 28 days’ stop smoking campaign
- Adenosine Deaminase Deficiency Severe Combined Immunodeficiency (ADA-SCID) was added to the conditions screened for as part of the National Newborn Bloodspot Screening Programme

7,755 smokers received online cessation support services

- The Healthy Living Business Case was developed and subsequently informed the development of a Healthy Communities Initiative in collaboration with the DoH and *Sláintecare* Programme Implementation Office
- Due to the impact of the pandemic, progress was less than planned in the *Sláintecare*-funded project to appoint smoking cessation professionals and establish new smoking cessation services in maternity settings which was paused for a number of months.

Public Health

- Our public health teams played a major role in responding to the COVID-19 pandemic. Additional staff were deployed to provide timely responses throughout the country. Public health teams worked closely with the wider health system to mitigate and limit the spread of the virus using evidence-based strategies, guidance, disease surveillance and health intelligence developed nationally. Public health also supported end-to-end COVID-19 testing and contact tracing designed and delivered to specifically protect the health of people living in Ireland
- A population seroprevalence study was carried out jointly by the HSE Health Protection Surveillance Centre and the National Virus Reference Laboratory
- Work continued during the year on a new public health model based on international evidence and best practice
- Due to the impact of the pandemic, childhood vaccination rates declined early in the first half of 2020 but showed improvement in the second half of the year with the provision of catch-up clinics. Flu vaccination for children was also introduced.

Virtual breastfeeding group

Lactation consultant Roisin Sullivan hosts an online breastfeeding group in Dun Laoghaire, providing vital support and advice despite the restrictions caused by COVID-19.

"I sent the link to all the public health nurses in the area to share with the new mums and the day and time is the same every week" explained Roisin. "I try to answer any questions that come up during the session. But if a mum prefers to do a one-on-one consultation with me, we can schedule an online session together. They have my number and can always get me if they have any difficulties."

Environmental Health Service

60,169 Community Intervention Team referrals

- From the outset of the pandemic, vital health protection information was provided to passengers arriving into Ireland, in line with public health guidance
- Compliance with the Work Safely Protocol for COVID-19 was assessed in a variety of business sectors
- Work continued to increase capacity to ensure official controls on food imports could be carried out and responses to expected additional requests for food export certificates could be met, post-Brexit
- Work continued with retailers and other stakeholders nationally to build compliance with new measures in relation to the sale of alcohol under the *Public Health (Alcohol) Act 2018* and to ensure compliance with the *Public Health (Tobacco) Act 2002*
- Due to the COVID-19 related closure of premises, the number of inspections and test purchases of food premises, sunbed establishments and tobacco retailers was reduced compared to 2019. However, responding to complaints from the general public regarding matters felt to be a risk to public health remained a key focus and 96% of all such complaints were assessed within one working day.

National Screening Service

- BreastCheck operated a reduced service in 2020 but continued to provide a service for those women in the assessment phase of screening who were deemed to be at higher risk. 56,270 women had a complete mammogram in 2020 (69.6% reduction against expected activity)
- CervicalCheck paused primary care screening in March but when the programme resumed screening in July, HPV testing went live in primary care with all screening being sent for HPV testing. The number of women who had one or more samples taken in a primary care setting in 2020 was 143,028 (43.9% reduction against expected activity)
- BowelScreen launched a new endoscopy unit at University Hospital Waterford in December 2020 to help the programme deliver vital services closer to where people live in the South East. The programme deferred issuing invites in March and resumed issuing new invitations for screening on a phased basis in August 2020 with 49,889 clients completing a satisfactory FIT test in 2020 (60.1% reduction against expected activity)
- Diabetic RetinaScreen implemented a new digital surveillance pathway to be delivered within the community to assist the hospital treatment clinics in reducing the build-up of patients on waiting lists. Following paused screening, Diabetic RetinaScreen recommenced screening in July on a phased basis with 62,281 people screened with a final grading result in 2020 (43.4% reduction against expected activity).

Enhanced Community Care (ECC) Programme

- The ECC programme was established and implementation structure commenced, to oversee the implementation of 96 Community Healthcare Networks (CHNs) and 32 specialist teams for older people and chronic disease
- An evaluation of the nine CHN learning sites commenced, the outcome of which will inform the future implementation of the CHN model
- The recruitment of 3,000 posts commenced, including those for CHNs and community specialist teams
- During the initial months of the pandemic, approximately 40% of services continued as normal (e.g. residential services) with 40% operating at reduced capacity (e.g. home support for those at lower level of need) and 20% of services suspended (e.g. clinic-based therapies); however there was a significant increase in service provision from May to October as a result of the gradual return of staff to core duties from COVID-19 specific services. This increase plateaued in November and December, caused in part by the second and third wave of the pandemic
- The HSE continued and, where necessary, sought to enhance its engagement and relationship with its section 38 and section 39 key partner organisations to provide as much guidance and practical support as feasible. Recognising the particular challenges faced by our partners in the voluntary disability sector, specific additional focus was put into this engagement which will continue in 2021.

414,345 physiotherapy patients seen by community services

Primary Care Services

- Implementation of the GP Agreement 2019 progressed with investment of funding enabling new and enhanced services such as chronic disease management, management of patients with haemochromatosis and enhanced practice nurse support to come on stream as well as increases in fee payments to GPs
- Bespoke arrangements were negotiated by the HSE and DoH in relation to provision of out of hours service, development of community assessment hubs, and the modified chronic disease programme
- Significant primary care service provision was prioritised during the year including child health, acute to community discharges, emergency therapies and services (e.g. emergency dental services), nursing support packages to children with life limiting conditions, and public health nursing
- While clinic-based therapies were suspended at the outset of the pandemic, innovative approaches (such as Attend Anywhere) were established to provide therapies virtually, where possible, and by end December, 78% of physiotherapy referrals, 78% of speech and language referrals, 58% of occupational therapy referrals and 49% of psychology referrals had accessed these services within the targeted time period
- Establishment of multi-disciplinary teams continued to develop and clarify pathways of care with specialist services, providing more targeted care planning to people with complex care needs and facilitating more services being provided in the community, with a resultant decrease in acute hospital activity.

Primary Care Reimbursement Service

- Approximately 7,100 contractors were reimbursed for the provision of health services to the public under the various schemes, and payments were facilitated to GPs for remote consultations for patients suspected of contracting COVID-19

Golden Moments packs support older persons

Staff in Mental Health Services for Older Persons in North Dublin developed a programme called 'Golden Moments' for individuals with dementia to provide a structured alternative to community-based services. The team were delighted with the positive reaction received from service users and their carers, with Mellany McLoone, Chief Officer, calling the initiative *"another great example of the creativity and innovation by staff which demonstrates their commitment to continue to deliver person-centred care during COVID-19"*.

- Electronic functionality was expanded to allow new pharmacy contractors to be fully automated and work continued on the development of a fully integrated online application system for those wishing to apply or renew their eligibility under the various schemes
- Applications were assessed in relation to new drugs and the uses of existing drugs in 2020 in accordance with the procedures outlined in the *Framework Agreement on the Supply and Pricing of Medicines 2016-2020*.

984 service users admitted to homeless emergency accommodation had health needs assessed within two weeks

Social Inclusion

- Significant supports were put in place to mitigate the impact of COVID-19 on vulnerable groups such as the establishment of the Dublin Homeless COVID-19 Response team, led by Dublin North City and County Community Healthcare. This included a dedicated COVID-19 assessment hub, based in the Mater Misericordiae University Hospital. The hub is a joint venture between the hospital, the HSE and SafetyNet and includes a mobile outreach service aimed at those experiencing homelessness and others who cannot or rarely seek access to GPs and healthcare
- An early infection control response was implemented across homeless services guided by the Health Protection and Surveillance Centre's *COVID-19 Guidance for Homeless Settings and other vulnerable group (social inclusion) settings*
- Additional wrap-around supports were provided to monitor and manage the health of those in temporary emergency accommodation, shielding, cocooning and self-isolation facilities
- An additional 893 people commenced on opioid substitution treatment during 2020.

Older Persons' Services

- Day services were suspended due to the COVID-19 pandemic. However, adaptations to service delivery were implemented such as increasing Meals on Wheels, phone line support and outreach through social distancing compliant visitations
- Services supporting hospital discharges (transitional care) continued but were reduced in their capacity due to restrictions in long-term residential care as a result of public health requirements. The availability of emergency residential respite services also greatly reduced due to capacity constraints, and home respite and carer support also had to decrease activity
- Home support services continued at reduced activity (partly due to cocooning), particularly for those clients categorised as priority level 3 and 4. The provision of aids and appliances to support independence also decreased. Despite reduced activity, over 17.5 million home support hours were delivered in 2020
- COVID-19 Response Teams were established and continued due to the disproportionate impact of the virus on nursing homes; these specialist teams focused on supporting residential settings to manage outbreaks of COVID-19, in collaboration with public health teams.

Palliative Care

- Palliative care service provision was maintained within inpatient and community settings, including end-of-life care within people's own homes
- During the year, in excess of 3,200 patients accessed specialist inpatient beds with an equivalent number receiving specialist palliative care treatment in a home setting.

Disability Services

- Resources aligned with day services for adults were diverted to ensure that essential residential services were maintained. Special needs assistants were also redeployed from June to August to support 230 children with complex disabilities
- 86 additional emergency places were put in place in response to need and 4.7 million home support and personal assistance hours combined were provided

943 new disability service emergency places and in home respite supports

- The number of completed assessments of need significantly increased during the last quarter of 2020 and the waiting list is on target to be cleared in the first half of 2021
- Disability umbrella organisations worked in partnership with the HSE to develop capacity within the sector. This included using creative and innovative models of care such as the introduction of a virtual community centre in partnership with Enable Ireland, offering community-based and technological supports
- The impact of the pandemic resulted in some loss of momentum on key programmes such as decongregation, personalised budgets, the autism programme and the development of the children's disability network teams.

Mental Health Services

- In mental health acute inpatient and community residential settings, facilities were reconfigured and resident transfers took place to eliminate multi-occupancy bedrooms and reduce the risk of cross-infection
- *Sharing the Vision – A Mental Health Policy for Everyone* was launched in June 2020 and an extension of *Connecting for Life, Ireland's National Strategy to Reduce Suicide* was agreed
- A new initiative, Child and Adolescent Mental Health Services (CAMHS) Connect, was launched to improve the patient experience for young people requiring access to mental health services, particularly at out-of-hours times

Photography group helps mental health

Occupational therapists on the Coolock and Darndale Community Mental Health Teams brought together both service users and team members to form a photography group to tackle isolation and build morale. The decision was made to go digital, with clients receiving a new theme each week.

The themes centred on areas of need. A large emphasis was placed on the promotion of gratitude as evidence has found it can assist with improvements in mood and reduce feelings of isolation.

- Supports such as free online counselling, access to online training and peer support, enhanced funding for national text service, access to free online suicide prevention training and a free 24/7 signposting telephone line were made available
- As a result of COVID-19 some community mental health services were reduced. The reduction in services was in line with public health advice on the provision of safe services. There was extensive use of remote consultation tools such as Attend Anywhere to ensure continuity of services for mental health patients.

2.99m new and return outpatient attendances

Acute Hospital Services

- Increased bed capacity and the reduction in both scheduled and unscheduled activity ensured that the acute hospital system operated at (or below) 80% capacity resulting in the ability to admit patients without delay
- Telehealth and other digital solutions were mobilised including the implementation of virtual outpatient clinics to allow patient care to continue to be provided in a safe environment
- Work continued on a plan for the implementation of recommendations of the *Report of the Trauma Steering Group: A Trauma System for Ireland*
- A national plan for the reconfiguration and streamlining of trauma and orthopaedic surgical services was developed to mitigate the impact of COVID-19
- National guidance for endoscopy was issued to enable endoscopy units to plan their activity while minimising risk of COVID-19 transmission to staff and patients
- The new National Rehabilitation Hospital was opened in June delivering enhanced care and treatment for patients who require complex specialist rehabilitation services
- Postponed services in 2020 included day case services, elective surgeries and outpatient appointments. Overall, when compared with 2019, elective inpatient activity reduced by 20% and day case activity by 16.5%
- COVID-19 required a major reorganisation of patient management, including screening on arrival and division into COVID-19 and non-COVID-19 pathways, which was mitigated by an unanticipated reduction in presentations to EDs. Total emergency presentations reduced by 15% when compared with 2019.

Cancer Services

- Maintaining urgent time critical surgical oncology services was a priority with many services temporarily relocating to private hospitals during March to June 2020
- The total number of new patients attending the rapid access clinics (RACs) in 2020 (44,233) was lower than predicted, at 88% of total new attendances in 2019; 52% of prostate cancer attendees were seen within 20 working days compared with 67% in 2019, while the same percentage of lung cancer attendees and urgent breast cancer attendees were seen within target as in 2019 (87% within ten days and 70% within two weeks respectively)
- There was a reduction in electronic referrals (eReferrals) from GPs to the RACs for investigation of possible breast, lung and prostate cancer during the first wave of the pandemic. In subsequent months, GP eReferrals generally returned to normal levels. By end 2020, total GP eReferrals to RACs (45,212) were 112.4% of total referrals in 2019
- The total number of primary prostate, breast and lung cancers diagnosed at RACs in 2020 (4,950) was 94.6% of the total number diagnosed in 2019 (5,184)
- The National Cancer Survivorship Needs Assessment recommendations were progressed during 2020 with the establishment of multi-disciplinary teams across the cancer centres and, under the oversight of the Clinical Lead for Psycho-Oncology, a model of care for psycho-oncology is in development with a number of clinical support positions recruited
- It is too early to definitively quantify the overall impact of the ongoing COVID-19 pandemic on cancer diagnoses and outcomes in Ireland; however, extensive efforts to mitigate the effects of the COVID-19 pandemic on cancer diagnosis and treatment in Ireland are ongoing.

115,138 clinical status 1 ECHO and DELTA calls arrived at scene

Women and Children's Services

- All 19 maternity hospitals and units maintained services during the pandemic. Technology was used to reduce the requirement for hospital visits and provided online antenatal and postnatal classes, communication and meeting platforms
- Community midwifery services were scaled up where possible, reducing the time that mother and baby spent in hospital
- The first National Maternity Experience Survey took place in 2020, with over 3,200 women participating (a 50% participation rate). The findings of the survey will inform quality improvement priorities
- The Clinical Lead for Termination of Pregnancy Services took up post in January 2020. The lead provides clinical leadership for the implementation of safe, evidence-based, patient-centred, accessible services for women who require abortion services. All maternity hospitals supported the provision of these services
- Provision of inpatient paediatric services at Children's Health Ireland (CHI) Tallaght was temporarily suspended with the space made available for adult services. At other hospitals, paediatric EDs were moved onto children's inpatient wards to facilitate the separation of COVID-19 and non-COVID-19 adult emergency presentations
- Due to the impact of COVID-19, work was paused on the second outpatient and urgent care satellite unit at Tallaght Hospital. However, this work resumed in late 2020 and is progressing, with completion expected in late 2021.

National Ambulance Service

- Over 360,000 emergency ambulance calls were responded to in 2020 and almost 28,000 inter-hospital transfers were undertaken with 86% of patient transfer calls managed by the Intermediate Care Service
- More than 900 aero medical/air ambulance calls were completed and almost 1,400 specialised unit transfers were undertaken by the NAS Critical Care Retrieval Services and Children's Ambulance Service
- The NAS clinical hub was further reinforced to advise on alternative pathways for low acuity patients, thus avoiding unnecessary ambulance dispatch, turnaround time delays and hospital admissions
- A dedicated COVID-19 dispatch centre was implemented and home testing was provided by redeploying frontline ambulance clinicians from emergency response to COVID-19 testing, as solo responders in rapid response vehicles.

Nurse on postponed wedding day

April 17 should have been the most special day of her life but one nurse spent the day wearing scrubs instead of her wedding dress as she battled COVID-19 on the frontline.

A Clinical Nurse Manager in Our Lady of Lourdes Hospital, Aisling McGarrell was forced to cancel her wedding plans due to the pandemic. But rather than taking off what was supposed to be her wedding day, she opted to join her colleagues on a 12-hour shift.

"The day was busy so it flew by although I did get a bit emotional when my colleagues surprised me with beautiful gifts and made a fuss of me."

3.4 Ensuring the Quality and Safety of Our Services

Work continues in supporting the delivery of high quality, safe, effective, accessible services, including through the advancement of key strategic *Sláintecare* actions. Our focus is on supporting and initiating programmes of work which strengthen clinical leadership and expertise, develop and nurture collaboration with patients and service users, assure safety and improve the patient and service user experience.

A summary of the key developments in 2020 under each of the key focus areas is set out below.

Clinical Expertise

Work has continued to advance the shift from a hospital-centric health model towards a person-centred, community-based model, informed by *Sláintecare* policy and our new Corporate Plan. This included increasing the number of nursing and midwifery specialist and advanced practice posts and leveraging the collective potential of the 26 health and social care professions (HSCPs).

The implementation of the national clinical programmes, following a review undertaken in 2019, has progressed. Recommendations included the establishment of a clinical forum, appointment of a National Lead for Integrated Care and the merging of some clinical programmes.

During 2020, the capacity and capability within nursing and midwifery was strengthened through extending the scope of practice to resource COVID-19 initiatives, upskilling 1,000 nurses for redeploying to critical care surges and implementing Nursing and Midwifery Telehealth Advisory and Network Groups to drive, guide and support services in the implementation of telehealth. In addition, new clinical guidance and associated virtual education programmes were developed to enable registered nurses and midwives to extend their practice in response to the pandemic.

While the COVID-19 pandemic impacted significantly on our ability to provide education and training in a traditional format, work continued to develop programmes to be delivered virtually. A number of webinars were presented, including webinars which allowed the sharing of multi-disciplinary clinical leadership experience and learning during the pandemic. The Clinical Director Programme continues to support clinical directors in their role and supports the development of the clinical directorate model in CHOs and Hospital Groups.

Models of Care

In 2020, work began on the design of a new model for the delivery of public health medicine based on international evidence and best practice. This included the design of accompanying workforce and change management plans, and a plan for implementation of the new model in a COVID-19 environment.

Other new models of care were enabled through the development of more multi-disciplinary approaches to healthcare delivery. This included the establishment of specialist teams for the chronic disease management of key conditions (including asthma, heart failure and diabetes) to support a shift in care away from the larger acute hospitals, and the further implementation of the model of care for perinatal mental health.

Patient Engagement

Work continued on the development of a cohesive framework for patient engagement, experience and advocacy including a project to promote shared learning following patient safety incidents, the development of Patient Safety Stories and the publication of Complaint Casebooks.

Patient engagement continued through the Partnering with People who use Health Services Programme to promote partnering with patients, service users, family members and carers in the planning, design and delivery of services. This facilitates meaningful engagement at a strategic level through the National Patient and Service User Forum, Patients for Patient Safety Ireland, National Patient Representative Panel and other advocacy and patient support groups. Key patient engagement in 2020 included requests for feedback on various COVID-19 related matters, attendance of patient representatives at workshops and forums, and participation of representatives on groups and panels. In addition, engagement continued with the Independent Patient Advocacy Service which encourages patients to communicate with the health service about any concerns.

Transparency and Openness

Embedding a culture of learning and improvement that is compassionate, just and fair progressed during 2020. Protocols, policies and training programmes were progressed and implemented to support staff and services to comply with incident reviews, open disclosure, mandatory reporting, assisted decision-making, consent and other rights and equality issues. Training on the *Assisted Decision-Making (Capacity) Act 2015* and the HSE National Consent Policy moved to online platforms in 2020, including the virtual launch of the Assisted Decision-Making Explainer Video.

A revised HSE safeguarding policy was developed in 2020 and prevention, awareness and response education and training programmes were delivered. These initiatives support the continued safeguarding of vulnerable patients and service users in line with the Programme for Government 2020 and the *COVID-19 Nursing Homes Expert Panel Report*.

Enabling Cultures of Person-Centredness

A facilitator development programme was introduced to enable cultures of person-centredness for persons who both use and provide services throughout the Irish healthcare system. The programme will ensure that services have facilitators and local culture change groups who have the required skills and knowledge to lead person-centred culture change within their area, enabling teams to articulate their shared values and beliefs about person-centred practice, and translate it into how they plan and provide care.

Patient and Staff Safety

Implementation of the *Patient Safety Strategy 2019-2024* commenced in 2020; however, COVID-19 has impacted the pace of implementation.

A significant number of new posts were put in place to support the continued implementation of *Ireland's National Action Plan on Antimicrobial Resistance 2017-2020*, including IPC nursing posts, antimicrobial pharmacy posts and surveillance scientist posts. These key staff will allow us to address specific identified gaps in the management of antimicrobial resistance (AMR) and healthcare associated infection (HCAI) in both community and acute settings.

A number of staff became hand hygiene trainers in community healthcare during the year, and eight eLearning modules were also developed for healthcare workers to support the management of AMR. The procurement of PPE was supported through clinical evaluation of PPE supply lines.

Improving and Sustaining Quality

By all, with all, for all: a strategic approach to improving quality 2020-2024 was published in January. Its goal is the sustained achievement of quality in our health service, improving patient outcomes and their experience of care, and the continued development and support of staff in delivering quality care. The approach is underpinned by seven programmes of care.

The *Incident Management Framework 2020* was launched in November and reaffirms the HSE's commitment to the creation of a culture which supports patient safety, and particularly, one which seeks to support service users, their families, carers and staff in the aftermath of incidents.

The HSE's Clinical Audit Support function was put on hold due to staff redeployment in response to COVID-19. However, a number of new resources and tools were made available online to equip services and staff with the necessary knowledge to plan, design and conduct local clinical audits.

As part of our response to COVID-19, a number of resources were developed to support the provision of high-quality safe care in this challenging environment, including:

- IPC guidance documents to support services with COVID-19 IPC requirements – approximately 150 in all were published
- 33 education webinars delivered to support services with implementing COVID-19 IPC guidance
- Guidance on performing cardiopulmonary resuscitation (CPR) for lay rescuers in the community, including seven practical steps to reduce the risk of contracting or transmitting COVID-19 while still giving the patient the best chance of survival

- Open disclosure guidelines to ensure that that the principles of openness and transparency were maintained in relation to not only the management of and response to all patient safety incidents but also in relation to those affected by COVID-19
- Guidance on advance care planning including Do Not Attempt Resuscitation (DNAR) decisions, guidance on medication safety including venous thromboembolism (VTE) (blood clot) prevention, frequently asked questions for community pharmacists, anti-inflammatory medicines for treatment of COVID-19 symptoms and immunosuppressant therapy
- Development and dissemination of a regular COVID-19 Data Summary Report highlighting the latest key COVID-19 information, incorporating clinical interpretation and focusing on the analysis of variation over time and across the system to support decision-making
- Development of a Contact Management Programme, COVID-19 Contact Tracing Training and Induction Plan and Continuous Professional Development Programme for contact tracers
- Development of staff support and self-care resources for contact tracers.

Annual Report Protected Disclosures 2020

Under the *Protected Disclosures Act 2014*, disclosures can be made by workers to any manager and also to a range of other parties including relevant Government Ministers, prescribed bodies and other parties.
The concerns are raised by workers who provide information which came to their attention in connection with their employment and which in their reasonable belief tends to show one or more relevant wrongdoing.

While disclosers, in most cases, are not fully clear about the relevant wrongdoing heading under which their concern relates, in general terms they tend to fall within the following wrongdoing headings:

1. That the health or safety of any individual has been, is being or is likely to be endangered
2. That an unlawful or otherwise improper use of funds or resources of a public body, or of other public money, has occurred, is occurring or is likely to occur
3. That an act or omission by or on behalf of a public body is oppressive, discriminatory or grossly negligent or constitutes gross mismanagement, or
4. A combination of those outlined above.

The breakdown below is a reflection of the Protected Disclosures made under the heading which is more relevant to the concerns raised, though, in many cases as can be seen, the Protected Disclosures span a number of relevant wrongdoings. The broad nature of the relevant wrongdoings in the *Protected Disclosures Act 2014* makes it difficult to classify the disclosure and some disclosures could fit under a number of headings. That is why 'combination' accounts for the highest percentage of disclosures.

The list below reflects information related to 2020, provided in returns received up to 4 March 2021.

Protected Disclosures 2020	
Disclosure Heading	Number
Alleged misuse of resources	4
Health and safety of an individual	6
Alleged mismanagement	10
Combination of the above	29
Other contacts/notifications	5
Total*	54
Number of disclosures made in 2020 open as at 4 March 2021	32

* 2019 total was 61

HSE Office of the Authorised Person, An Clochar, Ballyshannon Health Campus, College Street, Ballyshannon, Co Donegal, F94 TPX4.
Tel: 071 9834651 * *Office hours are 10am to 1pm & 2pm to 5pm Monday to Friday.* Email: protected.disclosures@hse.ie

3.5 Enabling Healthcare Delivery

Delivering safe quality healthcare relies not only on frontline services, but also on the key enablers that ensure services can function effectively.

eHealth and Health Information Systems

The Office of the Chief Information Officer (OoCIO) delivers ICT services and transformational digital technology throughout the HSE, facilitating integration within and across community services, hospitals and other specialised care providers. Through the use of technology and by accelerating the digitisation of our health services, improvements in population wellbeing, health service efficiency and economic opportunity can be achieved, while supporting a culture of continuous improvement and innovation.

Key areas progressed in 2020 included:

- COVID-19 Care Tracker (CCT) system for patient triage and registration, testing and result notification, contact tracing and surveillance
- COVID-19 tracker mobile phone app, with more than 1.3 million active users, that alerts in the case of close contact with someone who has tested positive for COVID-19 and gives advice on the steps to follow if symptoms are present
- Healthlink has become an integral platform for managing the COVID-19 patient management process and is used as the secure route through which to transfer test result notifications to GPs
- The Integrated Information Service COVID-19 Monitoring Dashboard provides live, refreshed data, covering key national clinical data (national and hospitalised COVID-19 cases), hospital resources and capacity, testing demand and activity, contract tracing and public information through a Power Business Information model which is published three times daily
- Telehealth solutions have enabled access to care closer to home, including Attend Anywhere, an online platform to aid with the delivery of care during COVID-19, ensuring convenience to patients while supporting physical distancing
- Individual health identifiers are enabled in COVID-19 technology platforms and the single patient-centric shared health and social care record available to clinicians, patients and carers
- Electronic transfer of prescriptions was enabled through the secure Healthmail system. This initiative improves efficiency within the prescription process and reduces the need for in-person paper script presentation
- Over 8,650 staff are now enabled to use Microsoft Teams, an online collaboration platform with daily activity rates continuing to increase. Average daily activity is at a steady 10,400, comprising of messages, calls and meetings.

Physiotherapy programme

A unique exercise programme was broadcast live to inpatients at University Hospital Limerick from the hospital chapel. Patient feedback was very encouraging, particularly as many patients were actively seeking an outlet to keep themselves engaged physically and mentally. The programme not only helped patients in their physical recovery but also helped to keep spirits up and had organisational benefits around reducing length of stay and aiding patient flow.

Data and Information

Data led healthcare is a key enabler of better outcomes for patients, and is an essential support to the delivery of high quality, effective health and social care. Digital transformation and a data driven health system has been part of the HSE agenda for many years and the COVID-19 crisis has accelerated the implementation of projects to provide better situational awareness driven by data and facts from the front line (including public and private hospitals, laboratories and third parties) not anecdotal evidence.

Key areas progressed in 2020 included:

- Development of a dashboard to consolidate information relating to the prevalence of COVID-19, its impact on resources, and system capacity, providing a clear line of sight into the evolving situation and the HSE's ability to respond
- Development of a fully automated data system, consolidating around 80 different data sources within the HSE, to facilitate full situational awareness of all COVID-19 patients through test and trace and vaccine lifecycles
- The platform has also been critical in providing situational awareness across community assessment hubs, Citywest occupancy, and public and private systems
- Implementation commenced of a Health Performance Visualisation Platform to provide the necessary data flows and analytics capacity in terms of activity, waiting lists, delayed discharges, etc. to help plan and manage the safe delivery of health services in the context of COVID-19 across our hospital network.

National Human Resources

National Human Resources (HR) are committed to supporting staff to maintain the new ways of working that were demonstrated during the COVID-19 response, by empowering our staff to be resilient, and enabling them to adapt and deal with the pressures of constant change.

Key areas progressed in 2020 included:

- Continuation of Health Service National Joint Council meetings to ensure that non-COVID-19 related Industrial Relations (IR)/Employee Relations issues of national importance were progressed in tandem with COVID-19 related IR issues. Similarly, union engagement continued remotely to support staff in a rapidly changing environment
- Commencement of a workforce projection model with the Economic and Social Research Institute and the DoH, enabling the health service to project workforce requirements at regional health area level and national level, and provide guidance for the education sector in responding to the workforce supply needs of the health and social care sector
- Rapid expansion of the HSE workforce in response to COVID-19 with a net increase of over 7,000 employees in 2020
- Issuing of over 75 circulars during the period of March to December to provide advice, guidance, governance, consistency and protection to staff and managers throughout the health service. These circulars were prepared in tandem with the HSE Corporate Employee Relations Services Department, DPER, the DoH and staff representative bodies
- Engagement with, partnering and support of our people managers in our services and our wider stakeholders through weekly structured arrangements
- Continued roll-out of the *People's Needs Defining Change – Health Services Change Guide* to numerous teams and services with updated practice and knowledge-based supports including the development of an eLearning Change Guide programme
- Leadership development, including through the Health Service Leadership Academy, to build and enhance capacity and capability
- Augmentation of the performance achievement process to ensure that staff meet the objectives of the organisation, population need and their own development
- Bringing together of the HSE Staff Engagement and Values in Action teams with the aim of building a culture of engagement and civility in the health service that reflects the HSE values of Care, Compassion, Trust and Learning so that they are evident every day in every workplace

- Investment in HSELanD saw a significant increase in usage rates over the course of 2020, with 1.1 million total programme completions, and the launch of 65 new eLearning Programmes including COVID-19 programmes such as Breaking the Chain of Infection: Hand Hygiene for Clinical/Non-Clinical Staff, Introduction to Infection Prevention and Control, and Putting on/taking off PPE in Acute/Community settings
- Receipt of over 650 entries from health services staff in 2020 for the Health Service Excellence Awards which provide an opportunity for teams across the country to showcase local initiatives and the good work that is happening each day in our health services.

National Finance

National Finance supports the organisation to secure and account for the maximum appropriate investment in our health services, ensuring the delivery of high-quality services and demonstrating value for money. The absence of a single financial and procurement system presents additional challenges to the effective operation of the system of internal financial control. However, work continued to improve financial planning and management, to enhance financial controls and to meet budget expectations.

Key areas progressed in 2020 included:

- Work to implement a single integrated financial management and procurement system under the Finance Reform Programme to enable finance teams to better support services in operating within resources while enhancing the ability to deliver and demonstrate value for patients
- Extension of activity based funding (ABF) including development of community costing capacity within the Healthcare Pricing Office to enable further extension in the community setting
- Integrated Staff Records and Pay Programme to implement fully integrated national staff records and payroll systems across the organisation, modernising the way the HSE connects with its staff
- Pay Foundation Programme to improve and accurately cost, report, forecast and plan pay across the health service
- Enhanced tracking and reporting to account for the significant investment in health services in 2020 as a result of COVID-19. Regular engagements were held with the DoH and DPER, including through the Health Budget Oversight Group, as part of our efforts to ensure robust oversight of funding, its application to the intended purposes and to spending trends as they emerged.

Some of the capital projects successfully delivered during the year: (clockwise from left) Adult Mental Health Unit in Sligo; Psychiatry of Later Life Facility in Waterford; Athy Primary Care Centre.

Health Business Services

Health Business Services (HBS) provides a range of business services to support health structures as they continue to evolve and mature. These services include transactional elements of HR and finance, estates and capital programme management, procurement and the SAP centre of excellence. Throughout the COVID-19 pandemic, HBS operated as a key strategic partner to ensure that investment in infrastructure, equipment and PPE enabled frontline services to safely provide optimum care.

Key areas progressed in 2020 included:

- Further work on capital projects in the community and acute sectors including primary care centres, upgrade and refurbishment of community hospitals, provision of housing for people with a disability transitioning from congregated settings, hospital wards (including isolation facilities), the new children's hospital and relocation of the National Maternity Hospital
- Delivery of additional acute, community nursing and intermediate care beds during the pandemic and substantial upgrades to existing inpatient beds including medical gas distribution systems and telemetry systems
- Implementation of a programme of works to support the response to COVID-19 including the provision of approximately 50 testing centres and over 45 clinical assessment hubs, community dwellings to support isolation and step down facilities (field hospitals)
- Maintenance of delivery services in staff recruitment, payroll and supplier payments, supporting our frontline services
- Shared services operating models to standardise processing of new ways of working in line with the Finance, Procurement, HR and Payroll Reform Programmes across the health service. In addition, a national logistics service assists in the purchase, storage and distribution of goods through a national distribution centre and eight geographical distribution hubs.

Emergency Management

Emergency Management works across the organisation to support hazard analysis, risk assessment and risk mitigation. The function supports management to develop contingency plans, response capacity and major emergency plans.

Key areas progressed in 2020 included:

- Responding to COVID-19 through provision of support to National and Area Crisis Management Teams, communicating and co-ordinating NPHET actions for the HSE and working with interagency partners at national and regional level to execute and co-ordinate requirements
- Preparedness for other high consequence infectious diseases, through the procurement of:
  - Isolation pods for transport of patients with confirmed or suspected high consequence infectious diseases
  - Identification and procurement of a solution for waste transport, treatment and disposal of high consequence infectious disease contaminated waste
- Severe weather preparedness, improving the organisation's capacity to respond to same
- Preparedness for Brexit through identification and mitigation of emerging risks and ensuring continuity of existing arrangements through the Cross Border Working Group during the period of Brexit transition
- Engagement with other principal response agencies and government departments to meet HSE obligations as established under *A Framework for Major Emergency Management* and *Strategic Emergency Management: National Structures and Framework* as well as statutory and non-statutory obligations in regard to upper tier Control of Major Accident Hazard sites, airports, ports, and crowd events.

Research and Evidence

The Research and Evidence function of the HSE is a key driver for research, evidence-based practice and informed decision-making, enabling the discovery of new approaches and innovative ways to deliver health and social care services. This includes forecasting and scenario modelling to inform health service planning and strategic decision-making in relation to both COVID-19 and non-COVID-19 service delivery. The HSE is striving towards the development of a health service which builds and uses knowledge to improve population health and wellbeing, patient outcomes and service design.

Key areas progressed in 2020 included:

- Commencement of the implementation of the *HSE Action Plan for Health Research 2019-2029* to drive a culture of research and innovation throughout the organisation
- Provision of information and expertise to support decision-making by senior management during the pandemic including the geocoding of COVID-19 data and development of mathematical models
- Strengthened health informatics tools to enable detailed population profiling, geographic analysis and service information
- Reform of the National Health Library and Knowledge Service, including the development of an on-demand evidence search service for staff, to ensure its full value in supporting evidence-based practice, decision-making and knowledge management is maximised.

National Communications

National Communications leads a wide range of communications initiatives and provides high quality communications advice to staff across the health service, working in partnership to build trust and confidence in the HSE.

Key areas progressed in 2020 included:

- Leading the public health information campaign on COVID-19. Over 15 separate COVID-19 campaigns were developed and aired on TV, radio, outdoor, digital, social media and more, with a wide range of accessible formats used and over 24 languages
- Establishment of a new stakeholder network with over 2,000 members nationwide
- Receipt by HSELive of over 700,000 calls from citizens in relation to COVID-19
- Growth in social media followers across all channels by over 100% to 1.4 million
- Over 24 million visits to hse.ie COVID-19 content
- 100% increase in the number of media queries received by the HSE National Press Office. 659 interviews were conducted across various channels where vital public health advice and information was provided
- Weekly media briefings held to provide updates on the HSE response to the COVID-19 pandemic and enhance messaging in relation to public health measures
- Improved internal communication channels with new content published on healthservice.ie, a new look online version of Health Matters, staff video updates, staff webinars with senior leaders and news stories published on Our Health Service
- Commencement of design and planning work on a trust and confidence strategy for the HSE.

Cartoon visors cheer young patients

In order that children with cystic fibrosis (CF) visiting Children's Health Ireland Tallaght might be less intimidated by the PPE now being worn, the CF psychologist Helen Gibbons approached Jon Stynes Designs in the UK who was making cartoon visors for the National Health Service (NHS), and the owner of the company kindly offered to donate a set. *"We are very grateful for the donation as the cartoon visors have been a huge hit with the children and their families. The visors are a great icebreaker and have certainly detracted from the anxiety the children might have experienced"* said Helen.

Energy and Sustainability

The HSE is committed to becoming a sustainable organisation, delivering low carbon, quality sustainable healthcare and safeguarding patient care into the future. As one of the largest public sector energy users, the HSE must lead and act as an exemplar in emissions reduction, climate action, and the mitigation of adverse effects of climate change.

Key areas progressed in 2020 included:

- Expansion of the joint co-funding Memorandum of Understanding partnership agreement between the HSE and the Sustainable Energy Authority of Ireland (SEAI) to progress the HSE's energy efficiency agenda through funding of the Estates Energy Bureau and a programme of supporting energy capital works
- Participation in an EU-funded Structural Reform Support Service consultation exercise led by the DPER with the Department of Environment, Climate and Communications
- Establishment of a new Design Team Framework which includes an enhanced energy efficient design requirement to ensure that HSE buildings will be designed to reflect the climate change projections for Ireland included in the *Health Climate Change Sectorial Adaptation Plan*
- Continued establishment and support of Energy and Green Teams in the largest healthcare facilities including support to ten section 38 and 39 voluntary organisations with support to the remaining organisations to be rolled out in 2021
- A reduction of approximately 14 GWh energy and 4,000 tons CO_2 through the identification of energy reduction opportunities and an allocation of €3m for these works in 2020
- Commencement of the development of a Decarbonisation Strategy and Action Plan and initiation of a programme to progress several Decarbonisation Pilot Pathfinder projects
- Commencement of phase 2 of the Green Healthcare Programme focused on implementing best practice and converting waste and water conservation guidance onto an online training platform.

Below is an overview of the verified HSE energy usage (excluding section 38 and 39 agencies) in 2019.

HSE Energy Consumption 2019

Type	Consumption (GWh)
Electricity	437
Thermal	558
Transport	52
Total HSE 2019 Energy Consumption	**1,047**

Data source: SEAI HSE Annual Energy Statement 2019

Making swabbing easier for children

Joe Mooney, Advanced Paramedic, has ensured that getting a COVID-19 test is as pleasant as possible for those children being tested in their own homes, by ensuring the whole process is explained clearly to both parent and child and by making the children laugh at his description of the PPE required.

"The National Ambulance Service are in the communities around Ireland doing COVID-19 swabbing for the most vulnerable people, as well as providing emergency pre-hospital care, and it's truly an honour to be part of the team" said Joe.

4 Our Management and Accountability

4.1 Governance and Board Members' Report 2020

Since the re-establishment on 28 June 2019 of the HSE Board under the *Health Service Executive (Governance) Act 2019*, the Board has been the governing body of the HSE and is accountable to the Minister for Health for the performance of its functions. The CEO in turn is accountable to and reports to the Board, and is responsible for managing and controlling generally the administration and business of the HSE. The HSE exercises a wide range of statutory functions which may have significant implications both for individuals and for the general public.

The HSE Board is now approaching the end of its second year and it remains committed to ensuring openness in the HSE's activities. Clear channels of communication and consultation are used to engage with all groups of stakeholders, including local communities or other groups about health and personal social services. Good governance in the HSE, which is overseen by its Board working closely with the CEO, ensures that the organisation is run in a manner that takes proper account of the interests of the HSE's stakeholders, and that the intended outcomes for stakeholders are defined and achieved. The HSE Board acknowledges the importance of stakeholder involvement in the design and delivery of healthcare and is committed to the provision of public information about the services that the HSE provides, as well as its future plans.

The HSE has responded pragmatically and practically to the challenges of COVID-19. The work it has undertaken in 2020 has led to the successful delivery of a high performing health and social care service in a year of unprecedented challenges. The HSE Board ensures that the patient, service user and the public are at the core of our thinking and planning and supports all healthcare staff, including those who work in section 38 and 39 organisations. Throughout 2020 the HSE has worked in a structured way which supports frontline services and strengthens our financial and operational management.

Role of the HSE Board

The HSE Board is collectively responsible for leading and directing the HSE's activities. While the Board may delegate particular functions to the CEO, the exercise of the power of delegation does not absolve the Board from the duty to supervise and be accountable for the discharge of the delegated functions.

In accordance with the *Health Act 2004* the Board has been assigned a number of key functions as follows:

- It is required to satisfy itself that appropriate systems, procedures and practices are in place
  - (i) to achieve the HSE's objectives
  - (ii) for the internal performance and accountability in respect of the HSE's:
    - (a) performance of its functions
    - (b) achieving its objectives in accordance with the Corporate Plan
    - (c) delivery of health services in accordance with the *Health Act*
  - (iii) in order to enable compliance with the policies (whether set out in codes, guidelines, or other documents, or any combination thereof) of the Government or a Minister of the Government to the extent that those policies may affect or relate to the functions of the HSE
- Establish and implement arrangements for the management of the performance of the CEO.

The Board fulfils key functions in respect of the HSE, including:

- The adoption of the HSE's Corporate Plan with appropriate objectives, indicators and targets against which performance can be measured
- Reviewing and guiding strategic direction and major plans of action
- Risk management policies and procedures
- Approval of annual service plans and budgets
- Setting performance objectives
- Monitoring implementation, and evaluating the HSE's performance
- Overseeing major capital expenditure and investment decisions
- Approval of the HSE's annual accounts and annual reports.

The Board must ensure that the HSE's Corporate Plan and its strategic planning are aligned to *Sláintecare* and to the DoH's Statement of Strategy, to the extent relevant, and should also be consistent with the HSE's statutory mandate.

The Board must act on a fully informed and ethical basis, in good faith, with due diligence and care, and in the best interest of the HSE, having due regard to its legal responsibilities and the objectives set by Government. The Board promotes the development of the capacity of the HSE including the capability of its leadership and staff. The Board is responsible for holding the CEO and senior management to account for the effective performance of their responsibilities.

Delegation of functions

A broad range of functions has been vested in the HSE by the Oireachtas, which are exercisable by the Board on behalf of the HSE. The HSE Board must satisfy itself that the functions which it has delegated are being exercised in accordance with the *Health Act 2004*, in accordance with good corporate governance, and in accordance with any directions that the Board may have been given by the Minister in relation to the exercise of those functions. The *Health Act 2004* provides for a formal system of delegations in accordance with Sections 16P and 21D.

This Delegations Policy Framework sets out the framework and supporting policy guidelines that underpin good governance regarding the system of delegation of statutory functions throughout the HSE. This allows these functions to be undertaken on an operational basis through the CEO and the Executive Management Team (EMT). Both the Board and the CEO have been conferred with legal authority to delegate their functions. However, the Board may also issue directions in writing to the CEO in relation to his or her powers of delegation, with which he or she is obliged to comply.

The Board may delegate any of the HSE's functions in writing to the CEO. The CEO is accountable to the Board for the performance of his or her functions and any functions delegated to him or her by the Board. Any delegation of functions from the Board to the CEO, or any revocation of such delegation(s) must be notified to the Minister for Health in writing. Board delegations to the CEO remain in force until they are revoked by the Board, which must be done by notice in writing to the CEO.

Due to the rapidly changing environment pertaining as a result of COVID-19, the Board provided an amended delegation to the CEO to have all necessary authority to approve expenditure associated with the COVID-19 pandemic, once approved by DPER and DoH, and to accept any offers of assistance from the private sector that may assist in the management of this pandemic. This was reviewed on three separate occasions during 2020.

Reserved functions

The following functions are reserved functions of the Board:

- The Board shall satisfy itself that appropriate systems, procedures and practices are in place to achieve the HSE's objectives, and for the internal performance management and accountability of the HSE in relation to specified matters
- The Board shall adopt (and approve any amendments to) the HSE's Corporate Plan, the HSE's National Service Plan (NSP) and the Capital Plan and Capital Investment Framework and shall approve the submission of any superannuation schemes prior to their submission to the Minister for Health. Any amendments made to the aforesaid plans and superannuation scheme require the prior approval of the Minister
- The Board shall adopt the HSE's Code of Governance and all subsequent updates, and the Board shall approve any Code of Conduct and all subsequent updates to be issued for the guidance of members of a Committee of the Board but who are not members of the Board, employees, advisers, or employees of advisors
- The Board shall adopt the HSE's Annual Report prior to it being submitted to the Minister for Health
- The Board shall approve changes to the corporate structure of the HSE, it shall approve all contracts in excess of specified monetary thresholds, it shall approve appointments to the Audit and Risk Committee, the appointment of external auditors (other than the Comptroller and Auditor General), and the creation and appointment of members to Committees of the Board and the dissolution of Board Committees
- The Board shall appoint the CEO, who shall be accountable to the Board for the effective and efficient management of the HSE and for the performance of his or her functions

- The Board shall approve the HSE's bank arrangements, including the opening of all new bank accounts. The Board shall approve acceptance of gifts to the HSE in excess of €100,000 and shall approve arms-length acquisitions of land and property where the transaction value exceeds €2m exclusive of VAT and service charges.

The schedule of attendance, fees and expenses can be seen in Appendix 5 of this Annual Report.

Committees

The Board has established four Committees in order to provide it with assistance and advice in relation to the performance of its functions. Three of the Board's Committees act in an advisory capacity and have no executive function. Membership of Committees includes both Board and external members. Appointment of external members ensures appropriate patient and service user representation on the Committees.

The Audit and Risk Committee has a number of specific functions, and those pertaining to audit have a legislative basis.

The Board's Committees are:

- Audit and Risk Committee
- People and Culture Committee
- Performance and Delivery Committee
- Safety and Quality Committee.

Joint meetings were held between the Audit and Risk Committee and the Safety and Quality Committee to have oversight of the COVID-19 risks on the Corporate Risk Register.

In addition to these Committees, the Board established two other working groups: the Recovery and Transformation Board working group, and the Board Strategic Scorecard working group. Working groups also helped support the development of the Corporate Plan and NSP.

Audit and Risk Committee

The Audit and Risk Committee was established and is maintained in accordance with Section 40H of the *Health Act 2004* as amended by Section 23 of the *Health Service Executive (Governance) Act 2019*. The legislation also recognises that the Audit Committee has a role to provide oversight and advice on risk management. Therefore, upon its establishment in 2019 its title was expanded to the 'Audit and Risk Committee' to reflect the full nature of its remit.

Legislation obliges membership of the Committee to comprise no fewer than three Board members and not fewer than four other persons who, in the opinion of the Board, have the relevant skills and experience to perform the functions of the committee, at least one of whom shall hold a professional qualification in accountancy or auditing.

Under current legislation the Committee shall:

- Advise the CEO on financial matters relating to his or her functions
- Report in writing at least once in every year to the CEO on those matters and on the activities of the committee in the previous year
- Provide a copy of that report to the Board and the Minister
- Advise the Board on financial matters relating to its functions
- Report in writing at least once in every year to the Board on those matters, and
- Provide a copy of that report to the Minister.

The functions of the Committee include a range of financial, statutory, compliance, and governance matters as set out in legislation.

In support of its statutory remit, the Committee's Terms of Reference as approved by the Board on the 26 July 2019 provide for the Committee's role to extend to the following areas:

- Advising the Board and the CEO on financial matters and carrying out related reporting activities, including compliance reporting to the Board and the Minister for Health as required

- Reviewing the appropriateness of HSE's accounting policies, annual financial statements, annual report and required corporate governance assurances and any matters and advice relating to making a satisfactory recommendation of same to the Board
- Providing oversight to the operation of HSE internal controls and advising on the appropriateness, effectiveness and efficiency of the HSE's procedures relating to public procurement and the acquisition, holding and disposal of assets
- Providing oversight and advice in relation to the HSE Internal Audit function
- Providing oversight and advice with regard to the operation of the HSE Risk Management framework and related activities within the function of risk management (subject to agreed scope modifications below relating to patient safety and quality risks)
- Providing oversight and advice relating to anti-fraud policies, oversight of the operation of protected disclosure policies and processes, and arrangements for special investigations
- Reviewing the arrangements for, and results of, internal and external audits and management's response to the recommendations and points arising from same
- Any other roles and responsibilities devolved to the Committee by the HSE Board.

The CEO is required to ensure that the Committee is provided with all the Executive's audit reports, audit plans and monthly reports on expenditure, and if he or she has reason to suspect that any material misappropriation of the Executive's money, or any fraudulent conversion or misapplication of the Executive's property, may have taken place, report that matter to the Audit and Risk Committee as soon as practicable. In addition, the CEO shall furnish to the Committee information on any financial matter or procedure necessary for the performance of its functions by the Committee.

The membership of the Audit and Risk Committee at 31 December 2020 is:

- Brendan Lenihan, Committee Vice Chairperson and Board Member[1]
- Fiona Ross, Board Member
- Fergus Finlay, Board Member
- Ann Markey, External Member
- Colm Campbell, External Member
- Pat Kirwan, External Member
- Martin Pitt, External Member.

The Audit and Risk Committee agreed a detailed workplan for 2020 to address in a systematic and comprehensive manner its key roles and responsibilities. The Committee fulfilled these responsibilities as planned and incorporated additional responsibilities which arose due to the COVID-19 pandemic. Through the Committee's 17 meetings the members had oversight and discussion on a range of issues such as the Quarterly National Director of Internal Audit Reports, which over the year saw a significant development within the division together with a redeployment to support the COVID-19 response. Results included updates on 110 HSE audit reports, tracking and reporting on management's implementation of internal audit recommendations, the results of a root cause analysis of open 2018 recommendations and a scoping study of public hospital arrangements with a commercial company. The Committee also reviewed the KPIs of the Internal Audit division.

As per the Committee's work plan, its members reviewed the HSE's Annual Financial Statement and Special Legislative Accounts which were submitted to the Comptroller and Auditor General (C&AG) for audit. The Committee also reviewed the C&AG Audit findings for the year end December 31, 2019, along with the C&AG Management Letter. In addition to monthly expenditure updates, the Committee reviewed COVID-19 Expenditure throughout the pandemic. The Committee reviewed the development of the Capital Plan 2021 and also reviewed the governance structure of the new children's hospital capital project and the impact of the COVID-19 pandemic on the project's progress. The Committee reviewed the annual Protected Disclosure Report and made a number of recommendations on the context of future reports and requested that this report would form part of the HSE's Annual Report. During the year the Committee also reviewed the HSE's Fraud and Corruption Policy. The finalised policy is due to return to the Committee in the first quarter of 2021. The review of the HSE's Data Retention Policy was also considered by the Committee and the finalised policy will be brought to the Committee for review.

1 Position of Committee Chair is currently vacant.

During the period 2020, the Committee oversaw a detailed review and upgrade of the Corporate Risk Register which saw a review, reformulation and reassessment of the HSE's Corporate Risks and also the controls in place for each risk. Additionally, a joint Audit and Risk Committee and Safety and Quality Committee risk group was established to review the addition of six COVID-19 related risks to the Corporate Risk Register. The revised Corporate Risk Register was submitted to the HSE Board for approval at its December Board meeting. This work has resulted in a more comprehensive and strengthened risk register. The Committee also continued to consider and test the preparedness of the HSE for Brexit including supply risks and implications on services.

In early 2020, the Committee held a joint meeting with the HSE Board's Safety and Quality Sub-Committee to fulfil its obligation in the Committee's Terms of Reference to advise on the appropriateness, efficiency and effectiveness of the HSE's patient safety and quality risk management processes. At the meeting the Committees considered risk management, claims, data protection and capital.

At its scheduled meetings the Committee is joined by Stephen Mulvany, (Chief Financial Officer (CFO)), Geraldine Smith (National Director of Internal Audit), and Patrick Lynch (National Director of Quality Assurance and Verification), all members of the HSE Senior Management Team assigned to assist the Committee by the CEO. Throughout the year, the Committee also invited additional members of the Senior Management team to attend and present at its meetings and where the Committee had any additional information requirements it sought further information and clarifications. As prescribed by the Committee's Terms of Reference and as set out in its 2020 workplan, the Committee had planned to hold a private meeting with the National Director of Internal Audit in Q4 however due to scheduling conflicts this meeting has been rearranged for early 2021.

The Deputy Chair, Brendan Lenihan, who is a member of the HSE Board, provides an update at each Board meeting on the work of the Audit and Risk Committee. Approved minutes of the monthly committee meetings are circulated to each Board member in advance of the Deputy Chair's update at the Board meeting.

People and Culture Committee

Upon its commencement in 2019, the HSE Board established the People and Culture Committee in line with its decision to have a committee that has a specific focus on the people working within the organisation.

The role of the People and Culture Committee is to enhance the environment that supports and values the staff of the health service in order to engage the talent and nurture the leadership capability of individuals and teams working together to foster a patient-centred culture throughout the health service to deliver safer better healthcare.

In pursuit of its role in 2020, the Committee provided strategic oversight of, and advice on, matters to support the ambition of the *Health Services People Strategy 2019-2024* to have the right people, with the right skills, in the right place and at the right time. The key areas of focus for the Committee are leadership, culture, talent and capability. The CEO has assigned the following members of the HSE Senior Management Team to attend meetings of the People and Culture Committee: Anne Marie Hoey (National Director of Human Resources), Dr Philip Crowley (National Director of Quality Improvement) and Dr Paul Connors (National Director of Communications) (career break September 2020).

The Committee is also entitled to request the attendance of any HSE staff member to attend and present at a meeting of the Committee and this provision was used regularly by the Committee with such attendances at each meeting. The Committee reserves the right to seek further information and additional attendance before the Committee if deemed necessary in any instance where it is not satisfied that managers have included the appropriate detail in verbal or written updates.

The Committee has established a Terms of Reference approved by the Board. The Committee is not responsible for any executive functions and is not vested with any executive powers. In relation to its duties and functions, it fulfils an advisory and support role only. The scope of the Committee's authority extends to all aspects of people and culture within the public health service.

The membership of the People and Culture Committee at 31 December 2020 is:

- Dr Yvonne Traynor, Chairperson and Board Member
- Aogán Ó Fearghail, Board Member
- Sarah McLoughlin, Board Member
- Bernie O'Reilly, External Member
- Fiona Tierney, External Member (resigned from the Committee at its meeting on 4 December 2020).

A detailed workplan was adopted by the People and Culture Committee for 2020. The workplan covered the key roles and responsibilities of the Committee to ensure that all areas within its remit and terms of reference received the appropriate focus. The Committee took account of the implementation plan developed for the *Health Services People Strategy 2019-2024*. Additionally, as a result of the COVID-19 pandemic response the Committee acknowledged its duty to provide a level of oversight to pandemic recruitment and also to be aware of staff experiences throughout the health service at such a challenging time.

In 2020, the Committee focused on the recruitment response to COVID-19, the development of the National HR Dashboard which is a quality indicator for the organisation. The Committee contributed to the development of the *National Service Plan 2021* and the *Corporate Plan 2021-2024*. The Committee Chair, Yvonne Traynor, who is a member of the HSE Board, provides an update at each Board meeting on the work of the People and Culture Committee. Approved minutes of the monthly committee meetings are circulated to each Board member in advance of the Chair's update at the Board meeting.

At its monthly meetings, the Committee reviewed a report from the National Director of HR which provided updates on areas such as, the HR *Health Services People Strategy 2019-2024*, staff health and wellbeing, COVID-19 recruitment campaigns, Values and Action Programme, and performance assessment.

Each month, the Committee covered topics such as training and development, staff experience, recruitment and workforce planning, bullying and harassment and internal communications. The Committee heard presentations from the Health Excellence Awards finalists on topics such as the Cork University Maternity Hospital Gynaecology Waiting List Initiative and Placement and Support in the Mental Health Service.

The Committee has responsibility for certain Corporate Risk Register risks and their controls. It reviewed the effectiveness of the systems established by management to identify, assess, manage, monitor and report on these risks, by receiving regular reports from the National Director Quality Assurance and Verification and from the relevant Executive Management Team member with responsibility for specific risk areas. The Committee's risks are Risk 10 – Workforce and Recruitment, Risk 14 – Delivering Transformation and Change including Culture Change, Risk 19 – Safety, Health and Wellbeing of Staff and Risk 20 – Individual Performance Management and Accountability.

The Committee has been assured that the primary risks assigned to the Committee are being addressed and appropriate steps are being taken to improve on the areas of risk. The Committee will review its own performance in 2021 and aim to capture the learnings from the COVID-19 pandemic to implement appropriate cultural changes going forward.

Performance and Delivery Committee

Given the profile and nature of services provided by the HSE, the Board decided on the establishment of the Performance and Delivery Committee to focus on the monitoring of performance of the health service against its NSP targets.

The membership of the Performance and Delivery Committee at 31 December 2020 is:

- Tim Hynes, Chairperson and Board Member
- Brendan Lenihan, Board Member
- Dr Sarah McLoughlin, Board Member
- Fergus Finlay, Board Member
- Lt Col Louis Flynn, External Member
- Regina Moran, External Member
- Dr Sarah Barry, External Member.

The scope of the Committee's authority extends to all aspects of performance and delivery within the public health service. The role of the Committee is to provide strategic oversight of, and advice on, matters relating to planning for, developing, and monitoring of corporate planning documents to ensure that they are delivering on the Board's objectives and being drafted in alignment with *Sláintecare* provisions. The Committee is not responsible for any executive functions and is not vested with any executive powers. In relation to its duties and functions, it fulfils an advisory and support role only.

The Committee is authorised by the Board of the HSE to use its oversight role in relation to:

- All aspects of performance and delivery within the health service
- Progress in relation to delivery of the Board's objectives
- Development of strategic and annual service plans
- Assuring the Board that these plans are comprehensive, robust and appropriately reflect the priorities of the Minister and of the Board
- Performance against such plans
- Use of technology to improve performance and to report on performance achievement
- Reviewing high-level risks relating to performance delivery
- Seeking any information or explanations that it requires from any employee of the HSE or agency totally or partially funded by the HSE
- Obtaining independent legal or professional advice procured in accordance with the HSE's procurement policy
- Seeking the attendance of persons with relevant experience and expertise at the Performance and Delivery Committee meeting as necessary
- Receiving reports on the identification of risks to staff safety and overseeing development plans to anticipate and respond to such risk with the aim of creating and maintaining a safe working environment and reducing adverse events
- Reporting on and escalating any matter it deems relevant to be brought to the attention of the Board.

A detailed workplan was adopted by the Performance and Delivery Committee covering key roles and responsibilities of the Committee to ensure that all areas within its remit and terms of reference received the appropriate focus in 2020. The work of the Committee was impacted in 2020 by the COVID-19 response due to staff redeployment. However, with the support of the EMT, the Committee upheld its responsibilities and oversaw the development of the HSE National Scorecard (NSC), *Annual Report 2019*, *Corporate Plan 2021-2024* and the NSP 2021 (including Capital Plan, ICT Capital Plan and Access to Care Plan). Work on the Corporate Plan and NSP was completed in parallel and also in conjunction with COVID-19 and recovery planning.

The Committee provided oversight on the production of the Corporate Plan, beginning with a consideration of proposed processes and timelines for drafting. Much of the draft Corporate Plan required amendment to incorporate challenges presented by COVID-19 and its submission. During the drafting process, the Committee contributed to the Corporate Plan by highlighting areas which needed further attention. These included emphasising the importance of risk management in the Plan, proposed changes to the key service-focused objectives, technical challenges in the proposed digital technology adaption in each objective, and the timeline for deliverables of outcomes. At its 18 September meeting, the Committee recommended the Corporate Plan go to the Board for consideration on 25 September.

The Committee also provided oversight throughout the drafting of the NSP 2021. This required working to an extremely tight deadline following receipt of the Letter of Determination which outlined the Minister's priorities for the year. Over a number of special meetings in November 2020, the Committee reviewed and provided feedback on drafts of the NSP 2021. These discussions included seeking assurance that the NSP would be aligned with the Corporate Plan, Winter Plan and *Sláintecare*, emphasising the importance of effective monitoring and reporting arrangements in light of the increase in funding for 2021, and discussion on the NSP measurement and reporting levels in light of the impact of COVID-19 on planned service levels in 2020.

During both the Corporate Plan and NSP planning processes, the Committee regularly reviewed drafts presented by the Chief Strategy Officer (CSO) and provided feedback which was later incorporated into the final plans. Their oversight highlighted to the EMT certain areas which required more development and ensured alignment of the plans with the Board's objectives and *Sláintecare* provisions in advance of them being formally presented to the Board for review. This work required the scheduling of additional meetings and regular engagement by Committee members with the EMT to ensure tight statutory deadlines were met.

Over the course of the year, the Committee worked with the Chief Operations Officer (COO) on the development of a new NSC for the HSE which will assist the Committee and Board in their oversight and governance role. Although the COVID-19 response interrupted work on the development of the NSC, by late 2020 significant progress had been made and the draft NSC, then renamed as the Operational

Service Report (OSR), was presented to the Committee at its October meeting. The OSR was brought to the Board's attention at its November meeting where it was noted it will form part of the Board Strategic Scorecard, an element of the Board's reporting process to the Minister.

At each monthly meeting, the Committee considered performance profiles provided by the COO. These profiles provided the Committee with the data required to measure the HSE's performance against the NSP 2020 targets in key performance areas for community healthcare, acute hospitals and national services in addition to quality and patient safety, finance and HR. Quarterly reviews of the Integrated Financial Management System (IFMS) project were completed which allowed the Committee to monitor both progress made and challenges which arose as a result of the COVID-19 pandemic. The Committee also completed quarterly monitoring of its allocated Corporate Risk Register risks and their controls. The Committee's risks are Risks 8 – Capacity Access and Demand, Risk 11 – Disability Services and Risk 13 – Cyber Security.

The CEO has assigned the following members of the HSE EMT to attend meetings of the Performance and Delivery Committee: Anne O'Connor (COO), Dean Sullivan (CSO), and Stephen Mulvany (CFO). The Committee is also entitled to request the attendance of any HSE staff member to attend and present at a meeting of the Committee. The Committee reserves the right to seek further information and additional attendance before the Committee if deemed necessary in any instance where it is not satisfied that managers have included the appropriate detail in verbal or written updates.

At each meeting, the Committee may set aside time in the absence of members of HSE management and may meet with individual senior managers separately. In order to prepare the agenda for forthcoming meetings and to follow up on outstanding actions, the Chair, Tim Hynes speaks regularly with relevant EMT members and the Secretary of the Board. The Chair is a member of the HSE Board which provided for interaction between the Committee and the Board via an update at each meeting on the work of the Performance and Delivery Committee. Copies of the approved minutes of Committee meetings are circulated in advance of Board meetings.

Safety and Quality Committee

The Board decided on the establishment of the Safety and Quality Committee to focus on the clinical aspects of the provision of health and social care.

The membership of the Safety and Quality Committee at 31 December 2020 is:

- Prof Deirdre Madden, Chairperson and Board Member
- Prof Fergus O'Kelly, Board Member
- Dr Yvonne Traynor, Board Member
- Anne Carrigy, External Member
- Dr Chris Luke, External Member
- Margaret Murphy, External Member
- Dr Cathal O'Keeffe, External Member.

The Committee has established Terms of Reference approved by the Board. It is not responsible for any executive functions and is not vested with any executive powers, it fulfils an advisory and support role only. The scope of the Committee's authority extends to all aspects of safety and quality within the public health service.

A detailed workplan focused on these areas was adopted by the Safety and Quality Committee covering key roles and responsibilities of the Committee to ensure that all areas within its remit and terms of reference receive the appropriate focus. All members of the Committee are highly experienced and have the relevant skills and experience to perform the functions of the Committee. The work programme for the Committee incorporates learning and development opportunities for members with subject matter experts presenting to the Committee on developments in the areas of quality, safety and risk.

In 2020, the work of the Committee was greatly impacted by the COVID-19 response due to staff redeployment and workload pressure on clinical staff who would, under normal circumstances, present to the Committee. Despite these challenges, a wide range of topics were covered during the course of the year.

In early 2020, the Committee agreed to use the Quality Profile to measure and monitor safety improvements in the HSE. This is a national suite of key safety and quality performance indicators which was developed by the Quality Improvement Team. The Quality Profile was allocated a place as a standing agenda item and was considered at each meeting of the Committee.

At its monthly meetings, the Committee reviewed a report from the Chief Clinical Officer (CCO) which provided updates on areas such as national screening services, the review of gynaecological services in Letterkenny University Hospital, and *Sláintecare* implementation. In relation to COVID-19, the CCO provided the Committee with monthly data on new cases which included the 7 and 14-day incidence rates of the disease in different age groups, number of cases in hospitals and details on outbreaks nationwide, and Ireland's COVID-19 rate by comparison to other EU/EEA countries. Reports on the pandemic's impact on areas such as scheduled and unscheduled care, paediatric care, older persons' care, and the National Cancer Control Programme were also considered, as was the vaccination programme later in the year.

Each month, the Committee scrutinised quality and safety assurance in various areas by examining regulatory reports, incident reports, Health Care Audit Reports, clinical complaints and the HSE Corporate Risk Register. The Committee reviewed reports completed by the Confidential Recipient and the National Independent Review Panel (NIRP) and provided input in relation to safety and quality issues during drafting the HSE response to the *Mental Health Commission Annual Report 2019*. The Committee also heard presentations and reviewed papers from representatives from different areas such as healthcare audit, medication safety, the National Women and Infants Healthcare Programme, and open disclosure.

The Chair of the National Independent Review Panel reports to the Committee Chair and the Committee has a responsibility to oversee the implementation of good practice to ensure that lessons learnt from incidents, reviews, reports, complaints, claims, and other channels are acted upon in a timely manner underpinned by effective communication. In 2020, the Committee closely monitored progress made in relation to the review of gynaecological services at Letterkenny University Hospital and a report from the NIRP. Both were considered regularly by the Committee and updates on implementation of the recommendations from the reviews sought from the COO and the CCO.

The Committee reviewed work programmes of relevant HSE Divisions as they relate to safety and quality and advised the Board on the adequate resourcing and appropriate positioning of these functions within the HSE. For example, the Committee recommended, following an external review, that the Healthcare Audit function of the HSE should sit within Internal Audit as a specialist audit team with a direct line of reporting to the Committee.

The Committee has responsibility for certain Corporate Risk Register risks and their controls. It reviewed the effectiveness of the systems established by management to identify, assess, manage, monitor and report on these risks, by receiving regular reports from the National Director Quality Assurance and Verification and from the relevant EMT member with responsibility for specific risk areas. The Committee's risks are Risk 7 – Current Configuration of Hospitals, Risk 9 – Healthcare Associated Infection/COVID-19 and Antimicrobial Resistance, Risk 15 – Screening Services, Risk 16 – Healthcare Regulatory Non-Compliance and Risk 18 – Policy and Legislation Development and Implementation. In July 2020, the Committee were allocated five extra COVID-19 specific Corporate Risk Register risks for monitoring. This was completed by the establishment of a sub-group composed of members from both the Safety and Quality and Audit and Risk Board Committees.

The CEO has assigned the following members of the HSE Senior Management Team to attend meetings of the Safety and Quality Committee: Dr Colm Henry (CCO), Patrick Lynch (National Director of Quality Assurance and Verification) and Dr Philip Crowley (National Director of Quality Improvement). The Committee is also entitled to request the attendance of any HSE staff member to attend and present at a meeting of the Committee and this provision was used regularly by the Committee in 2020. At each meeting, the Committee may set aside time in the absence of members of HSE management and may meet with individual senior managers separately. In order to prepare the agenda for forthcoming meetings and to follow up on outstanding actions, the Chair, Professor Deirdre Madden has regular engagement with the CCO, Dr Colm Henry.

The Safety and Quality Committee works with the other Board Committees in order to fulfil its remit. Liaison between the four committees of the Board is provided through regular engagement between the Committee Chairs, sharing of minutes, and the organisation of joint Committee meetings as appropriate to consider issues of mutual significance. In early 2020, the Committee held a joint meeting with the HSE Board's Audit and Risk Committee. At the meeting, the Committees considered risk management, claims, data protection, and capital.

The Chair is a member of the HSE Board and provides for interaction between the Committee and the Board via an update at each Board meeting on the work of the Safety and Quality Committee since the previous Board meeting. Copies of the approved minutes of committee meetings are circulated in advance of the meetings.

Support to the Board and Committees

The Secretary of the HSE Board also acted as Secretary to the Committees and additional administrative support was provided through the Office of the Board.

Code of Governance

Under the *Health Act 2004* (as amended), the HSE is required to have a Code of Governance in place setting out the principles and practices associated with good governance. A revised Code of Governance was prepared in 2020, was adopted by the Board in February 2021 and, at the time of writing, has been submitted to the Minister for Health for approval. The Statement on Internal Control in Part II Financial Governance of this Annual Report reflects our compliance with the requirements of the *Code of Practice for the Governance of State Bodies (2016)*.

The *Health Service Executive (Governance) Act 2019* strengthens independent oversight and performance of the HSE. The Chair and the Board are working closely with the CEO and EMT to ensure the organisation works effectively as well as responding efficiently and productively to a range of new governance requirements stemming from these new arrangements.

Members of the Board
(as at 31 December 2020)

Mr Ciarán Devane
Chair

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Executive Director of the Centre for Trust, Peace and Social Relations at Coventry University. Chair of Clore Social Leadership. Formerly Member of the Board of the NHS, England, Chief Executive of Macmillan Cancer Support and Chief Executive of the British Council. Recipient of a knighthood in the UK for services to cancer patients and was awarded the Freedom of the City of London.

Professor Deirdre Madden
Deputy Chair

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Professor of Law at University College Cork (UCC) specialising in healthcare law and ethics. Chaired the Commission on Patient Safety and Quality Assurance and has extensive experience of healthcare and professional regulation.

Mr Fergus Finlay

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Retired CEO of Barnardos. Former Government and political adviser. Chair of Dolphin House Regeneration Board and Member of the Charities Regulatory Authority. Lifelong disability activist.

Mr Tim Hynes

Appointed
28 June 2019

Tenure
3 years

Skills and Experience
Group Chief Information Officer (CIO) for Allied Irish Bank. Holds a Masters in Executive Leadership from Ulster University, qualified bank director, and Fellow of the Irish Computer Society.

Mr Brendan Lenihan

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Managing Director of Navigo Consulting and former President of the Institute of Chartered Accountants in Ireland. Non-executive Director of Bus Éireann. Board of Trustees of Good Shepherd Cork. Holds a Professional Diploma in Corporate Governance from University College Dublin (UCD) Smurfit Business School and is a member of the Institute of Directors.

Dr Sarah McLoughlin

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Patient advocate and research scientist in UCD involved in patient, clinical and research initiatives in cross-disease areas in Ireland. Graduate of the first 'Patient Education Programme in Health Innovation' in Ireland by Irish Platform for Patient Organisations, Science and Industry.

Mr Aogán Ó Fearghail

Appointed
28 June 2019

Tenure
3 Years

Skills and Experience
School Placement Tutor with Dublin City University (DCU). Gaelic Athletic Association President from 2015 to 2018. Former School Principal.

Professor Fergus O'Kelly

Appointed
28 June 2019

Tenure
5 Years

Skills and Experience
Retired Family Physician and Director of the Family Medicine in Ireland training programme. Past President of the Irish College of General Practitioners (ICGP) and member of the Governing Board of ICGP from 2014 to 2017.

Ms Fiona Ross

Appointed
28 June 2019

Tenure
5 years

Skills and Experience
Chair of Córas Iompair Éireann (CIÉ), Non-Executive Director Scottish Government and Network Rail in the UK. Central Bank of Ireland authorised Director of Smith and Williamson, JK Funds and SphereInvest. Former Director CEO of the National Library of Ireland and former Chair of Mental Health Ireland.

Dr Yvonne Traynor

Appointed
28 June 2019

Tenure
3 years

Skills and Experience
Vice President of Regulatory and Scientific Affairs with Kerry Group. Chartered Director and held role of Chair of the Audit, Risk and Compliance Committee of the Irish Blood Transfusion Service. Holds a PhD in Chemistry from Trinity College Dublin (TCD), a Certified Diploma in Accounting and Finance and an MSc in Executive Leadership.

Members of the Executive Management Team
(as at 31 December 2020)

Mr Paul Reid
Chief Executive Officer

Skills and Experience

Paul Reid is the Chief Executive Officer of the HSE. In previous roles he has led large organisations in the private, not-for-profit, central and local government sectors including Fingal County Council, the Department of Public Expenditure and Reform, Trócaire and eir. He holds a Masters Degree in Business Administration from TCD and a BA in Human Resources and Industrial Relations from the National College of Ireland.

Ms Anne O'Connor
Chief Operations Officer

Skills and Experience

Anne O'Connor is the Chief Operations Officer of the HSE, leading in excess of 100,000 staff members who deliver health services across community and hospital settings in Ireland. She has led health services in Ireland at local and national level. She is an Occupational Therapist and holds a MSc in Occupational Therapy and a MSc in Management Practice.

Mr Stephen Mulvany
Chief Financial Officer

Skills and Experience

Stephen Mulvany is the Chief Financial Officer of the HSE with extensive experience in financial planning, operational planning and service delivery. He is a Chartered Accountant (FCCA) with a Postgraduate Diploma in Information Technology for Managers, a MSc in Management Practice, an Institute of Directors Certificate and a Diploma in Company Direction.

Dr Colm Henry
Chief Clinical Officer

Skills and Experience

Dr Colm Henry is the Chief Clinical Officer of the HSE. Prior to his appointment as CCO, he was National Clinical Advisor and Group Lead for Acute Hospitals in the HSE and, before this, was the National Lead for the Clinical Director Programme in the HSE. He was appointed as consultant geriatrician to the Mercy University Hospital in Cork in 2002 and was the hospital's Clinical Director from 2009 to 2012.

Mr Dean Sullivan
Chief Strategy Officer

Skills and Experience

Dean Sullivan is the Chief Strategy Officer of the HSE. He has 30 years' experience in the public and private sectors, including senior roles in the Northern Ireland Health and Social Care Board and the DoH, and with PA Consulting and Price Waterhouse. He is a qualified accountant (CIPFA) and has also completed the Institute of Directors Certificate and Diploma in Company Direction.

Ms Anne Marie Hoey
National Director, Human Resources

Skills and Experience

Anne Marie Hoey is the National Director of Human Resources for the HSE since 2019. She has over 30 years' experience in the Irish health service, holding a number of senior management roles, across acute hospitals, community services and Primary Care Reimbursement Service. She holds a BSc in management in addition to a Master's Degree in Health Service Management from Trinity College and is a Chartered Fellow of CIPD.

Mr Fran Thompson
Chief Information Officer

Skills and Experience

Fran Thompson is Chief Information Officer of the HSE enabling the digital transformation of Ireland's health service. With over 25 years' health ICT leadership experience leading on a wide range of key strategic eHealth programmes, he is particularly focused on maximising digital transformation within the health sector.

Mr Mark Brennock
National Director, Communications

Skills and Experience

Mark Brennock is the National Director of Communications, leading the development and management of the HSE's communications efforts, providing consultancy advice and support to staff across the organisation. He was formerly Director of Public Affairs with Murray, one of Ireland's largest communications agencies, and spent 23 years working as a journalist, mainly with The Irish Times.

Dr Geraldine Smith
National Director, Internal Audit

Skills and Experience

Dr Geraldine Smith is National Director of Internal Audit for the HSE. She also chairs the Audit and Risk Committee of a central government department. She is a Fellow of the Association of Chartered Certified Accountants and a Chartered Internal Auditor, has a PhD in Governance, a Masters in Public Management and a Professional Diploma in Corporate Governance.

Mr John Kelly
Head of Corporate Affairs

Skills and Experience

John Kelly is Head of Corporate Affairs for the HSE. He is a qualified solicitor and has worked for one of the largest law firms in the country where he specialised in public administrative law, employment law, and healthcare law. Prior to training as a solicitor he worked as a senior healthcare manager.

Ms Niamh O'Beirne
National Lead, Testing and Tracing

Skills and Experience

Niamh O'Beirne leads the Testing and Contact Tracing response to the COVID-19 pandemic. Since 9 April 2020 she is on secondment to the HSE from EY where she is a partner. She has over 20 years' experience in management consulting in the public sector with a focus on reform, transformation and organisation design and holds a B.A. Hons and Postgraduate Diploma in Business.

4.2 Risk Management Report

Risk Management

A critical area of organisational focus is ensuring that we are deploying resources and committing to actions that will reduce risks in the delivery of health and social care services. The COVID-19 pandemic impacted all areas of the health system, including risk management processes. Immediately following a major review of the HSE's key risks at the beginning of 2020, COVID-19 was declared a pandemic. The speed at which it happened touched every part of the health service and the people who worked in it, resulting in a number of new risks and changes to the risks already identified. This led the HSE to undertake a second major review of the key corporate risks in May 2020.

The development and management of the Corporate Risk Register is a key organisational process that allows the Board and the EMT to identify, review and assess the HSE's key risks and response to these risks. Each of the risks on the Corporate Risk Register is assigned to a member of the EMT as 'owner' of that risk and each of the risks has been allocated to one of the four committees of the Board by the Audit and Risk Committee (ARC). Board Committees provide oversight for the management of risks assigned to them and scrutinise these risks and associated action plans with the relevant members of the EMT. A joint sub group of the ARC and Safety and Quality Committee oversees a number of the new COVID-19 related risks. During 2020 the organisation took a number of actions to identify, review and mitigate its corporate risks including the new COVID-19 related risks.

Managing Risk

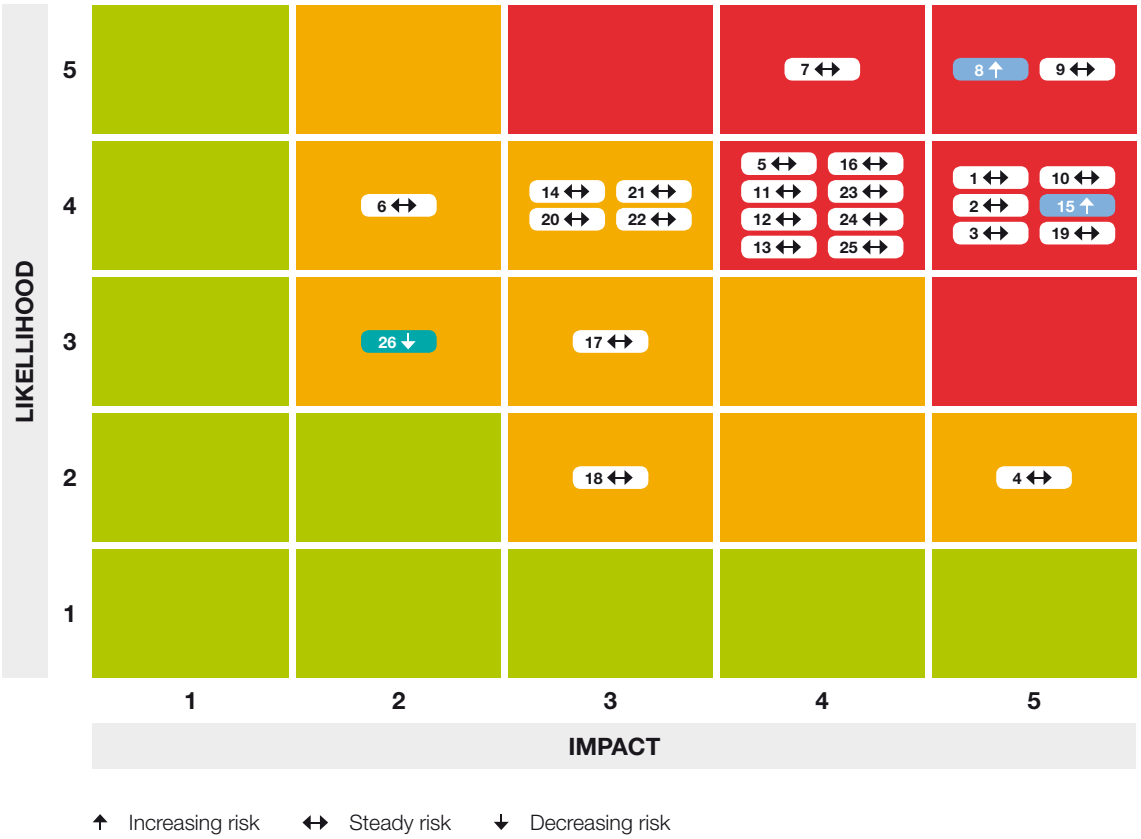
The Board has overall responsibility for approving the risk management framework, setting the HSE's risk appetite, and approving the Risk Management plan and Corporate Risk Register annually. It also has responsibility for reviewing management reporting on risk management and either noting and/or approving actions as appropriate. The Board reviewed and approved the HSE's Corporate Risk Register at its meeting in December 2020 and a summary is included in the tables below. The Board is supported by the ARC, which reports the findings of its reviews to the Board. The ARC receives regular reports on risk management from the internal and independent auditors and checks progress against agreed action plans to manage identified risks.

The HSE assesses the Corporate Risk Register and reports in the process of developing its Corporate Plan, National Service Plan (NSP) and annual Budget. The risk management process is intended to ensure principal risks are identified, prioritised, managed, monitored and reported consistently at national level. Corporate Risks are reviewed by the EMT and feed into the Board and ARC wider discussions. All Corporate Risks and associated action plans are reviewed by the EMT as part of either a monthly or quarterly review process depending on the nature of the risk.

The HSE is currently considering improvements in its overall risk process. The work will be finalised in 2021 and will inform the development of the HSE's planned Enterprise Risk Management Programme and an updated risk appetite statement.

Risk areas	
1	COVID-19 integrated testing and contact tracing
2	Restoration of core health service activity while retaining surge capacity for COVID-19
3	COVID-19 Long-term residential care settings
4	COVID-19 critical supplies and equipment including PPE
5	Resourcing of public health capacity and teams
6	Health service funding
7	Current configuration of hospitals
8	Capacity and access across community and acute services
9	Healthcare associated infections/ COVID-19 and Antimicrobial resistance
10	Workforce and recruitment
11	Disability services
12	Capital infrastructure and critical equipment
13	Cyber security

Risk areas	
14	Delivering transformation and change including culture change
15	Screening services
16	Regulatory compliance
17	Organisational reputation
18	Policy and legislation development and implementation
19	Safety, health and wellbeing of staff
20	Individual performance management and accountability
21	ICT systems and infrastructure
22	System of Internal Control
23	Business Continuity Management
24	New Children's Hospital Project
25	HSE funded agencies
26	Post-Brexit



↑ Increasing risk ↔ Steady risk ↓ Decreasing risk

#	Risk area	Key Mitigating Controls	Status
1	**COVID-19 integrated testing and contact tracing**	• Capacity in place to provide circa 25,000 tests per day with a turnaround time of three days • Additional static Testing Centres and Contact Tracing Sites sourced in November 2020 • Temporary cessation of testing for close contacts to just those symptomatic in response to the recent surge in demand for the Test and Trace service • Contact tracing reconfiguration such as increased staff through surge staffing, training more staff in making calls to positive patients, reducing the length of the first call with the focus of getting the close contact details.	
2	**Restoration of core health service activity while retaining surge capacity for COVID-19**	• Provision of additional acute care capacity including critical care across adult and paediatric services • Telemedicine reducing the number of contacts at healthcare sites • NTPF/Private Hospitals arrangements • Clinical prioritisation/Roadmap setting out which services to resume in priority order and informing the ongoing redeployment of staff.	
3	**COVID-19 Long-term residential care settings**	• Develop the implementation plan to implement the recommendations of the Expert Review Panel • COVID-19 Response Teams established in CHOs • National COVID-19 Monitoring Group established for Residential Care • Updated Residential Care Guidance on visiting.	
4	**COVID-19 critical supplies and equipment including PPE**	• A PPE forecasting model has been developed based on calculations derived from various inputs and clinical guidance, which will form the basis for ordering the national stock of PPE from both domestic and international markets and for issuing PPE to all healthcare locations in Ireland • A primary supply agreement with China Resource Pharmaceuticals has been completed with 86 million pieces of PPE delivered • An internal operating model has been implemented to effectively maintain and manage PPE supply.	
5	**Resourcing of public health capacity and teams**	• Redeployment of staff temporarily from across the HSE and wider public service assigned to support public health activity in response to COVID-19 • Additional temporary staffing supports put in place to increase the capacity of public health departments to respond to the COVID-19 pandemic • Programme established for public health reform to oversee implementation of a new model for public health medicine aligned to the recommendations of the DoH Report on the Role, Training, and Career Structures of Public Health Physicians in Ireland (Crowe Howarth Report) • A national Pandemic Operating Model and Workforce Plan has been agreed with a funding commitment received from the DoH • An implementation plan for the national pandemic workforce requirements incorporating the immediate needs for the COVID-19 response and the Crowe Howarth Report has been agreed with the DoH.	
6	**Health service funding**	• Core financial reporting policies and practices are in place such as performance against budget, service plan and projections • COVID-19 cost codes framework setup to ensure appropriate tracking of costs • Regular updates and reporting between HSE and DoH with respect to demands, funding and escalation of issues • Regular liaison with State Claims Agency, HSE and DoH to monitor the level of claims.	
7	**Current configuration of hospitals**	• Reconfiguration of acute services in key areas e.g. North East, Mid-West, West and South West • Implementation of Hospital Group structures to provide clinical governance and oversee service delivery at Hospital Group level	

#	Risk area	Key Mitigating Controls	Status
7	**Current configuration of hospitals (continued)**	• Appointment of: - Group Clinical Directors, Group Directors of Nursing and Midwifery and Group CEOs - Clinical leads for each of the key specialities • Implementation of trauma and orthopaedic bypass protocols • Introduction of additional acute and critical care beds in the context of actions taken to address the challenges of COVID-19 • Separation of scheduled and unscheduled care services in order to improve capacity and access is ongoing.	↔
8	**Capacity and access across community and acute services**	• Winter Plan for 2020/2021. NSP 2021 (Estimates) • Additional acute bed capacity including ICU • Additional home support packages • Additional intermediate care beds • Development of models of care • Optimisation of NTPF to support additional bed capacity • Capacity and Access *Sláintecare* programme • Existing surge capacity and plans for surge in acute hospitals – including critical care • Approval and funding secured for agreed five-year plans.	↑
9	**Healthcare associated infections/ COVID-19 and antimicrobial resistance (AMR)**	• COVID-19 patient information leaflets developed. COVID-19 educational IPC webinars delivered • Awareness campaign designed and implemented • Carbapenemase-producing enterobacterales (CPE), hand hygiene and COVID-19 campaigns delivered • Certain microbiology reference laboratory services distributed over a number of sites • Legal framework for notification of infectious diseases and outbreaks • Irelands National Action Plan (iNAP) for AMR.	↔
10	**Workforce and recruitment**	• Workforce planning activity undertaken across individual professions to support workforce projections • DoH/HSE is working with external agencies to develop workforce data sharing agreements – e.g. Nursing and Midwifery Board of Ireland/ Education sector • Workforce Planning training for services through the Leadership Academy and a module of training on HSELanD • Private hospitals under public service will provide increased capacity that will reduce the impact of leave associated with COVID-19 • Resourcing strategy developed and establishment of a Recruitment Governance Group and Recruitment Taskforce Action Group, alongside a programme of work with the objective of delivering on the Winter Plan recruitment requirements • A clinical governance framework for non-Specialist Division Register (SDR) consultants was developed and distributed to the operating system • A system is in place to actively monitor the number of non-SDR consultants.	↔
11	**Disability services**	• The National Disability Operations Team and CHOs provide support to challenged service providers in order to stabilise day-to-day operations and ensure service continuity. This is inclusive of professional capacity building supports/service improvement initiatives as well as defined financial supports to ensure adequate operational cash liquidity • Provider fora exists with the umbrella organisations to enable the return to safe service, including capacity and risk assessments • HSE has in place an existing Consultative Forum that has key stakeholder representation including: - Federation of Voluntary Bodies - Disability Federation of Ireland - Inclusion Ireland	↔

#	Risk area	Key Mitigating Controls	Status
11	**Disability services (continued)**	- National Advocacy Service - Not-for-Profit Organisations • Plans developed to assist people with a disability to return to day services, occupation or education.	↔
12	**Capital infrastructure and critical equipment**	• Available capital funding has been prioritised to address: - Infrastructural and clinical risk - The Equipment Replacement Programme • Planned preventive maintenance programs in place for all critical infrastructure and equipment • HSE buildings and contents adequately insured at replacement value • The Capital Plan has been reviewed to ensure its alignment with the HSE Corporate Plan and NSP.	↔
13	**Cyber security**	• Medical device exposure inventory managed by National Clinical head of Medical Devices • Cyber Security protection products – Anti-spam/Antivirus/Firewall controls implemented and updated on an ongoing basis • HSE has a suite of cyber controls aligning with the National Institute of Standards and Technology framework • Penetration testing of new internet based solutions.	↔
14	**Delivering transformation and change including culture change**	• The resources required to support the delivery of the transformation priorities have been sought and secured through the Pandemic/Winter Plan and the NSP Estimates process • Appropriate structures and processes have been established to take forward key transformation programmes. Monthly reports to EMT and the Board through the Board Strategic Scorecard • An eHealth workstream has been established as part of the arrangements for implementing the Pandemic/Winter Plan.	↔
15	**Screening services**	• Monitoring of: - Public engagement with each screening service following the recommencement of the four screening programmes - Capacity and activity with clinical providers in host hospitals - Participant attendance, staffing levels, access to diagnosis and treatment services and the wider impact on our host hospitals • Central National Shared Services process and programme based local process in place to monitor and manage the number of screening invitations, rate of attendance, capacity monitoring for screening units, assessment units and laboratories, treatment centre capacity/backlog. Reporting schedule on activity and risk to the CCO • System for on-going communications to anyone with relevant symptoms of any condition screened by the National Screening Service (NSS) to contact their health care provider in the usual ways • The publication of the interval cancer reports in October 2020 allowed the NSS to commence a programme to implement the recommendations to reduce the associated level of risk to our service.	↑
16	**Regulatory compliance**	• Governance and Accountability framework • HSE controls assurance process • Internal and Healthcare Audit functions • Regulatory inspections Health Information and Quality Authority (HIQA), Mental Health Commission (MHC) and Health Safety Authority (HSA) etc. reports and feedback • Quarterly risk meetings of: - HSE and HIQA to discuss and agree actions on regulatory risks - Community operations and MHC to discuss and agree actions on regulatory risk • Quarterly compliance reporting • Nationwide review of fire safety in designated centres completed with plans for remediating action.	↔

#	Risk area	Key Mitigating Controls	Status
17	**Organisational reputation**	• National communications function and press office in place • Enhanced proactive positive media • Enhanced capability of HSELive • Monitoring and publication of performance information.	↔
18	**Policy and legislation development and implementation**	• There are a range of regular processes for, formal and informal engagement between the DoH and HSE, at which there is an opportunity to discuss emerging major national policies and new legislation at an early stage.	↔
19	**Safety, health and wellbeing of staff**	• National Workplace Health and Wellbeing Unit (WHWU) governance arrangements encompass health and safety, Employee Assistance Programme, rehabilitation, occupational health and organisational health. Terms of engagement amended to focus on strategic response in light of challenges from COVID-19 • HSE data on staff COVID-19 cases reviewed periodically and analysed for trends • Escalation of PPE for frontline staff • Full availability of COVID-19 specific Health and Safety training programmes • Fast track outbreak management for COVID-19 in frontline workers • Reviewed existing capacity and skill mix across WHWU and identification of shortfalls. COVID-19 workforce plan available • Reviewed workforce capacity and planning, reporting structures and redeployment opportunities of WHWU division • The statutory responsibility for employee mental health services has been devolved to WHWU, who retain governance over employee mental health supports.	↔
20	**Individual performance management and accountability**	• Performance achievement process defined and agreed with staff representative bodies • Suite of KPIs developed • Communication of requirements and guidance and training provided to staff • Performance achievement implementation process was launched by video message • Process for the monitoring and reporting to EMT implemented.	↔
21	**ICT systems and infrastructure**	• Data back-up and restore procedures • Disaster recovery at national and local level • Local Helpdesks Incident Managers in place • National Service Desk Manager in place to monitor and react to adverse incidents • Communications plan agreed for adverse incidents • Capacity planning and estate currency managed through service planning.	↔
22	**System of Internal Control**	• NSP KPIs and performance monitoring • Annual review of effectiveness of HSE system of internal control • Annual Audit and C&AG Management letter • Integrated Risk Management Policy • Regulatory inspections (HIQA, MHC, HSA etc.) reports and feedback • Internal and healthcare audit functions.	↔
23	**Business Continuity Management**	• Engagements process for national and regional management with unions and strike committees • Phased reduction, up to closure, of non-essential services • National Crisis Management Team • Area Crisis Management Teams • Enhanced structured engagement with stakeholders.	↔

#	Risk area	Key Mitigating Controls	Status
24	**New Children's Hospital Project**	• The National Paediatric Hospital Development Board and CHI have been set up on a statutory basis with primary responsibilities for construction of the hospital and bringing it into use, respectively • New Children's Hospital Project and Programme structures are in place and continue to provide the governance framework for the Project.	
25	**HSE funded agencies**	• Application of Performance and Accountability Framework including management meetings with providers • Engagement with providers in service planning, development and delivery • Service arrangements with providers in place and signed.	
26	**Post-Brexit**	• Individual service provision agreements are being finalised to continue existing arrangements in relation to all-island services, cross-border arrangements, public health relationships, patient placements and laboratory services • Stakeholder engagements and briefing sessions took place in December with medicine and medical device suppliers, Patient Safety Forum, Irish Blood Transfusion Service, Private Hospital Association, CHOs and Hospital Groups • The Brexit Emergency Response Plan which includes other health sector agencies was initiated on 29 December 2020 to mitigate Brexit impact • Regular meetings are continuing with the DoH – Brexit Operations meetings (weekly) and Secretary General/Heads of agencies meetings (monthly) • A customs clearance agent has been engaged to assist with the import process at the ports.	

4.3 Complaints and Compliments

Health Service Executive

(Excluding voluntary hospitals and agencies)

Many compliments go unrecorded and work is ongoing to encourage all staff to record compliments as they provide important information on the positive aspects of our service to assist in learning from what is working well. In 2020, there were 7,122 compliments recorded.

There were 5,394 formal complaints recorded in 2020 and examined by complaints officers under the *Health Act 2004* (as amended) and the *Disability Act 2005*. Of these, 277 were excluded from investigation under the Your Service Your Say complaints process or withdrawn. Of the remaining 5,117 complaints, 2,916 or 57% were resolved by a complaints officer either informally or through formal investigation within 30 working days.

Voluntary Hospitals and Agencies

There were 14,073 compliments recorded in 2020. There were also 9,633 complaints recorded and examined by complaints officers. Of the total number of complaints received, 9,285 were investigated. The other 348 were either excluded or withdrawn. Of those investigated, 8,116 or 87% were resolved by a complaints officer either informally or through formal investigation within 30 working days.

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

1,133 complaints were received in 2020 under Part 2 of the *Disability Act 2005* in relation to a child's assessment of need for disability services, a decrease of 7% on 2019. Of these, 25% were recorded as resolved within 30 working days. Six complaints were recorded as received under Part 3 of the Act, relating to access to buildings and services for people with disabilities.

HSE formal complaints received and % dealt with within 30 working days

	No. of complaints received	No. and % dealt with within 30 working days
2020	5,394*	2,916 (57%)*
2019	5,938*	3,398 (65%)*
2018	6,610*	3,695 (56%)*
2017	8,281	6,298 (76%)
2016	9,158	6,972 (76%)

Data source: HSE Quality Assurance and Verification

* The introduction of the HSE's Complaints Management System and increased staff training have resulted in enhanced reporting on formal complaints. The number of complaints received now refers to those which are formally addressed by Complaints Officers only and no longer includes point of contact complaints, (which are reported separately) received by frontline services which have been immediately resolved. This is reflected in 2018-2020 data above in respect of both complaints received and those dealt with within 30 working days. This figure includes 277 complaints received which were either excluded or subsequently withdrawn

Formal complaints received by category 2020

Category	HSE (excluding voluntary hospitals and agencies)		Voluntary hospitals and agencies	
	2019	2020	2019	2020
Access	2,595	2,318	3,299	2,521
Dignity and respect	599	635	2,154	1,477
Safe and effective care	1,927	1,797	4,012	3,274
Communication and information	993	989	3,605	2,396
Participation	3	33	199	253
Privacy	61	55	419	213
Improving health	69	52	239	184
Accountability	254	235	572	490
Clinical judgement	162	193	165	211
Vexatious complaints	3	4	173	82
Nursing homes/residential care for older people (65 and over)	2	8	20	27
Nursing homes/residential care (aged 64 and under)	0	0	22	23
Pre-school inspection services	0	0	65	7
Trust in care	1	6	98	91
Children first	2	10	31	35
Safeguarding vulnerable persons	4	1	312	356

Data source: HSE Quality Assurance and Verification

Note: Some complaints contain multiple issues and therefore fall under more than one category

Office of the Confidential Recipient

The Office of Confidential Recipient is a national service that receives concerns/complaints such as allegations of abuse, negligence, mistreatment or poor care practices in HSE or HSE funded residential care facilities in an independent capacity and, in good faith, from patients, service users, families, and other concerned individuals and staff members. It has dealt with over 1,200 formal concerns/complaints from across the country since its establishment in December 2014.

In 2020, the total number of formal concerns/complaints received by the Confidential Recipient was 165, an increase of ten on 2019. The type of concerns raised included a lack of service provision and respite placements, alleged abuse or neglect and inappropriate placement of service users.

National Appeals Service

The National Appeals Service ensures that applicants for eligibility schemes both statutory and administrative (e.g. medical cards/GP visit cards, residential support services maintenance and accommodation contributions, Nursing Homes Support Scheme (NHSS)) are given their correct entitlement, and also provides governance to the HSE in relation to the correct application of the relevant legislation, regulations and guidelines. 1,731 cases were processed in 2020, of which 33% were allowed or partially allowed. The Appeals Service shares the learning from appeals, including feedback from appellants, with scheme managers and with other relevant stakeholders.

Appeal Type	Received	Processed	Approved	Partially Approved	% Approved/ Partial Approvals
Medical/GP Visit Card (General Scheme)	772	776	178	90	35%
Medical/GP Visit Card (Over 70s Scheme)	111	118	32	5	31%
16 and 25 Year Old Medical Card/ GP Visit Card	253	254	78	23	40%
Nursing Homes Support Scheme	468	495	50	98	30%
Blind Welfare Allowance	8	8	3	0	38%
Common Summary Assessment Report	36	36	4	0	11%
Homecare Package	0	0	0	0	0%
Home Help	3	2	0	0	0%
Residential Support Services Maintenance and Accommodation Contribution	23	25	3	3	24%
Other	21	17	0	0	0%
Total	**1,695**	**1,731**	**348**	**219**	**33%**

Note: Appeals received are from 01.01.2020 – 31.12.2020. Those processed also relate to cases carried forward from 2019

Appendices

Appendix 1: Organisational Structure and Service Delivery

Appendix 2: Expenditure and Human Resource Data

Appendix 3: National Service Plan 2020 National Scorecard and Key Activity

Appendix 4: Capital Infrastructure

Appendix 5: Schedule of Board and Committee Attendance, Fees and Expenses

Appendix 6: Legislative Compliance

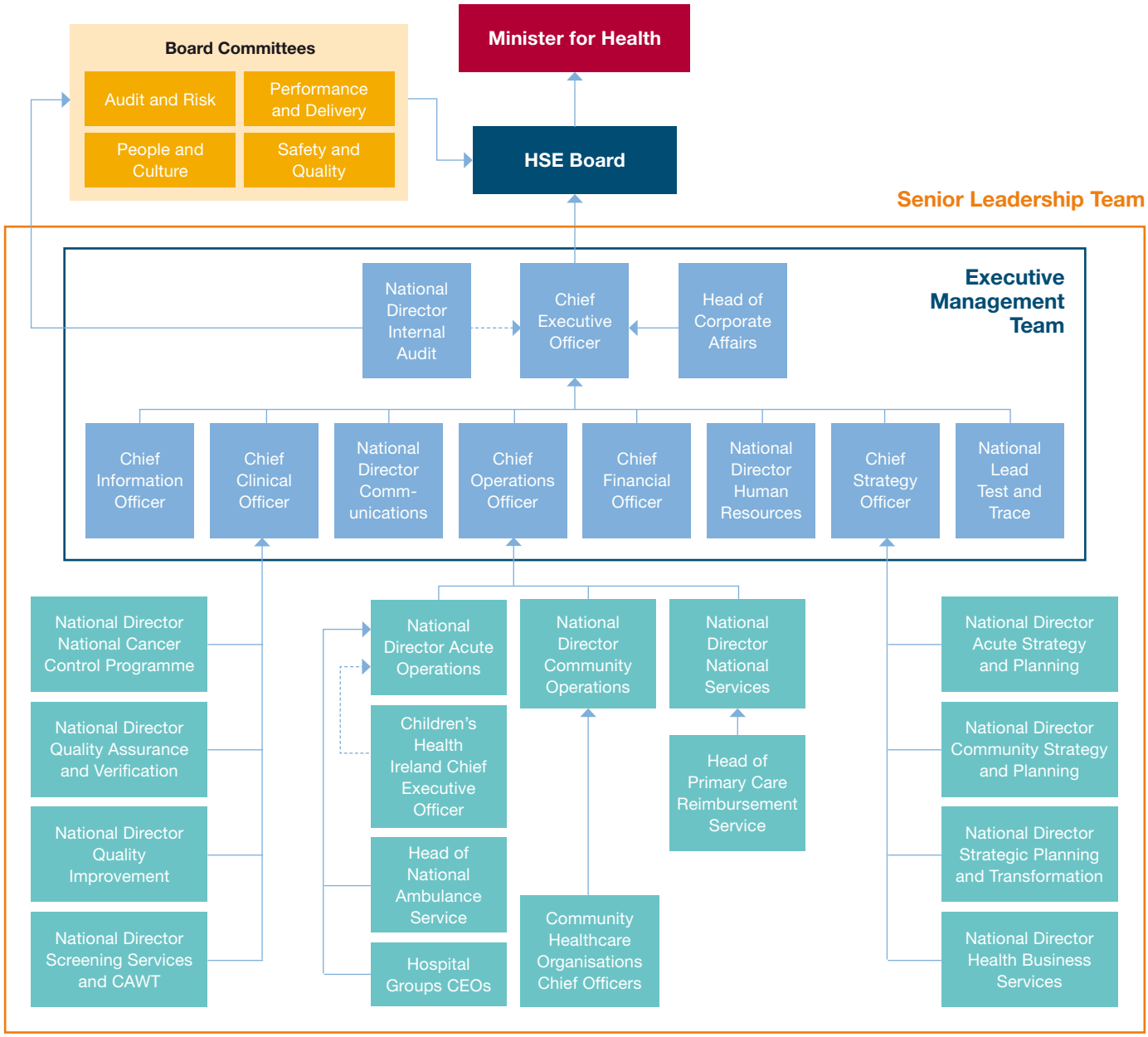
Appendix 7: Glossary/List of Acronyms

Appendix 1: Organisational Structure and Service Delivery

The HSE is responsible for providing health and personal social services to everyone living in Ireland. The HSE provides thousands of services to young and old, in hospitals, health facilities and in communities across the country. These services range from public health nurses treating older people in the community to caring for children with challenging behaviour, from educating people how to live healthier lives, to performing highly-complex surgery, from planning for major emergencies, to controlling the spread of infectious diseases. The largest employer in the State, the HSE employs more than 81,000 staff in direct employment and almost 45,000 staff are employed by voluntary hospitals and bodies funded by the HSE. The HSE's budget is the largest of any public sector organisation. The services provided by the HSE are of vital importance to the entire population as at some stage each year everybody in Ireland will use one or more of our services.

In the following pages, a description can be seen of our organisational structure and the mechanism through which we deliver our health and social care services.

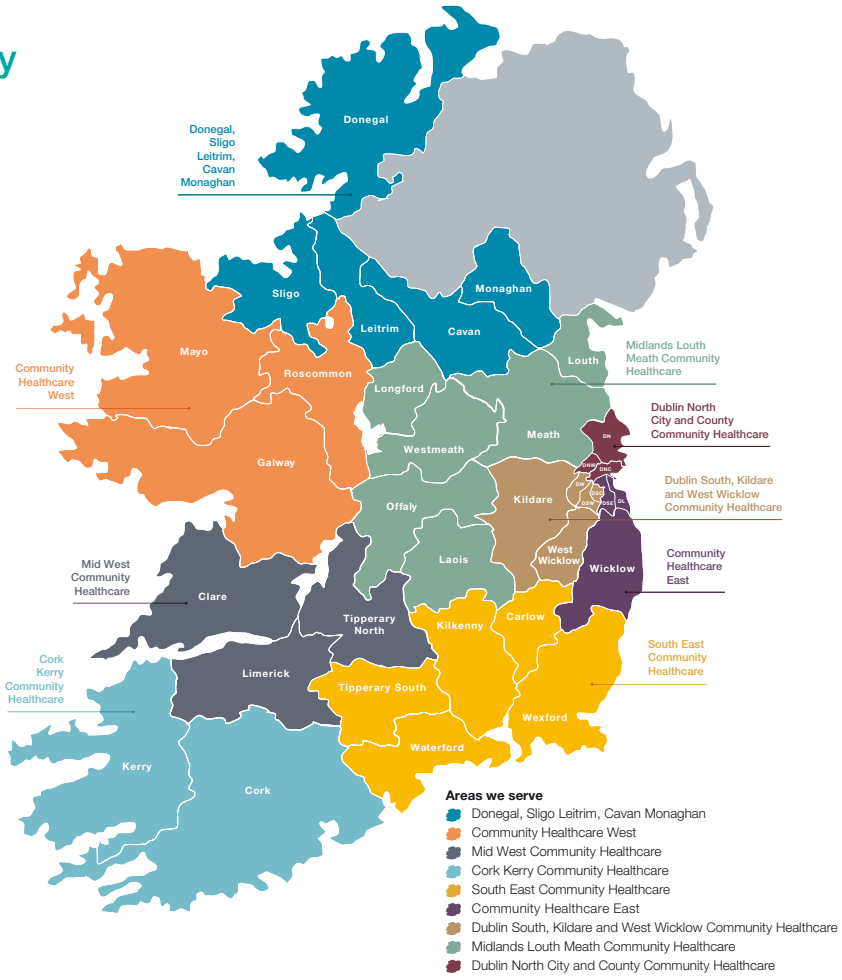
Organisational Structure



Health and Social Care Delivery

Community healthcare

Community healthcare spans primary care services, social inclusion services, older persons' and palliative care services, disability services and mental health services and is provided to children and adults, including those who are experiencing marginalisation and health inequalities. Services are provided by GPs, public health nurses and HSCPs through primary care teams and CHNs. Community healthcare services are currently delivered through nine CHOs and are provided through a mix of HSE direct provision as well as through voluntary section 38 and 39 service providers, GPs and private providers. These services are delivered to people in local communities as close as possible to their homes.



Acute hospital care

While our aim is to deliver services as close as possible to people's homes, there are instances where hospital admission or attendance is unavoidable. Acute hospital services aim to improve the health of the population by providing health services that range from early diagnosis through to specialist services, including inpatient scheduled care, unscheduled/emergency care, cancer services, maternity services, outpatient services and diagnostics. Hospitals in Ireland are organised into six Hospital Groups and CHI with care provided through multi-disciplinary teams. Pre-hospital emergency care, intermediate care and critical care retrieval services are provided through the NAS.

Appendix 2: Expenditure and Human Resource Data

Breakdown of Expenditure

Service area	2019 €'000	2020 €'000
Health and Wellbeing	240,647	263,266
Primary Care	4,157,149	4,581,477
Mental Health	964,101	1,038,601
Disability and Older Persons' Services	3,441,315	3,695,946
Acute Hospital Services	6,813,419	7,749,615
Corporate Support Services	480,691	2,735,124
Total	**17,237,833**	**20,064,029**

Data source: National Finance

	2019 €'000	2020 €'000
Total HSE expenditure 2020	17,237,833	20,064,029
Total capital expenditure 2020	687,649	983,719
Total ICT capital projects	85,000	120,000
Total capital grants to voluntary agencies	324,967	359,730

Data source: National Finance

Payroll

	2019 €'000	2020 €'000
Overall pay bill of health service (excl. voluntary service providers and superannuation)	5,259,333	5,679,547
Basic pay	3,803,874	4,074,480
Other allowances	124,738	132,135

Data source: National Finance

Governance arrangements with the non-statutory sector

Work continued in 2020 to enhance governance arrangements with section 38 and section 39 funded agencies. Despite the challenges posed by the pandemic in the earlier part of the year, the completion and signing of Service Arrangements and Grant Aid Agreements was consistent with previous years. Annual Compliance Statements were returned by all relevant agencies and almost all the phase 1 external reviews of governance in section 38 agencies were completed. Pilot Contract Management Support Units (CMSUs) were progressed in four CHOs, while a further three CHOs commenced the process of to establish CMSUs.

Funding provided by HSE	2019 €'000	2020 €'000
Acute voluntary hospitals	2,501,115	2,768,991
Non-acute agencies	2,198,224	2,673,832
Total	**4,699,339**	**5,442,823**

Data source: National Finance

Funding arrangements	2019	2020
No. of agencies funded	2,382	2,268
Separate funding arrangements in place	5,520	4,873

Data source: Compliance Unit

Human Resource Data

WTEs by staff category

Staff Category	WTE Dec 2019	WTE Dec 2020
Medical and dental	10,857	11,762
Nursing and midwifery	38,205	39,917
Health and social care professionals	16,774	17,807
Management and administrative	18,846	19,829
General support	9,416	9,876
Patient and client care	25,719	26,985
Total health service	**119,817**	**126,174**

Data source: Health Service Personnel Census

Note: Figures rounded to the nearest WTE

EWTD compliance

	2019 %	2020 %
Compliance with 24 hour shift		
NCHDs, acute	97.1%	97.7%
NCHDs, mental health	98.3%	97.6%
Social care workers, disability services	80.0%	83.0%
Received 11 hour daily rest breaks or equivalent compensatory rest (NCHDs)	98.0%	97.7%
Compliance with 30 minute breaks (NCHDs)	99.0%	98.6%
Compliance with weekly/fortnightly rest or equivalent compensatory rest (NCHDs)	99.0%	98.6%

Data source: National HR

Note: Data in relation to 48 hour working week can be found in Appendix 3 of this Annual Report

Appendix 3: National Service Plan 2020 National Scorecard and Key Activity

Note: Reported data position is based on the latest data available at time of development of this report and may not reflect end-of-year position (due to data being reported in arrears)

Appendix 3(a) National Scorecard

Scorecard Quadrant	Priority Area	Key Performance Indicator	Target NSP2020	Reported Actual 2020
Quality and Safety	Complaints investigated within 30 days	% of complaints investigated within 30 working days of being acknowledged by the complaints officer	75%	57.0%
	Serious Incidents	% of serious incidents requiring review completed within 125 calendar days of occurrence of the incident	80%	23.0%
	Child Health	% of newborn babies visited by a PHN within 72 hours of discharge from maternity services	99%	96.5%
		% of children reaching 10 months within the reporting period who have had their child health and development assessment on time or before reaching 10 months of age*	95%	52.5%
		% of children aged 24 months who have received the measles, mumps, rubella (MMR) vaccine	95%	91.6%
	CAMHS Bed Days Used	% of bed days used in HSE Child and Adolescent Acute Inpatient Units as a total of bed days used by children in mental health acute inpatient units	95%	98.8%
	HIQA Inspection Compliance	% compliance with regulations following HIQA inspection of disability residential services	80%	91.7%
	HCAI Rates	Rate of new cases of hospital acquired Staph. Aureus bloodstream infection	<0.9/10,000 bed days used	0.9
		Rate of new cases of hospital associated C. difficile infection	<2/10,000 bed days used	2.2
		% of acute hospitals implementing the requirements for screening of patients with CPE guidelines	100%	83.0%
	Urgent Colonoscopy within 4 weeks	No. of new people waiting >4 weeks for access to an urgent colonoscopy	0	6,475
	Surgery	% hip fracture surgery carried out within 48 hours of initial assessment (Hip fracture database)	85%	75.0%
		% of surgical re-admissions to the same hospital within 30 days of discharge	≤2%	2.1%
	Medical	% of emergency re-admissions for acute medical conditions to the same hospital within 30 days of discharge	≤11.1%	11.7%
	Ambulance Turnaround	% of ambulances that have a time interval ≤30 minutes from arrival at ED to when the ambulance crew declares the readiness of the ambulance to accept another call (clear and available)	80%	36.4%
		% of ambulance turnaround delays escalated where ambulance crews were not cleared nationally (from ambulance arrival time through clinical handover in ED or specialist unit to when the ambulance crew declares readiness of the ambulance to accept another call) in line with the process/flow path in the ambulance turnaround framework within 30 minutes	80%	82.2%

Scorecard Quadrant	Priority Area	Key Performance Indicator	Target NSP2020	Reported Actual 2020
Quality and Safety	Chronic Disease Management	No. of people who have completed a structured patient education programme for type 2 diabetes	3,700	802
	Healthy Ireland	% of smokers on cessation programmes who were quit at four weeks	45%	50.9%
Access and Integration	Therapy Waiting Lists	Physiotherapy – % on waiting list for assessment ≤52 weeks	94%	77.9%
		Occupational Therapy – % on waiting list for assessment ≤52 weeks	95%	57.9%
		Speech and Language Therapy – % on waiting list for assessment ≤52 weeks	100%	78.4%
		Psychology – % on waiting list for treatment ≤52 weeks	81%	49.1%
	CAMHS Access to First Appointment	% of accepted referrals/re-referrals seen within 12 months by Child and Adolescent Community Mental Health Teams excluding DNAs	95%	95.7%
	Delayed Transfers of Care	No. of beds subject to delayed transfers of care	≤550	363
	Disability Act Compliance	% of child assessments completed within the timelines as provided for in the regulations	100%	8.2%
	Ambulance Response Times	% of Clinical Status 1 ECHO incidents responded to by a patient-carrying vehicle in 18 minutes and 59 seconds or less	80%	79.5%
		% of Clinical Status 1 DELTA incidents responded to by a patient-carrying vehicle in 18 minutes and 59 seconds or less	70%	54.0%
	Emergency Department Patient Experience Time	% of all attendees aged 75 years and over at ED who are discharged or admitted within 24 hours of registration	99%	95.3%
		% of all attendees at ED who are discharged or admitted within six hours of registration	65%	69.3%
	Waiting times for procedures	% of adults waiting <15 months for an elective procedure (inpatient)	85%	76.9%
		% of adults waiting <15 months for an elective procedure (day case)	95%	85.4%
		% of children waiting <15 months for an elective procedure (inpatient)	95%	79.6%
		% of children waiting <15 months for an elective procedure (day case)	90%	81.4%
		% of people waiting <52 weeks for first access to OPD services	80%	57.8%
	Cancer	% of new patients attending rapid access breast, lung and prostate clinics within recommended timeframe	95%	70.3%
		% of patients undergoing radical radiotherapy treatment who commenced treatment within 15 working days of being deemed ready to treat by the radiation oncologist (palliative care patients not included)	90%	82.2%
	Older Persons	No. of home support hours provided (excluding provision of hours from Intensive Homecare Packages (IHCPs))	18.67m	17.55m

Scorecard Quadrant	Priority Area	Key Performance Indicator	Target NSP2020	Reported Actual 2020
Finance, Governance and Compliance	Financial Management	Net expenditure variance from plan (pay + non-pay – income)	≤0.1%	Reported in Annual Financial Statements 2020
	Governance and Compliance	% of the monetary value of service arrangements signed	100%	92.1%
		Procurement – expenditure (non-pay) under management	80%	44.4%
		% of internal audit recommendations implemented, against total no. of recommendations, within 12 months of report being received	95%	83.0%
Workforce	EWTD	<48 hour working week (acute – NCHDs)	95%	86.0%
		<48 hour working week (mental health – NCHDs)	95%	89.9%
		<48 hour working week (disability services – social care workers)	90%	89.0%
	Attendance Management	% absence rates by staff category	≤3.5%	5.9%**

* In NSP2020 this KPI referenced 12 months; however, reporting remained based on 10 months for 2020, with reporting commencing in 2021 on the 12 month metric

** Includes COVID-19 absence rate

Appendix 3(b) Key Activity in 2020

Service Delivery Area		Key Activity	Expected Activity NSP2020	Reported Actual 2020
Population Health and Wellbeing	Healthy Ireland	*Tobacco* No. of smokers who are receiving online cessation support services	6,000	7,755
	Making Every Contact Count	*Making Every Contact Count* No. of frontline staff to complete the eLearning Making Every Contact Count training in brief intervention	4,241	1,505
National Screening Service	BreastCheck	*BreastCheck* No. of women in the eligible population who have had a complete mammogram	185,000	56,270
	CervicalCheck	*CervicalCheck* No. of unique women who have had one or more smear tests in a primary care setting	255,000	143,334
Community Healthcare	Primary Care	*Community Intervention Teams* Total no. of CIT referrals	45,432	60,169
		Nursing No. of patients seen	474,366	389,829
		Therapies/Community Healthcare Network Services Total no. of patients seen	1,632,047	1,142,555
		Physiotherapy No. of patients seen	587,604	414,345
		Occupational Therapy No. of patients seen	389,256	310,153
		Speech and Language Therapy No. of patients seen	282,312	165,657
		Psychology No. of patients seen	49,757	41,800
	Social Inclusion	*Homeless Services* No. of service users admitted to homeless emergency accommodation hostels/facilities whose health needs have been assessed within two weeks of admission	1,245	984
		Substance Misuse No. of substance misusers (over 18 years) for whom treatment has commenced within one calendar month following assessment	4,940	2,671*
		No. of substance misusers (under 18 years) for whom treatment has commenced within one week following assessment	360	208*
	Older Persons' Services	*InterRAI Ireland (IT based assessment)* No. of people seeking service who have been assessed using the interRAI Ireland Assessment System	1,200	2,754
		Intensive Homecare Packages (IHCPs) Total no. of persons in receipt of an Intensive Homecare Package	235	149
		Home Support No. of people in receipt of home support (excluding provision from Intensive Homecare Packages (IHCPs)) – each person counted once only	53,475	52,881

Service Delivery Area		Key Activity	Expected Activity NSP2020	Reported Actual 2020
Community Healthcare	Palliative Care	*Inpatient Palliative Care Services* No. accessing specialist inpatient beds within seven days (during the reporting year)	4,201	3,210
		Community Palliative Care Services No. of patients who received specialist palliative care treatment in their normal place of residence in the month	3,532	3,281
	Disability Services	No. of adults with disabilities in each CHO participating in personalised budgets demonstration projects	180**	32
		Total no. of new emergency places and in home respite supports	208	943
		Congregated Settings Facilitate the movement of people from congregated to community settings	132	75
		Respite Services No. of day only respite sessions accessed by people with a disability	33,712	21,032
		No. of people with a disability in receipt of respite services (ID/autism and physical and sensory disability)	6,060	3,774
		Personal Assistance (PA) No. of PA service hours delivered to adults with a physical and/or sensory disability	1.67m	1.78m
		Home Support Service No. of home support hours delivered to persons with a disability	3.08m	2.94m
		Disability Act Compliance No. of requests for assessment of need received for children	5,975	4,674
		Progressing Disability Services for Children and Young People (0-18s) Programme No. of Children's Disability Networks established	96	10
	Mental Health	*General Adult Community Mental Health Teams* No. of adult referrals seen by mental health services	28,716	23,883
		Psychiatry of Later Life Community Mental Health Teams No. of Psychiatry of Later Life referrals seen by mental health services	8,896	7,640
		Child and Adolescent Mental Health Services No. of CAMHS referrals seen by mental health services	10,833	10,456
Acute Hospital Care	Acute Hospital Services	*Discharge Activity* Inpatient***	645,037	562,834
		Day case (includes dialysis)***	1,142,437	923,579
		Level of GI scope activity	108,260	73,423
		Emergency Care New ED attendances	1,283,401	1,063,824
		Return ED attendances	116,180	87,483
		Injury unit attendances	103,215	89,266
		Other emergency presentations	44,916	37,710

Service Delivery Area		Key Activity	Expected Activity NSP2020	Reported Actual 2020
Acute Hospital Care	Acute Hospital Services	*Outpatients* No. of new and return outpatient attendances***	3,318,604	2,992,016
		Healthcare Associated Infections (HCAI) No. of new cases of CPE	N/A	659
	National Ambulance Service	No. of clinical status 1 ECHO calls arrived at scene (excludes those stood down en route)	4,940	5,088
		No. of clinical status 1 DELTA calls arrived at scene (excludes those stood down en route)	130,000	110,050

* Data is in relation to January to September 2020 only

** Target of 180 is over a 2 year period 2020-2021

*** Excludes NTPF activity

Appendix 4: Capital Infrastructure

Work continued in 2020 to deliver on the projects outlined in the HSE Capital Plan. The tables below outline those projects that: 1) were completed and operational in 2020; 2) were completed in 2020 and will be operational in 2021; and 3) were delayed with completion now expected in 2021/2022.

Completed and Operational in 2020

Community Healthcare

Primary Care Services

- Kilmallock, Co. Limerick: Primary Care Centre, by lease agreement
- Clonakilty, Co. Cork: Primary Care Centre, by lease agreement
- Cahir, Co. Tipperary: Primary Care Centre, by lease agreement
- Shankill, Dublin 18: Primary Care Centre, by lease agreement
- Bray, Co. Wicklow: Primary Care Centre, by lease agreement
- Rialto, Dublin 8: Primary Care Centre, by lease agreement
- Tallaght Springfield, Dublin 24: Extension to Primary Care Centre, by lease agreement
- Athy/Castledermot, Co. Kildare: Primary Care Centre, by lease agreement
- Edenmore (East of Coolock), Dublin 5: Primary Care Centre, by lease agreement

Older Persons' Services

- Dunmanway Community Hospital, Co. Cork: Upgrade and refurbishment to achieve HIQA compliance
- St. Patrick's Hospital, John's Hill, Waterford City: 100 bed CNU to replace beds in St. Patrick's and St. Otteran's (to include 20 psychiatry of later life beds and 80 long stay elderly beds)
- Palliative Care Unit (University Hospital Waterford): Development of a new block to include palliative care unit, co-funded by Waterford Hospice
- Leopardstown Park, Dublin 18: Fire upgrade works
- Dalkey Community Nursing Unit, Co. Dublin: Upgrade and refurbishment to achieve HIQA compliance
- Tymon North, Co. Dublin: New 100 bed CNU
- Peamount Hospital, Newcastle, Co. Dublin: New 100 bed CNU. Co-funded by Peamount

Disability Services

- National Rehabilitation Hospital, Rochestown Avenue, Dún Laoghaire, Co. Dublin: Phase 1 redevelopment/ replacement of existing facility in a phased development. Co-funded by NRH Trust

Mental Health Services

- Sligo University Hospital: Acute mental health unit
- St. Davnet's, Monaghan Town: The adaption/extension of Oriel House, St. Davnet's Hospital to provide 15 continuing care beds
- Churchtown/Nutgrove, Dublin 24: Primary Care Centre extension, community mental health team accommodation, by lease agreement
- Clondalkin, Dublin 22: Primary Care Centre (Steeple HSE), community mental health team accommodation, by lease agreement

Acute Hospital Care

- Children's University Hospital, Temple Street, Dublin 1: Interim Works including an ECG room, admissions unit, cochlear implant/audiology facility, rapid access clinic in ED, endoscopy and radiology upgrade and neurology unit.
- Midland Regional Hospital, Portlaoise, Co. Laois: New hospital street extension
- Tallaght University Hospital, Dublin 24: Upgrade/replacement of the existing renal dialysis unit
- Our Lady of Lourdes Hospital, Drogheda, Co. Louth: New suite of theatres (five in total). Last phase of new five storey extension
- Sligo University Hospital: Replacement of fluoroscopy room with a full interventional suite
- University Hospital Galway: Replacement of two cardiac cath labs (Phase 1)
- University Hospital Galway: Refurbishment/upgrade of mortuary
- Cork University Hospital: New radiation oncology unit
- South Tipperary General Hospital: 40 bed modular unit
- University Hospital Waterford: Development of a new block to include replacement inpatient beds*
- University Hospital Waterford: Fire safety upgrade – emergency lighting
- Nenagh Hospital, Co. Tipperary: Ward block extension and refurbishment programme, incl. 16 single rooms and four double rooms – part funded by the Friends of Nenagh Hospital

Corporate Services

- St. Joseph's Hospital, Limerick: Refurbish existing vacant space for pension management

* This is a joint capital project between acute services and palliative care

Completed in 2020 and Operational in 2021

Community Healthcare

Primary Care Services

- Croom, Co. Limerick: Primary Care Centre, by lease agreement
- Newmarket, Co. Cork: Primary Care Centre, by lease agreement
- Listowel, Co. Kerry: Primary Care Centre, by lease agreement
- Baltinglass/Dunlavin, Co. Wicklow: Primary Care Centre, by lease agreement

Disability Services

- Daughters of Charity, Co. Limerick, Daughters of Charity, Roscrea, Co. Tipperary: Six units at varying stages of purchase/new build/refurbishment to meet housing requirements for 24 people transitioning from congregated settings

Mental Health Services

- National Forensic Mental Health Services Hospital, Portrane, Co. Dublin: Phase 1. National Forensic Central Hospital, 100 replacement and 70 additional beds (to include 30 intensive care rehabilitation beds, 10 child and adolescent beds, 10 mental health intellectual disability beds and 20 medium secure beds)

Acute Hospital Care

- Sligo University Hospital: Provision of a diabetic unit to facilitate the commencement of a paediatric insulin pump service
- Ennis Hospital, Co. Clare: Outpatients (off site solution)*

* Equipping costs only.

Completion Delayed until after 2020

Community Healthcare

Primary Care Services

- Carrick on Shannon, Co. Leitrim: Primary Care Centre, by lease agreement
- Clones, Co. Monaghan: Primary Care Centre, by lease agreement
- Carrickmacross, Co. Monaghan: Primary Care Centre, by lease agreement
- Killeshandra, Primary Care Unit, Co. Cavan: Primary Care Centre, by lease agreement
- Ballyhaunis, Co. Mayo: Primary Care Centre, by lease agreement
- Castletownbere, Co. Cork: Primary Care Centre, by lease agreement
- Bantry, Co. Cork: Primary Care Centre, by lease agreement
- Castleisland, Co. Kerry: Primary Care Centre, by lease agreement
- Bandon, Co. Cork: Primary Care Centre, by lease agreement
- Kilkenny City East: Primary Care Centre, by lease agreement
- Thomastown, Co. Kilkenny: Primary Care Centre, by lease agreement
- Rathdrum, Co. Wicklow: Primary Care Centre, by lease agreement
- Roselawn Health Centre, Blanchardstown, Dublin 15: Refurbishment of Roselawn Health Centre to complete provision of primary care service in the Corduff/ Blanchardstown network

Older Persons' Services

- Dungloe Community Hospital, Co. Donegal: Upgrade and refurbishment to achieve HIQA compliance
- Raheen Nursing Unit, Co. Claire: Upgrade and refurbishment to achieve HIQA compliance (Final phase)
- Caherciveen Community Hospital, Co. Kerry: Upgrade and refurbishment to achieve HIQA compliance
- Listowel Community Hospital, Co. Kerry: Upgrade and refurbishment to achieve HIQA compliance
- Skibbereen Community Hospital, Co. Cork: Upgrade and refurbishment to achieve HIQA compliance
- Castletownbere Community Hospital, Co. Cork: Upgrade and refurbishment to achieve HIQA compliance
- Seancara/Clarehaven Community Nursing Unit, Dublin 11: Upgrade, extension and refurbishment to achieve HIQA compliance

Mental Health Services

- Ballinasloe, Co. Galway: Provision of two houses (high support hostels) for 10 residents with intellectual disabilities currently in Oakgrove House in the grounds of St. Brigid's
- Stanhope Terrace, Dublin North Central: Refurbishment of Stanhope Terrace to provide accommodation for 10 people currently in the Weir Home
- Grangegorman, Dublin 7: Relocation of Eve Holdings to 1-5 Grangegorman Villas to facilitate development of Grangegorman PCC

Disability Services

- Cregg House and Cloonamahon, Co. Sligo: Five units at varying stages of purchase/new build/refurbishment to meet housing requirements for 20 people transitioning from congregated settings
- Brothers of Charity, Galway: One unit for purchase/refurbishment to meet housing requirements for four people transitioning from a congregated setting
- Áras Attracta, Swinford, Co Mayo: Two units at varying stages of purchase/ new build/refurbishment to meet housing requirements for seven people transitioning from congregated settings
- St. Raphael's, Youghal, Co. Cork, St. Vincent's, St Mary's Road, Cork: Two units of purchase/refurbishment to meet housing requirements for eight people transitioning from congregated setting
- St. Patrick's Centre, Co. Kilkenny: Four units of refurbishment to meet housing requirements for 12 people transitioning from congregated settings
- St. John of God, St. Mary's Campus, Drumcar, Co Louth: Three units of purchase/refurbishment to meet housing requirements for 12 people transitioning from congregated settings

Completion Delayed until after 2020

Acute Hospital Care		National Ambulance Service
• Tallaght University Hospital, Dublin 24: Paediatric Ambulatory and Urgent Care Centre • St. Luke's General Hospital, Kilkenny: Extension to radiology and the provision of a new MRI • Regional Hospital Mullingar, Co. Westmeath: Extension to radiology department to accommodate an MRI • Mayo University Hospital: Electrical upgrade, phase 1 and 2 (phase 1 to complete in 2020) • University Hospital Galway: Replacement of two cardiac cath labs (Phase 2) • University Hospital Galway: Provision of a new IT Room for the hospital	• Cork University Hospital: Blood Science Project – extension and refurbishment of existing pathology laboratory to facilitate management services tender • South Infirmary Victoria University Hospital, Cork: The relocation of the ophthalmology OPD from CUH to SIVUH • University Hospital Waterford: The provision of a second cardiac catheterisation laboratory to enable the expansion of the cardiac diagnostic service • University Hospital Limerick: Lift replacement	• St. Joseph's Community Hospital, Stranorlar, Co. Donegal: The provision of an ambulance restroom at St. Joseph's Hospital, Stranorlar • Mullingar Ambulance Base: New ambulance base

Appendix 5: Schedule of Board and Committee Attendance, Fees and Expenses

Board

In accordance with Schedule 2, paragraph 2A of the *Health Act 2004*, (as amended by Section 32(b) of the *Health Service Executive (Governance) Act 2019*), the Board are required to hold no fewer than one meeting in each of 11 months of that year.

For the period January – December 2020, the HSE Board have met on 34 occasions holding 11 monthly Board meetings and 23 additional meetings. The attendance at Board meetings is recorded in the table below. This year the Board were heavily involved in the oversight of the ongoing response to COVID-19, the Corporate Plan, Corporate Risk Register, National Service Plan and other reserved functions and key areas.

	Monthly Meetings											Additional Meetings																							No. of meetings attended	Remun-eration €	Expenses €
Board Member	31/01/2020	28/02/2020	27/03/2020	24/04/2020	27/05/2020	26/06/2020	29/07/2020	25/09/2020	21/10/2020	27/11/2020	18/12/2020	06/03/2020	09/03/2020	12/03/2020	16/03/2020	25/03/2020	01/04/2020	08/04/2020	15/04/2020	22/04/2020	29/04/2020	06/05/2020	13/05/2020	20/05/2020	22/05/2020	03/06/2020	17/06/2020	10/08/2020	21/08/2020	11/09/2020	22/09/2020	06/11/2020	20/11/2020	24/11/2020			
Ciarán Devane (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	33	80,000	2,162.00
Deirdre Madden (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	33	N/A	1,831.00
Fergus Finlay	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	33	14,963	
Tim Hynes	×	×	✓	✓	✓	✓	✓	×	✓	×	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	29	14,963	
Brendan Lenihan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	34	14,963	
Sarah McLoughlin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	33	14,963	
Fergus O'Kelly	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	33	14,963	
Aogán Ó'Fearghail	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	33	14,963	
Fiona Ross	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	34	14,963	
Yvonne Traynor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	33	14,963	

Note: Professor Deirdre Madden does not receive a fee in respect of her membership of the HSE Board under the one person one salary rule. However, an equivalent value is made to University College Cork in relation to backfilling her post

Audit and Risk Committee

Audit and Risk Committee Member	17/01/2020	04/02/2020	14/02/2020	13/03/2020	08/04/2020	12/05/2020	15/05/2020	11/06/2020	12/06/2020	10/07/2020	24/07/2020	26/08/2020	11/09/2020	09/10/2020	19/10/2020	13/11/2020	11/12/2020	No. of meetings attended	Remuneration €
Brendan Lenihan (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	Board Member
Fiona Ross	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	×	✓	✓	✓	✓	✓	15	Board Member
Fergus Finlay	×	✓	×	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	14	Board Member
Tim Hynes*	×	×	×	×	×	✓	✓	–	–	–	–	–	–	–	–	–	–	2	Board Member
Ann Markey	×	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	15	1,710.00
Colm Campbell	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	1,710.00
Pat Kirwan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	17	N/A
Martin Pitt	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	16	1,710.00

* The Board agreed Tim Hynes would no longer be a member of ARC as of 9 June 2020, this was in order to allow him allocate more time to the Performance and Delivery Committee. However, given his expertise in ICT matters he continues to attend and support the Committee on specific ICT agenda items

Note: Pat Kirwan does not receive a fee in respect of his membership of the Audit and Risk Committee under the one person one salary rule

People and Culture Committee

People and Culture Committee Member	10/02/2020	03/04/2020	12/06/2020	24/08/2020	02/10/2020	04/12/2020	No. of meetings attended	Remuneration €
Yvonne Traynor (Chair)	✓	✓	✓	✓	✓	✓	6	Board Member
Aogán Ó'Fearghail	✓	✓	✓	✓	✓	×	5	Board Member
Sarah McLoughlin	✓	✓	✓	✓	✓	✓	6	Board Member
Fiona Tierney	✓	✓	✓	✓	✓	✓	6	N/A
Bernie O'Reilly	✓	✓	✓	✓	✓	✓	6	1,710.00

Performance and Delivery Committee

Performance and Delivery Committee Member	24/01/2020	21/02/2020	17/04/2020	22/05/2020	08/06/2020	19/06/2020	15/07/2020	24/07/2020	03/09/2020	18/09/2020	23/10/2020	11/11/2020	18/11/2020	11/12/2020	No. of meetings attended	Remuneration €
Tim Hynes (Chair)	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13	Board Member
Brendan Lenihan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	13	Board Member
Fergus Finlay	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	13	Board Member
Sarah McLoughlin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	14	Board Member
Louis Flynn	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13	N/A
Regina Moran	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	13	1,710.00
Sarah Barry	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	13	1,710.00

Note: Louis Flynn does not receive a fee in respect of his membership of the Performance and Delivery Committee under the one person one salary rule.

Safety and Quality Committee

Safety and Quality Committee Member	22/01/2020	04/02/2020	19/02/2020	29/04/2020	21/05/2020	17/06/2020	14/07/2020	07/08/2020	15/09/2020	13/10/2020	11/11/2020	16/12/2020	No. of meetings attended	Remuneration €
Deirdre Madden (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	Board Member
Fergus O'Kelly	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	11	Board Member
Yvonne Traynor	✓	×	×	×	✓	✓	✓	✓	✓	✓	✓	✓	9	Board Member
Margaret Murphy	✓	×	×	✓	×	✓	✓	✓	✓	✓	✓	✓	9	1,710.00
Cathal O'Keeffe	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	11	N/A
Chris Luke	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	11	1,710.00
Anne Carrigy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12	1,710.00

Note: Cathal O'Keeffe does not receive a fee in respect of his membership of the Safety and Quality Committee under the one person one salary rule.

Appendix 6: Legislative Compliance

Annual Report Legislative Requirements

Legislative Act
Health Act 2004
Section 37. – (2) An annual report shall include: (a) a general statement of the health and personal social services provided during the preceding year by or on behalf of the Executive (whether provided in accordance with an agreement under section 8 or an arrangement under section 38) and of the activities undertaken by the Executive in that year (b) a report on the implementation of the corporate plan in the year (c) a report on the implementation of the service plan in the year (d) a report on the implementation of the capital plans in the year (e) an indication of the Executive's arrangements for implementing and maintaining adherence to its code of governance (f) the report required by section 55 (complaints), and (g) such other information as the Executive considers appropriate or as the Minister may specify.

Appendix 7: Glossary/List of Acronyms

Acronym	
ABF	Activity Based Funding
ADA-SCID	Adenosine Deaminase Deficiency Severe Combined Immunodeficiency
AMR	Antimicrobial Resistance
ARC	Audit and Risk Committee
BA	Bachelor of the Arts
C&AG	Comptroller and Auditor General
CAMHS	Child and Adolescent Mental Health Services
CAWT	Co-operation and Working Together
CCO	Chief Clinical Officer
CCT	COVID-19 Care Tracker
CEO	Chief Executive Officer
CF	Cystic Fibrosis
CFO	Chief Financial Officer
CHI	Children's Health Ireland
CHN	Community Healthcare Network
CHO	Community Healthcare Organisation
CIÉ	Córas Iompair Éireann
CIO	Chief Information Officer
CIPD	Chartered Institute of Personnel and Development
CIPFA	Chartered Institute of Public Finance and Accountancy
CIT	Community Intervention Team
CMSUs	Contract Management Support Units
CNU	Community Nursing Unit
COO	Chief Operations Officer
COVID	Corona Virus Disease
CPE	Carbapenemase-Producing Enterobacterales
CPR	Cardiopulmonary Resuscitation
CSO	Chief Strategy Officer
CUH	Cork University Hospital
DCU	Dublin City University
DNA	Did Not Attend
DNAR	Do Not Attempt Resuscitation
DoH	Department of Health
DPER	Department of Public Expenditure and Reform
ECC	Enhanced Community Care

Acronym	
ECG	Electrocardiogram
ECHO	Echocardiogram
ED	Emergency Department
EEA	European Economic Area
EHR	Electronic Health Record
EMA	European Medicines Agency
EMT	Executive Management Team
EU	European Union
EWTD	European Working Time Directive
FCCA	Fellow Member of Association of Chartered Certified Accountants
FIT	Frailty Intervention Therapy
GDPR	General Data Protection Regulation
GI	Gastrointestinal
GP	General Practitioner
GWh	Gigawatt hours
HBS	Health Business Services
HCAI	Healthcare Associated Infection
HIQA	Health Information and Quality Authority
HIV	Human Immunodeficiency Virus
HPSC	Health Protection Surveillance Centre
HPV	Human Papilloma Virus
HR	Human Resources
HSA	Health Safety Authority
HSCPs	Health and Social Care Professionals
HSE	Health Service Executive
HSELanD	Health Services eLearning and Development
ICGP	Irish College of General Practitioners
ICT	Information and Communications Technology
ICU	Intensive Care Unit
ID	Intellectual Disability
IFMS	Integrated Financial Management System
IHCPs	Intensive Homecare Packages
iNAP	Ireland's National Action Plan
INOH	Integrated National Operations Hub
IPC	Infection Prevention and Control
IR	Industrial Relations
ISBN	International Standard Book Number
IT	Information Technology

Acronym	
KPI	Key Performance Indicator
MECC	Making Every Contact Count
MHC	Mental Health Commission
MMR	Measles, Mumps, Rubella
MRI	Magnetic Resonance Imaging
NAS	National Ambulance Service
NCHD	Non-Consultant Hospital Doctor
NHS	National Health Service
NHSS	Nursing Homes Support Scheme
NIRP	National Independent Review Panel
NPHET	National Public Health Emergency Team
NRH	National Rehabilitation Hospital
NSC	National Scorecard
NSP	National Service Plan
NSS	National Screening Service
NTPF	National Treatment Purchase Fund
OoCIO	Office of the Chief Information Officer
OPD	Outpatients Department
OSR	Operation Service Report
PA	Personal Assistant
PCC	Primary Care Centre
PHN	Public Health Nurse
PPE	Personal Protective Equipment
RAC	Rapid Access Clinic
SDR	Specialist Division Register
SEAI	Sustainable Energy Authority of Ireland
SIVUH	South Infirmary – Victoria University Hospital
TAPS	Temporary Assistance Payments Scheme
TCD	Trinity College Dublin
UCC	University College Cork
UCD	University College Dublin
UK	United Kingdom
VAT	Value Added Tax
VTE	Venous Thromboembolism
WHO	World Health Organisation
WHWU	Workplace Health and Wellbeing Unit
WTE	Whole Time Equivalent

Financial Governance

Operating and Financial Overview 2020

Statement on Internal Control

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Operating and Financial Overview 2020

Introduction

The COVID-19 pandemic has had an unprecedented impact on the HSE and has placed significant pressure on funding and expenditure during the full year 2020. The HSE received additional revenue and capital funding from the DoH in 2020 of €3.3bn of which €2.8bn has been provided for initiatives to ensure the delivery of ongoing health services.

This additional funding has been used in particular across the following key areas and initiatives which are fundamental to the HSE's COVID-19 response. These are summarised below:

- Testing and Tracing Initiative.
- GP COVID-19 related services.
- Temporary Assistance Payments Scheme (TAPS) for private nursing homes.
- Commissioning of private hospital capacity.
- Procurement of PPE and associated logistics costs.
- Winter planning in the context of the pandemic.
- Capital costs related to setting up testing centres, step down facilities such as Citywest, Dublin, and enabling works in various locations to reflect additional safety needs related to COVID-19.

Strategic Context

2020 was a year like no other. The emergence of COVID-19 changed the focus of healthcare systems in Ireland as it did throughout the world. As well as delivering health services, improving the health and wellness of the population and providing safe health and social care for the citizens of Ireland, we also had to deal with a global pandemic.

Ireland's population is currently estimated at nearly 5m people, with an annual population increase of over 50,000 in each of the past few years. The number of people aged 65 years and over has increased by 35% since 2009, more than double the EU average in the same period, a trend set to continue. This represents a significant challenge for our health services planning, exacerbated this year by the impact of COVID-19. The rate of inpatient hospital care is over 7 times greater among people aged 65 years and older, and 14 times greater for those aged 80 and over, compared to people aged 64 and younger. Similar patterns are seen across other health services including primary and community care services. With an increasing population who are living longer, it is crucial that the health services effectively plan for future healthcare needs.

The life expectancy of the Irish population has increased by nearly six years since 2000 and is now above the EU average, demonstrating the success achieved in supporting people to maintain good health as well as providing access to effective healthcare services during illness. At the beginning of 2020, Ireland was reporting the fastest improving life expectancy in the European Union (EU), and our people were self-reporting the best health in the EU. Life expectancy has risen by two years for women and 2.5 years for men since 2008 with women living to 84.1 years and men to 80.5 years in 2018. The most significant increase in life expectancy is driven by reduced mortality rates from major diseases.

Lifestyle factors also contribute to the complexity of health provision in Ireland. This includes the impact of smoking, drug use, alcohol consumption and obesity. While the number of adults smoking in Ireland has decreased significantly, almost one third of Irish adults reported regular heavy alcohol intake and the obesity rates in Ireland also appear to be on the increase, most likely exacerbated even further with the recent lockdowns and restrictions.

At the start of 2020 the focus of all our efforts was on the provision of safe health and social care services, and addressing long-standing challenges for the health service, including long waiting lists for scheduled care in hospitals and long waits in emergency departments, particularly for older people and those who have more complex needs.

During 2020 we implemented new pathways of care for COVID-19 and non-COVID-19 services; built hospital capacity; resourced community services to treat people closer to home; and developed and adopted eHealth technology at an unprecedented rate. While brought about through difficult circumstances, these changes are aligned with our long-term *Sláintecare* direction. With the availability now of effective vaccines, we must continue to be mindful of and to mitigate the risk that COVID-19 poses to 'normal' healthcare activities.

Financial Overview

Income Analysis

The HSE received revenue funding from the DoH of €19.451bn for the provision of health and social care services. This included the allocation in 2020 of once off net additional funding in excess of NSP 2020 funded levels of €2,329m. Of this funding received €2,129m was to cover 2020 COVID-19 costs in addition to €200m for Winter Plan funding.

In addition time related savings related to reduced activity levels in core services and planned developments allowed an additional €162m to be allocated in year to offset COVID-19 costs, bringing the total allocated to the cost of the COVID-19 pandemic to €2,291m in 2020.

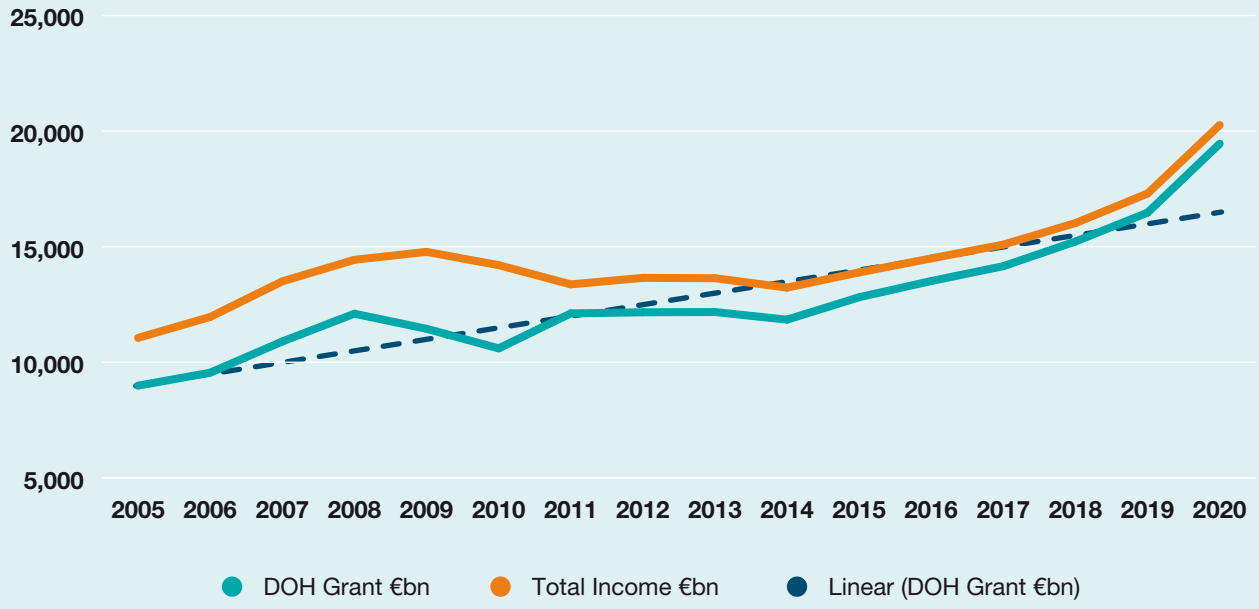
Overall this represented an increase of circa €2.98 billion or an 18% increase over 2019.

Table 1 analyses overall HSE income for 2020 and 2019

Income Stream	FY2020	FY2019	% VAR
Department of Health Grant	19,451,541	16,471,023	18%
“FIrst Charge”	6,472	(85,174)	-108%
Patient Income	328,549	408,249	-20%
Superannuation Income	159,838	158,099	1%
Pension Levy Deductions	191,903	216,023	-11%
Other Income	126,437	130,075	-3%
Total Income per AFS	**20,264,740**	**17,298,295**	**17%**

Figure 1 HSE Income since 2005

Figure 1 reflects the shows that there has been an increase in HSE income and funding and demonstrates the significant increase in 2020 in response to the COVID-19 pandemic.



Operating and Financial Overview 2020 – continued

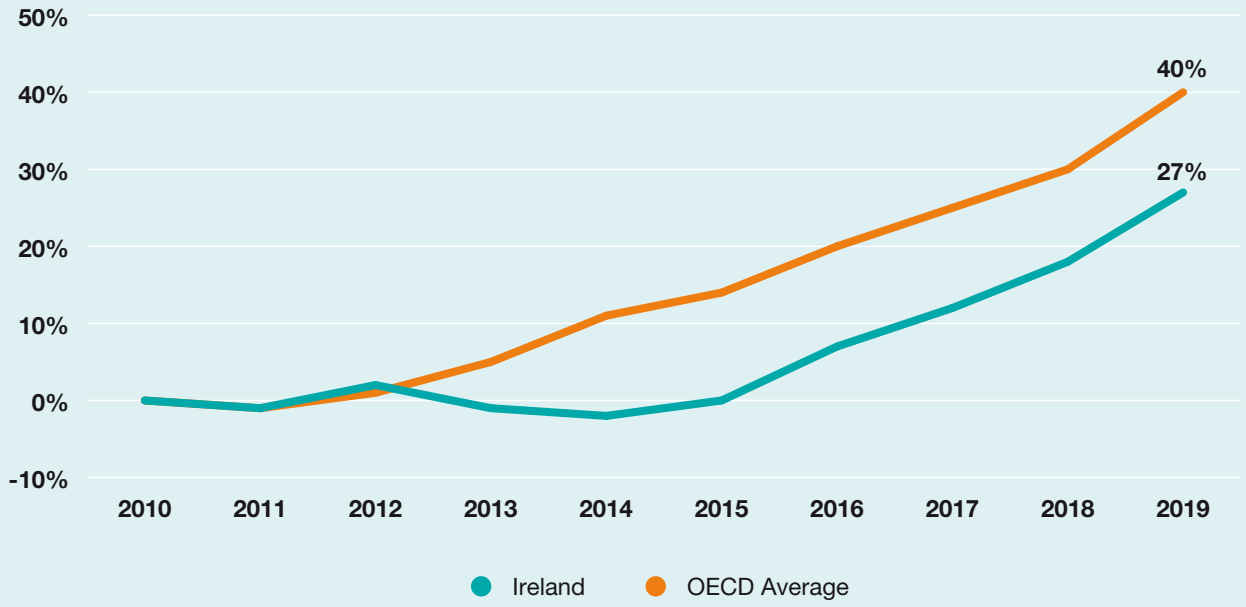
Irish public health expenditure (capital and revenue) has been on the increase from a low of €13.4bn in 2013 to over €20bn in 2021.

However, the rate of increase for each person in Ireland is far slower than the average Organisation for Economic Co-Operation and Development (OECD) increase.

In fact, between 2010 and 2019, the per person increase in public health expenditure was 27% in Ireland versus an average 40% across the 37 OECD countries.

Figure 2 demonstrates this trend.

Figure 2 % Change in Public Health Expenditure, Per Capita, 2010-2019



Expenditure and Outcome Analysis

At the end of 2020, the HSE delivered a surplus of income over expenditure of €200.7m or 1% of its overall income. This surplus arose primarily as a result of the treatment of the levels of stock of personal protective equipment (PPE) at the end of 2020 as a result of the pandemic response.

All health services across acute, community and population health settings were impacted this year as a result of the COVID-19 pandemic. In March 2020, services such as non-essential surgery, health procedures and other non-essential health and social care services were curtailed in response to COVID-19 and following guidance from NPHET. These decisions allowed the health system to provide critical care to an increasing number of confirmed COVID-19 patients and reduced the risk of capacity being exceeded. The decisions also supported staff and patients to comply with physical distancing guidelines, and the need to redeploy staff and resources to support the delivery of COVID-19 services.

The overall expenditure reported for 2020 is €20.064bn which is 16% higher than the expenditure in 2019. The table below analyses this expenditure by HSE service area. Primary care and Social care together account for circa 41% of the expenditure whilst the provision of acute hospital and National Ambulance Services accounts for almost 40% of that spend.

Table 2 HSE expenditure per Service Area 2020 and 2019

HSE Division	FY2020	FY2019	% VAR
Acute Hospitals	7,749,615	6,813,419	14%
Primary Care	4,581,477	4,157,149	10%
Social Care	3,695,946	3,441,315	7%
Corporate Support Services	1,590,968	426,690	273%
Mental Health	1,038,601	964,101	8%
Health and Wellbeing	263,266	240,647	9%
Other Demand Led	1,144,156	1,194,512	-4%
Total Expenditure	**20,064,029**	**17,237,833**	**16%**

The overall increased expenditure in 2020 of 16% or €2.78bn is mainly in respect of additional measures put in place in 2020 for the health services response to the COVID-19 pandemic.

A major element of HSE expenditure in 2020 was in respect of PPE as the HSE received sanction for €920m to ensure its staff, patients and service users were protected in line with best clinical guidelines.

The HSE had to secure orders during a time of worldwide shortages where supply was low and demand was at an all-time high. This resulted in significant increased costs for PPE worldwide albeit the HSE was successful in sourcing and receiving PPE.

The charge to the HSE's Income and Expenditure in 2020 for PPE was circa €738m, however, included in this charge is a figure of €374m related to the write down to net realisable value of year end stocks along with the write off in relation to future obsolescence of protective suits which is detailed in Note 1(b) of the AFS and also further noted in the Statement of Internal Control (SIC).

A more detailed analysis per service area is provided later in this report.

Acute Hospitals Services

Acute services are provided for adults and children within six Hospital Groups, Children's Health Ireland and the National Ambulance Service (NAS). These services include scheduled care (planned care), unscheduled care (unplanned/emergency care), diagnostics, cancer treatment, maternity and children's services, as well as the pre-hospital emergency and intermediate care provided by NAS.

The interruption to normal healthcare activity as a result of the pandemic resulted in significantly reduced activity levels in the acute system in 2020. The hospital system rapidly deployed precautions to protect our patients, including reducing bed occupancy levels, moving services off campus and developing new care pathways. Increased bed capacity and the reduction in both scheduled and unscheduled activity ensured that the acute hospital system operated at (or below) 80% capacity resulting in the ability to admit patients without delay.

Operational service pressures as a result of COVID-19 drove increased clinical non pay costs, particularly drugs and laboratory. Other non-pay cost pressures included cleaning and maintenance, which are related to increased infection control and compliance requirements. From an income perspective, and as a result of the 2020 pandemic there was a material reduction in receipts from hospital private maintenance charges as normal activity levels reduced in order to clear treatment pathways for COVID-19 patients.

Telehealth and other digital solutions were mobilised including the implementation of virtual outpatient clinics to allow patient care to continue to be provided in a safe environment. A national plan for the reconfiguration and streamlining of trauma and orthopaedic surgical services was also developed to mitigate the impact of COVID-19.

Operating and Financial Overview 2020 – continued

Postponed services in 2020 included day case services, elective surgeries and outpatient appointments. Overall, when compared with 2019, elective inpatient activity reduced by 20% and day case activity by 16.5%. COVID-19 required a major reorganisation of patient management, including screening on arrival and division into COVID-19 and non-COVID-19 pathways, which was mitigated by an unanticipated reduction in presentations to EDs. Total emergency presentations also reduced by 15% when compared with 2019.

Social Care – comprising Disability and Older Persons' Services

The challenge in 2020 for the social care services was to continue to meet the demand for services in a pandemic environment. In March COVID-19 Response Teams were established across all Community Healthcare Organisations (CHOs) to support public health outbreak teams covering all residential services as well as home support settings. The composition of these teams centred on specialist expertise for older people and residential care, inclusive of consultant geriatricians, directors of nursing, residential care services, public health personnel, nursing and administrative supports. The teams had capacity to provide telephone support, on-site visits and assessments, access to PPE supply lines, and updated IPC and public health advice including training materials.

Older Persons' Services

Older persons' services provide a wide range of services including home supports, community supports, intermediate care (both residential and in the home), as well as short stay and long stay care when remaining at home is no longer feasible (Nursing Homes Support Scheme). This ensures that appropriate care pathways are in place so services can be delivered at adequate levels, in an integrated manner to meet the needs of older people.

Service delivery in 2020 progressed in a number of key areas both in response to the pandemic and also to core service demands, these included:

- Day services were suspended due to the COVID-19 pandemic. However, adaptations to service delivery were implemented such as increasing Meals on Wheels, phone line support and outreach through social distancing compliant visitations.
- Services supporting hospital discharges (transitional care) continued but were reduced in their capacity due to restrictions in long-term residential care as a result of public health requirements. The availability of emergency residential respite services also greatly reduced due to capacity constraints and home respite and carer support also had to decrease activity.
- Home support services continued at reduced activity (partly due to cocooning), particularly for those clients categorised as priority level 3 and 4. The provision of aids and appliances to support independence also decreased. Despite reduced activity over 17.5 million home support hours were delivered in 2020.
- COVID-19 Response Teams were also established and continued due to the disproportionate impact of the virus on nursing homes; these specialist teams focused on supporting residential settings to manage outbreaks of COVID-19, in collaboration with public health teams.

Disability Services

Disability services are provided to those with physical, sensory, intellectual disability and autism in day, respite and residential settings. Services include personal assistants, home support, multi-disciplinary and other community supports. The cost in Disability services is primarily driven by the clients need and the complexity of each individual case presenting. The delivery of services in 2020 was significantly impacted by the onset of the pandemic. In preparing for and responding to COVID-19 and to fully align with public health guidance as recommended via the NPHET, the HSE and its partner service providers put in place a range of measures, which included the prioritisation of vital residential (including new emergency residential placements) and home support/PA services whilst curtailing or closing certain services such as day services, respite services, and certain clinical supports.

Throughout the pandemic, staff and resources associated with closed or curtailed services were redeployed where possible to support residential provision and to provide for targeted in-home, community and tele-/online supports for service users and families based on prioritised needs.

Mental Health Services

As a result of COVID-19 some community mental health services were reduced. The reduction in services was in line with public health advice on the provision of safe services. There was extensive use of remote consultation tools such as Attend Anywhere to ensure continuity of services for mental health patients. Specialist mental health services are provided in local community areas. These services include acute inpatient services, day hospitals, outpatient clinics, community-based mental health teams (CAMHS, general adult and psychiatry of later life services), mental health of intellectual disability, community residential and continuing care residential services. Sub-specialties include rehabilitation and recovery, eating disorders, liaison psychiatry and perinatal mental health. A National Forensic Mental Health Service is also provided, including inpatient and in-reach prison services with a new modern and fit for purpose facility, increasing capacity to 130 beds.

In relation to service delivery there were a number of improvements and developments progressed in 2020, these include:

- The advancement of the new National Forensic Mental Health Services capital project to facilitate opening in quarter two of 2021
- Investment in service infrastructure to support unavoidable costs relating to compliance and safety which includes works arising from Mental Health commission reports
- Further advancement of agreed eMental Health digital responses including SilverCloud self-help programme for HSE staff, online counselling (Turn2me and MyMind), the text 50808 crisis response service and mental health service video consultations using Blue Eye and Attend Anywhere platforms
- Continued implementation of the *National Framework for Recovery in Mental Health 2018-2020*
- Implementation of one off NGO COVID-19 grant scheme at CHO level to support localised responses in response to ongoing restrictions.

Notwithstanding the above developments, mental health also have a number of financial challenges, namely a high level of agency and overtime due to reduced ability to recruit staff into available posts, and an increasing level of high cost residential placements with external private providers. The level of expenditure on external high cost residential placements is growing year on year due to the increasing complexity of patients and capacity constraints within the public system.

Primary Care Services

The opening of multiple primary cares centres over recent years have placed additional pressure on the primary care operational cost base. These facilities form a key part of the infrastructure required to provide primary care services to an aging demographic and underpin the overall shift to primary care. During 2020 these centres proved to be an integral part of the health services response to the pandemic, including their utilisation as COVID-19 assessment hubs, swabbing sites and as vaccination centres.

In addition to the above and in parallel to the pandemic response there were a number of improvements and developments progressed in 2020, these include:

- Bespoke arrangements were negotiated by the HSE and DoH in relation to provision of out of hour's service, development of community assessment hubs, and the modified chronic disease programme
- Significant primary care service provision was prioritised during the year including child health, acute to community discharges, emergency therapies and services (e.g. emergency dental services), nursing support packages to children with life limiting conditions, and public health nursing
- While clinic-based therapies were suspended at the outset of the pandemic, innovative approaches (such as Attend Anywhere) were established to provide therapies virtually, where possible, and by end December, 78% of physiotherapy referrals, 78% of speech and language referrals, 58% of occupational therapy referrals and 49% of psychology referrals had accessed these services within the targeted time period.

Operating and Financial Overview 2020 – continued

Health and Wellbeing Services and Public Health

Health and wellbeing services support our whole population to stay healthy and well by focusing on prevention, protection, health promotion and improvement, reducing health inequalities, and protecting people from threats to their health and wellbeing. The services within health and wellbeing support people and communities to protect and improve their health and wellbeing; turning research, evidence and knowledge into action; acting as the authority on health, wellbeing and policy development; building an intelligent health system and a healthier population.

Our public health teams played a major role in responding to the COVID-19 pandemic. Public health teams worked closely with the wider health system to mitigate and limit the spread of the virus using evidence-based strategies, guidance, disease surveillance and health intelligence developed nationally. Public health also supported end-to-end COVID-19 testing and contact tracing designed and delivered to specifically protect the health of people living in Ireland.

Primary Care Reimbursement Scheme

The Primary Care Reimbursement Service (PCRS) supports the delivery of a wide range of primary care services to the general public through primary care contractors like general practitioners (GPs), dentists, opticians or pharmacists for the free or reduced cost services they provide to the public across a range of community health schemes or arrangements. These schemes or arrangements form the infrastructure through which the Irish health system funds a significant proportion of primary care to the public. The schemes are operated by PCRS on the basis of legislation and/or government policy.

Finance-Related Initiatives

National Finance supports the organisation to secure and account for the maximum appropriate investment in our health services, ensuring the delivery of high-quality services and demonstrating value for money. The absence of a single financial and procurement system presents additional challenges to the effective operation of the system of internal financial control. However, work continued to improve financial planning and management, to enhance financial controls and to meet budget expectations.

Key areas progressed in 2020 included:

- Work to implement a single integrated financial management and procurement system under the Finance Reform Programme to enable finance teams to better support services in operating within resources while enhancing the ability to deliver and demonstrate value for patients
- Extension of ABF including development of community costing capacity within the Healthcare Pricing Office to enable further extension in the community setting
- Integrated Staff Records and Pay Programme to implement fully integrated national staff records and payroll systems across the organisation, modernising the way the HSE connects with its staff
- Pay Foundation Programme to improve and accurately cost, report, forecast and plan pay across the health service
- Enhanced tracking and reporting to account for the significant investment in health services in 2020 as a result of COVID-19
- Development of a controls improvement programme which has commenced in 2021.

Outlook for 2021

Since the early part of 2020, the population of Ireland, and indeed the world, have been experiencing the impact of the ongoing COVID-19 pandemic and this has continued into 2021. The scale of additional investment in our health services in 2021 is unprecedented when viewed in the context of any single previous year and is also very significant when we separate out the specific COVID-19 2021 investment. The COVID-19 pandemic is itself unprecedented in the recent history of the state.

The National Service Plan (NSP) for the HSE was published on 24 February 2021 detailing how it will spend the €20.623bn allocated to it for 2021. The financial allocation represents an increase of €3.5bn or 21% on the 2020 National Service Plan. Within the extra €3.5bn for operating costs, some €1.68bn is for COVID-19 spending. The remaining €1.8bn extra represents an underlying increase of 10.6% in health spending compared to last year, well ahead of the average annual increase of 7.3% received across the years 2016-2020. A total of €1.1bn of this additional investment is to deliver permanent and enduring improvements in healthcare arising from the *Sláintecare* reform programme.

The 2021 capital budget of €1,023.3m is also more than 20% ahead of the 2020 level. This investment demonstrates a significant commitment to the health service in 2021 and is in part reflective of the very positive perception of the performance of the staff of the health system during the pandemic. It represents an opportunity which, if effectively grasped and built upon, can be the foundation for a lasting improvement in many areas of our health and social care services.

We will also strengthen our general operational capacity particularly across our community and hospital services in areas like quality and patient safety, patient and service user involvement, data and analytics, risk management, financial management, safeguarding, eHealth, procurement compliance and so on. The ongoing COVID-19 pandemic will continue to bring uncertainty and complexity to the planning and delivery of services in 2021. As a consequence, it also brings complexity and uncertainty to our efforts at financial planning and financial management for 2021. In order to manage this, we will use every appropriate opportunity to refocus the staff recruited as part of the initial COVID-19 response, towards the new permanent roles enabled by the 2021 investment.

The monies provided for 2021 have afforded us an opportunity to reduce the level of ongoing financial risk that was present in some of our services pre-COVID-19, most notably within acute hospital services, disability services and mental health services. During 2021 we will seek to build upon this platform with a view to being able to enter 2022 with plans in place to enable further improvements, including in the value delivered by our services, in what we hope will be the post-COVID-19 era.

Statement on Internal Control

This Statement on Internal Control represents the position for the year ended 31 December 2020. It sets out the Health Service Executive's approach to, and responsibility for, Risk Management, Internal Controls and Governance. This statement has been written considering the context of the unprecedented COVID-19 pandemic in 2020 which is still ongoing during 2021 to date. At the time of writing the HSE has been subject to a serious cyber-attack which is acknowledged further in this statement.

Responsibility for the System of Internal Control

On behalf of the Health Service Executive (HSE) I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This statement has been prepared in accordance with the requirement set out in the Department of Public Expenditure and Reform's (DPER's) *Code of Practice for the Governance of State Bodies (2016).*

The *Health Act 2004 as amended by the Health Service Executive (Governance) Act 2019* made provision for the establishment of a board (the **"Board"**), which is the HSE's governing body, with authority, in the name of the HSE, to perform its functions. The Board is accountable to the Minister for Health for the performance of its functions. The amended 2004 Act also provides for a Chief Executive Officer (CEO) who is accountable to the Board. The Board must satisfy itself that appropriate systems of internal control are in place.

The Board is required to review the controls and procedures adopted by the HSE to provide itself with reasonable assurance that they are adequate to secure compliance by the HSE with its statutory and governance obligations. The Board is also responsible for strengthening governance, oversight, and performance. The Board members have sufficient experience and expertise relating to matters connected with the functions of the HSE to enable them to make a substantial contribution to the effective and efficient performance of those functions. The amended 2004 Act also provides for the establishment of an Audit and Risk Committee and such other committees or sub-committees that the Board deem necessary to assist it in the performance of its functions.

The Board has established four committees to provide more detailed oversight of specific areas as defined in the respective committee's terms of reference. These committees are:

- The Audit and Risk Committee
- The Performance and Delivery Committee
- The Safety and Quality Committee
- The People and Culture Committee.

Terms of reference for the Board Committees are published on the HSE's website and are subject to periodic review.

The work of the HSE Board and its Committees and the Executive has been impacted by the ongoing COVID-19 pandemic.

The HSE Board recognising the unique and rapidly changing environment caused by the COVID-19 pandemic took the decision to provide a mandate to the CEO to make the necessary decisions as required within the all Government and multi-agency approach to the management of the emergency. The delegation provided the CEO with the authority to approve any expenditure associated with the COVID-19 pandemic once approved by the Department of Public Expenditure and Reform (DPER) and the Department of Health (DOH). The CEO normal approval limit is to execute contracts up to the value of €10m, or in the case of transactions concerning land or property up to a value of €2m. Formal Board approval ordinarily is required beyond these thresholds. The CEO was also given the authority to accept any offers from the private sector that may assist in the management of the COVID-19 pandemic. The Board were kept updated at times and met regularly to review the progression of the emergency response.

The HSE wishes to acknowledge the substantial support from the private sector and the citizens of Ireland at all times over the course of 2020 and which is continuing. The HSE Board met on 34 occasions in 2020 in direct response to the COVID-19 pandemic.

During 2020 owing to the impact of the COVID-19 pandemic HSE staff have had to react at pace to changed working environments and practices such as redeployment from their normal roles to support COVID-19 requirements as well as working from home in line with Government requirements for social distancing.

The system of internal control is considered even more crucial in a time of crisis and the Board and Management have had to review and reassess elements of the control environment which has been further considered as part of the overall annual review of the effectiveness of the system of internal control.

On the 13 May 2021 the HSE and wider health system has been subject to a very serious cyber-attack perpetuated by a criminal organisation which is believed to operate outside of the State. In reaction to this cyber-attack the HSE's ICT systems have been immediately shut down to prevent further attacks. The HSE is working with the National Cyber Security Centre, An Garda Síochána, the Defence Forces and private security experts (national and international) to restore our ICT systems.

The HSE's immediate priority is keeping our patients and service users safe and maintaining essential care and support services. The HSE is working to get priority patient safety and diagnostic systems back online.

Overall, there are four phases in relation to the HSE's Information System Response:

- Containment
- Communication
- Assessment
- Recovery.

Currently the HSE is in the assessment phase for many areas and in early recovery phase for others. While priority is given to patient safety systems the HSE is also working to restore priority financial systems including payroll, accounts payable and banking systems. HSE staff are working around the clock to resolve this situation in a planned structured manner under the direction of a HSE national co-ordination centre.

1. Purpose of the System of Internal Control

The system of internal control is designed to manage and reduce risk rather than to eliminate risk and as such the review of the system of internal control is designed to provide reasonable but not absolute assurance of effectiveness. The system of internal control seeks to ensure that assets are safeguarded, transactions are authorised and properly recorded, and that material errors and irregularities are either prevented or detected in a timely manner.

The system of internal control is also designed to ensure appropriate protocols and policies are in place and operating effectively in the context of clinical and patient safety.

The system of internal control, which accords with guidance issued by DPER, has been in place in the HSE for the year ended 31 December 2020, and up to the date of approval of the financial statements, except for the control issues outlined below.

Section 7 details the impact of the COVID-19 pandemic on the HSE's control environment and the mitigating actions taken by management to ensure that its internal controls remain fit for purpose.

2. Capacity to Handle Risk

The Board, as the governing body of the HSE, has overall responsibility for the system of internal control and risk management. The Board may establish committees to provide assistance and advice in relation to the performance of its duties and functions.

The **Audit and Risk Committee** was established in accordance with the provisions of the 2019 Act. The membership of the Audit and Risk Committee consists of four external members and four members of the HSE Board. All members are considered by the Board to have the relevant skills and experience to perform the functions of the Committee including highly experienced and qualified finance professionals.

Among its responsibilities the Audit and Risk Committee is required:

- To advise the Board and the CEO on financial matters relating to their respective functions and a number of compliance matters related to same
- To provide advice to the Board and the CEO on the regularity and propriety of transactions recorded in the accounts and on the effectiveness of the system of internal control operated by the HSE
- To provide oversight and advice regarding the operation of the HSE Risk Management framework and related activities
- To provide oversight and advice in relation to the HSE Internal Audit Function
- To report in writing at least once a year to the CEO and Board on all matters within its remit and to provide a copy of that report to the Minister for Health.

The functions of the Audit and Risk Committee include a range of financial, statutory, compliance and governance matters as set out in legislation.

Statement on Internal Control – continued

The Audit and Risk Committee operates under an agreed Charter which sets out in detail the role, duties, and authority of the Committee. The Audit and Risk Committee is required to meet at least four times annually. In 2020 the Audit and Risk Committee met on 17 occasions reflecting the additional responsibilities which arose due to the COVID-19 pandemic. In addition to its normal work-plan, the Committee oversaw two detailed reviews and upgrades of the Corporate Risk Register. One completed just prior to the pandemic arriving in Ireland and the second in Q2 2020 in response to the significant risks that emerged because of COVID-19. These reviews undertaken by the EMT meant a reformulation and reassessment of the HSE's Corporate Risks and the controls in place for each risk. A joint Audit and Risk Committee and Safety and Quality Committee risk subgroup was established to review five of the additional six COVID-19 related risks to the CRR. The 6th risk remained under the direct oversight of the ARC. The Committee also had a role in testing and assessing the preparedness of the HSE for the impact of Brexit.

The HSE has an **Internal Audit function** with appropriately trained personnel operating in accordance with a written charter approved by the Audit and Risk Committee.

The National Director of Internal Audit reports to the Audit and Risk Committee and to the CEO and is a member of the HSE Executive Management Team (EMT). The work programme of Internal Audit is agreed and monitored by the Audit and Risk Committee.

The HSE's Internal Audit function is responsible for ensuring that a comprehensive programme of audit work is carried out continually throughout the HSE. The purpose of this work is to provide assurance that controls and procedures are operated in accordance with best practice and with the appropriate regulations and to make recommendations for the improvement of such controls and procedures. The scope of the Internal Audit function covers all systems and activities throughout the HSE including bodies funded by the HSE.

To assist the HSE's response to COVID-19 most internal audit staff were redeployed to assist other business units from mid-March to August of 2020. Despite this redeployment the Internal Audit function continued to support the HSE to strengthen the governance and control environment considering the impact of COVID-19.

During 2020, Internal Audit completed a substantial body of work as part of its annual risk-based work plan, issuing 110 audit reports, containing 710 recommendations, in relation to HSE and its funded agencies. In response to the need to maintain appropriate social distancing protocols the internal audit division has adapted its auditing processes through the promotion of remote auditing where possible using online tools and applications. As in previous years, specific focus was given to ICT and funded agency audits. The findings of these reports were considered by the HSE Audit and Risk Committee and EMT.

Based on the work of Internal Audit and the results of the individual internal audit engagements, the 2020 Annual Report of the National Director of Internal Audit provided an overall audit opinion that limited assurance can be provided in respect of governance, risk management and financial control processes.

The Internal Audit opinion is based on the following four possible ratings and their definitions which were reviewed and redesigned during 2020:

Type of Overall Opinion Rating	Definition
Satisfactory	Overall, there is an adequate and effective system of governance, risk management and controls. Some improvements may be required to enhance the adequacy and/or effectiveness of the system.
Moderate	There are weaknesses in the system of governance, risk management and controls which create a moderate risk that the system will fail to meet its objectives. Action is required to improve the adequacy and/or effectiveness of the system.
Limited	There are weaknesses in the system of governance, risk management and controls which create a significant risk that the system will fail to meet its objectives. Action is required to improve the adequacy and/or effectiveness of the system.
Unsatisfactory	There are weaknesses in the system of governance, risk management and controls which create a serious and substantial risk that the system will fail or has failed to meet its objectives. Urgent action is required to improve the adequacy and/or effectiveness of the system.

The HSE has in place an **integrated risk management policy** which clearly defines the roles and responsibilities for all levels of staff in relation to risk (financial and non-financial). The policy is communicated across all levels of staff. The HSE is committed to ensuring that risk management is seen as the concern of everyone, is embedded as part of normal day to day business and informs the strategic and operational planning and performance cycle.

Management at all levels of the HSE are responsible to the CEO for the implementation and maintenance of appropriate and effective internal control in respect of their respective functions and organisations. This embedding of responsibility for the system of internal control is designed to ensure not only that the HSE can detect and respond to control issues should they arise, with appropriate escalation protocols, but also that a culture of accountability and responsibility pertains throughout the whole organisation.

Informed by the *Scoping Inquiry into the CervicalCheck Screening Programme (Scally Report)* the EMT commissioned a Risk Management Working Group to prepare proposals in relation to risk management in the HSE.

This working group was comprised of key senior HSE management representing all National service areas, Community Healthcare Organisations (CHOs) and Hospital Groups and was sponsored by the National Director, Quality Assurance and Verification and was supported by external risk management experts.

This review was completed in 2019 and the review report and recommendations were accepted by the Board in September 2019.

The recommendations of the Review include the need for the HSE to:

- Adopt an Enterprise Risk Management (ERM) approach
- Establish an ERM Programme
- Appoint a dedicated Chief Risk Officer.

Despite the lack of success in appointing a Chief Risk Officer in 2020 and the ongoing impact of the COVID-19 pandemic several significant activities progressed during 2020 which are detailed in Section 8. These are summarised as:

- Review of Corporate Risks concluding with a fully revised Corporate Risk Register
- Inclusion of major new risks related to COVID-19
- HSE appointed an external risk expert to support the development of the HSE's risk process and a report is due by the end of Q2 2021
- Establishment of a Corporate Risk Support team
- Enhanced Board Committee Risk oversight
- Risk Management Information System Development.

The HSE has an established Healthcare Audit function which forms a key part of Quality Assurance and Verification. The Healthcare Audit Team consists of appropriately trained personnel. The purpose of this team is to provide assurance that controls and procedures related to the delivery of healthcare are operated in accordance with best practice and with the appropriate regulations and to make recommendations for the improvement of such controls and procedures. The scope of the Healthcare Audit Team covers all systems and activities throughout the HSE including bodies funded by the HSE.

An External Quality Assessment (EQA) of the Healthcare Audit function by the Chartered Institute of Internal Audit was completed in 2020 and presented to the Board's Safety and Quality Committee.

The entire Healthcare Audit team had been fully redeployed during 2020 and up to March 2021 to support key COVID-19 work streams.

The annual work programme of Internal Audit is normally co-ordinated with the work programme of the healthcare audit function and in 2021 the HCA team have become part of the HSE's Internal Audit Division.

The **Performance and Delivery Committee** has been set up to provide the Board with advice on all matters relating to performance within the health service to ensure that such performance is optimised across the relevant domains of the agreed balanced scorecard to ensure better experience for patients and service users.

The **Safety and Quality Committee** provide advice to the Board in relation to Patient Safety and Quality issues.

Statement on Internal Control – continued

The **People and Culture Committee** provides advice to the Board on all matters relating to staff and workforce planning.

All HSE Committees meet regularly in line with their specific charters and fulfil an additional monitoring role on behalf of the HSE Board.

3. Risk and Control Framework

Management of risk is an integral part of good governance. The HSE has developed an **Integrated Risk Management** policy which has been guided by the principles of risk management outlined in ISO 31000 (ISO 31000 is an internationally recognised standard informed by experts in risk management). This policy, and its guidance documentation, is available to all staff. The Quality and Patient Safety leads in service areas facilitate and support staff in the application of this policy.

The HSE's risk management policy involves proactively identifying risks that threaten the achievement of objectives and putting in place actions to reduce these to an acceptable level. The policy sets out the risk management processes in place and details the roles and responsibilities of staff in relation to risk. Risk management is the responsibility of all managers and staff at all levels within the HSE.

The CEO is responsible for leading and directing the HSE's activities, including the development of the risk management policy. The HSE's risk management framework is approved by the Audit and Risk Committee and by the Board.

The Audit and Risk Committee on behalf of the Board provide oversight and advice on the operation of the HSE's Risk Management Framework.

Risk registers are required to be in place at key levels in the organisation. These identify the key risks facing the HSE.

At an organisational level, the **Corporate Risk Register** is subject to monitoring and updating on a quarterly basis. The risk registers set out the existing controls, the risk rating and any additional controls required to mitigate each risk and assigns both persons and timescales for completion of these. An aspect of the quarterly monitoring process is to monitor the completion of additional actions required and to re-evaluate the risk based on this. Additionally, all COVID-19 emergent risks are reviewed monthly to reflect the additional risk caused by the pandemic.

The responsibility for the management of claims from clinical and operational incidents under the Clinical Indemnity Scheme (CIS) and General Indemnity Scheme (GIS) has been delegated to the State Claims Agency (SCA) under the *National Treasury Management (Amendment) Act 2000*. The SCA also provides specialist advice, including risk management advice, to the HSE which is supported by the national incident management reporting system (NIMS).

The HSE has in place an internal control framework which is monitored to ensure that there is an effective culture of internal control. The HSE's **Code of Governance** is set out on www.hse.ie and includes the following:

(At time of writing the Code of Governance is being updated to take account of the HSE's current governance arrangements arising from the appointment of the HSE Board in June 2019 and is expected to be approved by the Minister for Health shortly):

- The Code of Governance reflects the current behavioural standards, policies, and procedures to be applied within and by the HSE, and the agencies it funds, to provide services on its behalf
- The Performance and Accountability Framework describes in detail how managers in the health service, including those in CHOs and Hospital Groups will be held to account for performance in relation to service provision, quality and patient safety, finance, and workforce
- There is a framework of administrative procedures in place including segregation of duties, a system of delegation and accountability, a system for the authorisation of expenditure and regular management reporting
- The HSE's National Financial Regulations form an integral part of the system of internal control and have been designed to be consistent with statutory requirements and to also ensure compliance with public sector guidelines issued by the DPER
- The HSE has in place a devolved annual budgetary system and each year the Minister for Health formally approves the annual NSP. Defined accountability limits are set which are closely monitored by the National Performance Oversight Group (NPOG) on behalf of the CEO
- The HSE has in place a wide range of written policies, procedures, protocols, and guidelines in relation to operational and financial controls
- The HSE carries out an annual comprehensive review of the system of internal control, details of which are covered in a later section of this report

- There are systems and controls aimed at ensuring the security of the information and communication technology systems within the HSE. This is an area of high priority for the HSE given the challenges of managing multiple systems across the entire HSE. There are ongoing developments to improve security and to ensure that the HSE has the appropriate level of resource and skills to protect the integrity of its systems to ensure that data and information is protected.

Additionally, an annual Controls Assurance Statement (CAS) must be completed by all senior management at Grade VIII and above. This statement requires management to confirm that they are aware of and comply with the key controls and the code of governance in place within the HSE.

4. Procurement

The HSE has procedures and policies in place to ensure compliance with current procurement rules and guidelines. In procuring goods and services, all areas within the HSE must comply with the relevant procurement procedures which are set out in detail in the HSE's National Financial Regulations.

During the early stages of the COVID-19 pandemic in 2020 there was an urgent need for the HSE and Ireland to source sufficient purchases of PPE to equip the Irish Healthcare system in the COVID-19 response. Globally supplies were limited, and many countries were competing internationally to source this PPE. This lack of supply coupled with huge demand meant that the average cost of all key items of PPE was significantly higher than during normal demand. The HSE procurement effort had to move at pace and the normal public procurement regulations were superseded by the emergency protocols of article 32[1].

Article 32 governs the use of the negotiated procedure without prior publication insofar as is strictly necessary for reasons of extreme urgency and it allows the removal of the requirement to competitively tender for publicly awarded contracts.

Matters arising regarding controls over procurement are highlighted under heading 8 Internal Control Issues.

5. Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to the Board and senior management. I confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified and there is a process in place to monitor the operation of these controls
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- There are regular reviews by senior management of periodic and annual performance and financial reports indicating HSE performance against budgets/forecasts
- There are regular reviews by the DoH of the HSE's performance in terms of budget and service plans as well as including other key non-financial reporting such as workforce planning
- The CEO and EMT meet as part of normal business at least twice monthly
- There are monthly Board meetings which are attended by the CEO and members of the EMT
- During 2020 the Board met on a greater frequency that monthly to adequately react to the ongoing HSE COVID-19 response needs. All Committees of the Board meet regularly to review areas that fall under their specific remit and to provide advice and feedback to the Board
- The Board and its committees and the EMT have considered the impact of COVID-19 on all areas of the HSE including funding, its control and risk environment and governance arrangements.

The **National Performance Oversight Group** (NPOG) has responsibility as part of the overall accountability process to oversee performance against the national Service Plan.

NPOG members meet monthly to review performance against the National Service Plan. A monthly report on performance is prepared for the CEO which includes details of any serious performance issues requiring formal escalation.

The CEO provides a performance update to the Board monthly which includes the relevant outputs from NPOG.

1 Article 32c of Directive 014/24/EU

Statement on Internal Control – continued

Additionally, as referenced in section 3 the Board has appointed appropriate committees to provide advice to the Board in the implementation of its functions.

The work of Internal Audit forms an important part of the monitoring of the internal control system within the HSE. The annual work plan of Internal Audit is informed by analysis of the key risks to which the HSE is exposed and is approved by the Audit and Risk Committee. The National Director of Internal Audit attends all Audit and Risk Committee meetings and has regular one to one meetings with the Vice Chairperson of the Audit and Risk Committee who is a Board member, as well as the CEO.

Monitoring and review of the effectiveness of the HSE's internal controls is also informed by the work of the Comptroller and Auditor General (C&AG). Comments and recommendations made by the C&AG in his management letters, audit certificates or annual reports, are reviewed by the Board, EMT and the Audit and Risk Committee, and actions are taken to implement recommendations.

6. Impact of COVID-19 on the System of Internal Control

The COVID-19 pandemic impacted the normal ways of working across all major divisions of the HSE requiring HSE staff to work remotely to be compliant with public health and government guidance to safeguard the health of the HSE workforce and the people that rely on them.

As noted in section 1 the HSE Board provided its mandate to the CEO to make necessary decisions in line with the All of Government approach to the management of the COVID-19 pandemic.

HSE staff and management were required to make many significant changes to support the provision of services during the COVID-19 pandemic. This included re-deployments of staff to support procurement activities to secure personal protective equipment, hospital equipment, setting up of testing centres, setting up of field hospitals and many more key activities.

The HSE has issued a very significant number of circulars over the course of the past year to provide appropriate guidance and support to HSE staff and management given these new working arrangements. This guidance covered areas such as:

- Health and safety guidance
- Mental health supports
- ICT controls, encryption requirements and password protocols
- GDPR requirements and safeguarding of information.

Despite the changed working environment, the HSE's financial systems operate with the same security controls whether staff are working in a HSE location or remotely at home. Access to our financial systems is online using encrypted laptops and PC's using VPN and/or MIFI devices. All of which are protected by password protocols.

Staff working on privileged systems such as payroll, accounts payable, fair deal and treasury were supported by updated contingency plans which provided them with extra security and advice with regards to the new working arrangements. Some key tasks could only be conducted at a secure HSE location with appropriate safety protocols in place to protect these staff. Staff rotas were instigated in such instances to ensure the protection of the staff, the activity, and the controls environment.

Normal ICT protocols were still in operation requiring user password protocols. Regarding priority systems segregation of duties remained high priority in relation to input and authorisation tasks and no changes were made to authoriser levels in those key areas.

The new working arrangements did necessitate amendments to some of the HSE's national financial regulations (NFRs) to consider the impact of staff redeployments and the threat of staff shortages to allow as much as possible for business-as-usual continuity.

The HSE's NFR19 requires all areas of the HSE with significant inventories at the year end date to perform stock takes. Considering the impact of the COVID-19 pandemic derogations were provided in locations which were directly impacted by COVID-19 as a safety measure for staff, patients, and service users. Circa €14 million of the HSE's year'end inventory has been estimated using most recent and reasonable stock count information.

The amended regulations are monitored closely by the National Financial Division.

The Primary Care Reimbursement Service (PCRS) of the HSE is the division responsible for making payments to healthcare professionals for the free or reduced costs services and drugs provided to the Public. This covers medical cards, GP visit cards as well as the management of the High-Tech Drugs.

Eligibility to receive a medical or GP visit card is based on an assessment of an applicant's means and is monitored through regular reviews to confirm continuing eligibility. Considering the COVID-19 pandemic although new applications continued to be processed, the HSE temporarily suspended reviews of existing cards. This temporary measure was taken for several reasons:

- To prevent further disadvantage to members of the public who may have been affected by economic hardship arising from the COVID-19 pandemic
- To allow the HSE to use the PCRS contact centre as a key support for the HSE info line during the early phase of the COVID-19 pandemic
- To allow PCRS to develop and support new reimbursement systems such as the GP COVID-19 supports
- To allow PCRS staff to support and develop the HSE Health Care Work contact line which is still in operation
- PCRS staff were also deployed as needed to support key COVID-19 requirements.

This temporary measure commenced in March 2020 and was recommenced in September 2020. The HSE estimated that the cost of this pause in reviews is in the region of €25 million, however, this temporary measure was important in the wider context of the COVID-19 pandemic.

7. Section on Procurement of Personal Protective Equipment and Ventilators

PPE

A significant element of the Government and HSE management of the COVID-19 pandemic required the use of PPE at levels never required previously. The HSE took the lead in securing PPE at a time when worldwide demand was overwhelming and where most supplies could only be sourced from China.

The HSE was mandated by Government to source PPE and received sanction of circa €920m to ensure supplies were available.

The HSE successfully secured orders during a time when as noted demand was overwhelming leading to higher than usual prices combined with very significant orders. This PPE was required for all healthcare settings such as acute hospitals, care centres and other healthcare facilities.

As at 31 December 2020 the HSE has reported that it holds €182 million of stock related to items of PPE which were not used before the end of the year. These items were purchased at a cost to the HSE of circa €556m because of the market forces noted above. This stock is reported in the statement of financial position at the prices prevailing at year-end and is detailed in Note 16 Inventories in the Annual Financial Statements (AFS).

During 2020 based on need the HSE purchased protective suits which were to be used in clinical settings to protect staff and service users. The clinical guidance changed during the course of the COVID-19 pandemic such that the clinical preference was gowns which were deemed most appropriate to the needs of HSE clinical staff. As a result, significant numbers of these protective suits were in place at the end of 2020 and the HSE considered that it was unlikely to use all protective suits by their expected useful life of 3 years and took the prudent decision to impair these based on expected obsolescence. The cost of these protective suits to the HSE was €64m.

The overall write down in the value of PPE is €374 million (including the €64 million) which is recorded in the Income and Expenditure Account for 2020. Excluding the protective suits issue noted above the remainder of the write down in value of €310 million is in respect of the requirement to report stock at realisable value.

The HSE engaged a private firm to conduct an audit of its systems and controls in relation to the sourcing, management, and usage of PPE. This report is at a very final stage and the HSE is currently implementing control and system improvements in this key area.

Statement on Internal Control – continued

Ventilators

Ventilators were key to treating COVID-19 patients in the height of the pandemic and therefore all measures were taken by the HSE on the behalf of the citizens of Ireland to ensure that there was a pipeline of orders to avoid shortages. Due to the market conditions, demand, and volatility the only way to secure orders from overseas suppliers was to make payments in advance. The HSE made advance payments in the order of €81 million to 10 vendors to fulfil orders for additional ventilators. As at the end of the year the HSE has created a bad debt provision for advance payments to vendors in the order of €42.5m where orders have not been fulfilled or where equipment was received but not deemed appropriate. The HSE has sought legal advice and legal proceedings have commenced in several cases.

Control Observations

The HSE's procurement of vital stocks of PPE and medical equipment necessitated that the HSE work at extreme pace in a fraught and challenging market to ensure sufficient PPE for the HSE and the wider healthcare system both private and public sector.

The HSE was required to set up new and significant processes in a time of emergency whilst prioritising the sourcing of the relevant PPE.

The HSE has had to develop new processes at speed such as the set-up of a new and significant warehousing and distribution channel.

The over-riding challenge was to secure and receive PPE and the HSE's procurement activity successfully achieved that task.

The nature of the challenge for the HSE was such that there have been deviations from normal internal controls due to the need to work at pace on a twenty-four-hour basis. The priority was to secure PPE which was a requirement mandated by Government, Public Health, and best clinical practice.

Some of the control issues which the HSE has acknowledged include:

- The HSE was required to onboard a significant number of new Vendors some secured through diplomatic channels where in some cases a due diligence exercise was not conducted due to the need to move at speed to secure contracts
- In some cases, advance payments were required to secure vital PPE and equipment outside of normal procedure
- On some occasions it was not possible for the appropriate signatories to sign of purchase orders and therefore Purchase Order thresholds for approvals were not always aligned with National Financial Regulation 1 Purchase to Pay. However, it is important to note that the overall Expenditure was properly approved
- Due to the need to secure PPE at speed the HSE has a surplus of certain PPE stocks as at the year-end date, however, other than the protective suits write off as noted previously these stocks are expected to be utilised
- There was a heavy reliance in the early part of the procurement activity on manual processes such as the use of spreadsheets rather than software systems.

The HSE had to accept a greater level of risk appetite than usual in relation to procurement activities to successfully ensure that PPE and equipment was available to look after all the people who needed it during a time of international crisis.

Significant work has been conducted to improve processes and to ensure that current activities are fully compliant and in accordance with regulations.

8. Review of the Effectiveness of the System of Internal Control

I confirm that the HSE has procedures to monitor the effectiveness of its risk management and control procedures. The HSE's monitoring and review of the effectiveness of the system of internal control is informed by the work of the Internal and External Auditors, the Audit and Risk Committee, and senior management within HSE responsible for the development and maintenance of the internal control framework.

I confirm that the HSE conducted an annual review of the effectiveness of the Internal Controls for 2020 which took into consideration:

- Audit and Risk Committee minutes/reports
- Findings, recommendations, and Audit Opinions from internal audit reports
- Annual Report of the National Director of Internal Audit
- Findings arising from the Internal Control Questionnaire
- Status of the recommendations of previous years' reports on the Review of the Effectiveness of the System of Internal Control
- Recommendations from management letters of the C&AG
- The 2020 audit programme of the C&AG and in particular, the audit risks identified therein
- Reports of the Committee of Public Accounts
- HSE Board and EMT minutes
- Minutes of steering group/working group/implementation groups, etc.
- External reviews undertaken by the HSE to assist in identifying financial control issues and implementing revised policies and business processes
- HSE Corporate Risk Register new monthly process within relation to key operational risks including COVID-19 risks and an enhanced quarterly review process overseen by the Corporate Risk Support Group
- Findings arising from the compliance monitoring arrangements with S38 and S39 agencies
- Guidance from the office of the Comptroller and Auditor General (OCAG) (Audit Insights paper 2020) to public organisations in respect of their control environment in the current COVID-19 pandemic
- Changes to working environment and remote working and new ways of working
- Impact of staff redeployments particularly in key privileged areas such as Payroll, Accounts Payable and Banking and Treasury functions
- Review of Key NFRS during COVID-19 particularly around approvals for purchasing (procurement)
- Review of the governance regarding donations during 2020
- Review of key plans such as the HSE Winterplan, National Service Plan and impact of additional funding.

Annually the HSE requires all relevant senior staff at Grade VIII (or equivalent) and above to complete an internal control questionnaire (ICQ) which is designed to provide essential feedback in respect of key control and risk areas. This allows the HSE to monitor the effectiveness of key controls and to direct remediation activity where required.

Despite the challenges of COVID-19 an additional 5% of HSE staff participated in the ICQ process. This reflects the growing understanding across HSE staff at all levels of the importance of good controls and compliance with same.

Additionally, in response to the COVID-19 impact on its control's environment an additional section on COVID-19 controls was included in the HSE Leadership ICQ. This considered the guidance from OCAG as noted above.

The HSE has engaged an independent audit firm through a competitive process who have conducted a review of circa 5% of ICQ participants to validate the integrity of the responses.

The report on the review of the system of internal control will be considered by the Audit and Risk Committee, the CEO and EMT and by the Board of the HSE.

Statement on Internal Control – continued

The results of the review indicate there is evidence that:

- The HSE has adopted a suite of internal policies and procedures, which form the basis of the internal control framework
- Where high level risks have been identified, mitigating/compensating controls are generally in place
- There are several instances of non-compliance with these HSE adopted policies and procedures which have been identified exposing the organisation to material risk however ongoing process and control improvements are visible in many areas
- Awareness of the requirement for internal controls and accountability has increased during 2020 with a continued increase in the number of staff who completed the ICQ survey increasing by a further 5% which is very significant in the context of the COVID-19 environment in which most staff were coping with. Analysis indicates that most managers have a very high understanding and awareness of their responsibility in respect to internal controls. While this analysis indicates that most managers are reporting strong levels of compliance with internal controls there is still evidence of some continued lack of uniform consistency of responses in 2020 which indicates that further efforts are required in 2021 to improve understanding and compliance with internal controls
- Additional COVID-19 assurances were sought from HSE leadership based around the C&AGs Audit Insights document which was used as part of the ICQ review which included assurances around controls implemented during the COVID-19 pandemic
- Though working conditions were difficult and resource constraints were high, reasonable assurance can be placed on the sufficiency of internal controls to mitigate and/or manage key inherent risks to which activities are exposed. However, a significant number of weaknesses remain in the HSE's internal controls as evidenced by the number of breaches that occur. It should be noted however that during trying conditions for all staff, controls and compliance remains a priority and, in some places, improvements were recognised
- There is evidence that there is a continuing awareness and understanding of the need for accountability and responsibility by HSE managers to ensure a strong system of internal control. However, there is still evidence of a lack of full understanding of the relevant core guidelines and policies across the organisation. Additional focus such as management and staff training sessions will be a key part of control improvement plans for 2021
- Limited and not absolute assurance can be placed on the current system of internal control to mitigate and/or manage key inherent risks to which financial activities are exposed. Instances of non-compliance observed reduce the level of assurance that can be provided. Improvements in these areas will continue to receive significant focus from the HSE in the short to medium term.

The control weaknesses observed in the review are set out in Section 9 Internal Control Issues along with management action that is being taken to address these issues.

9. Internal Control Issues

Internal Control Framework Improvement Plan

During 2020 the CEO and EMT have supported and sponsored the commencement of a 3-year plan intended to improve the HSE's current internal control framework. The draft plan is expected to have been agreed by the EMT and Board by Q2 2021.

This plan will focus on the following five major work steams which will help underpin strong controls across all key areas within the HSE:

- Review of the HSE's National Financial Regulation Framework
- Enhanced Communication and Training programme to support Awareness
- Development of a data repository and reporting tool to track the implementation of control recommendations and improvements
- Financial and Risk Assessment
- Improvement Accountability and Performance Management.

These work streams will help the HSE focus on key control areas, to ensure reasonable assurance over the system of internal controls to mitigate and manage risk.

The weaknesses identified are detailed below.

I. Integrated Financial Management and Procurement System (IFMS)

The HSE does not have a single financial and procurement system. The absence of such a system in the HSE presents additional challenges to the effective operation of the system of internal financial control. Numerous external reviews have reiterated the consensus amongst the finance community in the HSE that the current financial systems are not fit for purpose.

The absence of a single national system requires that significant work be undertaken manually to ensure that the local finance systems and the National Finance Reporting Solution are synchronised and reconciled. This approach is becoming increasingly challenging in the light of changes to organisational structure and the ageing of the systems.

A key element of the Finance Reform Programme is the implementation of a single national integrated financial management and procurement system, or IFMS, based on a set of agreed national standard finance and procurement processes, a single National Chart of Accounts and National Enterprise Structure, and a new National Shared Services Model.

A significant enabler of the IFMS project is the development of a Financial Management Framework which defines the process, governance and controls required to demonstrate effective financial management practice across the health system. The Framework is a living document which has most recently been approved by the Finance Reform Programme (FRP) Steering Committee in June 2020. Development of the framework and associated strategies will continue as the programme progresses.

Following extensive and properly procured public tender processes SAP was selected as the software platform for IFMS in June 2017 and DXE was selected as the Systems Integrator in December 2019.

IFMS Detailed Design Stage

Phase 1 includes a number of distinct stages, preparation, detailed design and build and test. Additionally, four consecutive deployments were identified comprising of three former Health Board areas, HBS, NDC, Tusla, two S38 and one S39.

Preparation stage was formally completed at the end of January 2020 and the project entered the detailed design stage, which was scheduled to conclude in July 2020.

IFMS was in the Design Stage and in process of closing off the Fit to Standard Workshops (with IFMS project teams) and ready to commence the Confirmation Design Workshops (with external stakeholders) at the end of March when COVID-19 emergency measures and social distancing rules came into effect. The impact of COVID-19 brought immediate challenges in the delivery of the IFMS Design Stage and the overall IFMS Project Plan. The project had to be re-planned to take account of COVID-19 impacts and the re-baselined plan was approved by FRP Steering Committee on 23 September 2020. The estimated seven-month delay occurring in the design stage of the project against the original plan was mitigated to a net four-month delay overall, with Phase 1 scheduled for completion in August 2023.

A further setback to the project occurred in January 2021, with the surge in cases of COVID-19 in the community and the related increase in outbreaks, including in nursing homes, hospitalisations, and ICU admissions.

Acknowledging the unprecedented pressure on project stakeholders involved in the delivery of services during the current surge of cases of COVID-19, it was agreed at a meeting of the FRP Steering Committee on 22 January 2021 that it was not appropriate for the IFMS project to add any unnecessary further burden by attempting to conclude the IFMS Design Stage by 5 February as per the project plan. Exercising an option available under the System Integrator contract, a suspension of the contract for a six-week period to April 2021 was initiated by the HSE, after which time it is anticipated that the current extraordinary service pressures will hopefully have abated and participation of key service stakeholders in the system design can resume.

While regrettable from a Project perspective, it is considered the most appropriate response in the circumstances to support our services and temporarily remove, to the greatest extent possible, any non-essential burden on our colleagues and the essential patient facing services they are delivering.

Clearly there is a degree of uncertainty around any assumptions that we have made in relation to the course of the disease and Government's response to same so the timelines around suspension and resumption will be kept under continuous review.

The draft IMFS delivery schedule will be refined as each phase of the project proceeds through detailed planning stages, overseen by the Finance Reform Programme Steering Group, in line with the approved governance process. This group is chaired by the Chief Financial Officer of the HSE, and the membership is comprised of relevant stakeholders.

Statement on Internal Control – continued

II. Compliance with Procurement Rules

The HSE incurs expenditure of approximately €3.8bn annually in relation to goods and services subject to procurement regulations that are set out in detail in the HSE's National Financial Regulations and underpinned by EU Directive 2014/24 and Public Procurement Guidelines for Goods and Services. In line with the revised code of practice for the governance of state bodies, and the public procurement policy framework, the HSE is required to ensure that all contracts are secured competitively in line with public procurement requirements and to report the levels of non-compliance identified.

The findings of the review of the internal control system indicates that compliance with procurement regulations remains an issue for the HSE, in relation to lack of compliance with:

- Requirements to procure and source from valid contracts already in place
- Requirements for market testing, tendering and utilising competitive processes
- Requirements to report non-compliance as per DPER code and circulars.

Further the review has also identified that there is a lack of awareness of various procurement supports such as HBSPASS which is the HSE's procurement contract information site which it is expected that all budget holders should be aware of and should utilise when procuring goods and services on the behalf of the HSE.

The HSE has undertaken a self-assessment review of its non-competitive spend >€25k for 2020. The total expenditure on invoices over €25k was €2.2 billion, 58% of HSE procurable spend in 2020. All major budget holders were required to complete a self-assessment return to determine the level of non-compliant procurement.

Self-assessed returns covered €2 billion (90% of the spend under review). The returns indicate that non-competitive procurement was in the region of 63% (circa €1.25 billion).

It should be noted that under articles 12, 32 and 72 there are valid reasons for non-competitive procurement particular in relation to the impact of the COVID-19 pandemic.

A sample of returns totalling circa €120 million was subjected to a review carried out by a private firm of accountants engaged by the HSE to help verify the accuracy of the returns made. This sample represents circa 18% of non-COVID-19 related expenditure (€635m). The review agreed with 95% of the returns.

Based on the self-assessment returns and the outcome of the review, the HSE has determined that the level of non-compliant procurement considering mitigations is around 10% (€200 million).

When excluding COVID-19 specific expenditure the non-compliant rate is circa 18%.

The HSE acknowledges that the result of the self-assessment is likely to have been impacted by the COVID-19 pandemic and the significant COVID-19 expenditure arising (€1.3 billion).

The HSE is aware that significant work is required to improve the level of non-competitive procurement and remains committed to progressing change.

HBS Procurement remains committed to progress a transformational programme of reform in HBS Procurement to support the services in compliance with public procurement regulations and to increase the usage of contracts awarded by HSE and OGP. In the context of the HSE's current procurement systems and level of staffing required to put in place contracts, and the continuing impact of COVID-19 on the availability of staff to participate in Procurement Evaluation Teams it is acknowledged that it will take a number of years to fully address procurement compliance issues. HBS continue to progress initiatives as identified to address weaknesses.

HSE continues to operate a Corporate Procurement Planning Tool which is used to match expenditure on the financial systems with known contracts on the HBS Procurement central contracts register.

This tool allows the services with assistance of the Procurement Compliance Team to determine the level of likely compliant and non-compliant procurement in their area, as part of then working to eliminate the non-compliance over time. This process will significantly improve compliance levels and ensure timely information is available to managers to highlight non-compliance.

The Compliance Unit have identified key customers and have actively worked with their procurement leads to accurately reflect their compliance profile. During the engagement, the data is analysed, reviewed, and cleansed.

All Section 38 and Section 39 Agencies have been instructed to ensure all purchasers are registered on the HBS PASS (>2600 HSE & S38/S39) purchasers are currently registered. The functionality within the tools has been increased to cater for User Guides, service level agreements and information pertaining to contracts by the diverse customer base.

A significant project has been mobilised to procure, design, and implement an Integrated Financial Management System (IFMS). The new IFMS system (SAP S4Hans c/w SAP Ariba) will include improved/state of the art procurement functionality. C. 60 procurement business processes have been mapped and these will be used to assist in the design of new lean processes incorporating digital workflow eliminating unauthorised/non-compliant buying. Until IFMS is implemented in the HSE the challenge associated with visibility of procurement activity and compliance will remain. The HSE has a plan to have c.80% value of the HSE health service spend covered by IFMS (single national finance and procurement system) by Q1 2024.

Improved digital functionality has been deployed in respect of meeting full compliance with SIC and C 40-02 obligations regarding non-competitive procurement >€25K. This includes quarterly reviews with Business Units to review their >€25K expenditure.

Rollout of the HBS Logistics National Distribution Service (NDS) is subject to budget allocation in 2021. The managed inventory service at the point of use (POU) is also subject to budget allocation in 2021 to continue roll-out. The programme has reached 86% implementation regarding NDC Project. The NDC currently manages €109m of HSE procurable spend. POU operates in 420 locations across the country.

Significant volumes and values of direct award/non-competitive procurement were and continue to be necessary in response to the COVID-19 crisis. This expenditure is being reviewed by HSE Internal Audit, C&AG, and by external Audit Consultants on behalf of the Minister for Health. HBS Procurement will take full account of the findings and recommendations of these Audits and will implement any corrective actions identified.

III. Governance of Grants to Outside Agencies

In 2020 circa €5.4 billion of the HSE's total expenditure related to grants to outside agencies. The legal framework under which the HSE provides grant funding to agencies is set out in the *Health Act 2004*. Annually the HSE funds more than 2,200 agencies, ranging from the large voluntary hospitals in receipt of over €300m to small community-based agencies in receipt of €500.

The HSE's governance framework is consistent with the management and accountability arrangements for grants from Exchequer funding as set out in the instruction issued by DPER in September 2014, with one sanctioned exception in respect of prefunding arrangements.

Due to the specific nature of the funding arrangements with the S38 and S39 agencies, the HSE must continue to ensure timely funding particularly in respect of contractual pay and staffing costs which account for up to 80% of expenditure.

Before entering any funding arrangement, the HSE determines the maximum amount of funding that it proposes to make available along with the level of service to be provided for that funding. For the larger agencies, cash is disbursed by the HSE's treasury unit based on agreed cash profiles.

The system of internal control operating in individual funded agencies is subject to review on a sample basis by Internal Audit.

The requirement to submit financial reports and staffing returns and to hold monitoring meetings is dependent on the size of the agency.

During 2020 there were weaknesses identified by the HSE's annual internal control review, via the Controls Assurance Review process, and Internal Audit reports particularly in the application of processes relating to monitoring and oversight of some agencies. The HSE has two types of contractual agreements with these agencies that are, in the main, tailored to reflect the level of funding in place.

- Service Arrangement (SA), health agencies in receipt of funding in excess of €250,000
- Grant Aid Agreement (GA), health agencies in receipt of funding of less than €250,000.

Statement on Internal Control – continued

External and internal audits have found that:

- Monitoring meetings may not be conducted at the frequency required in accordance with the HSE guidelines.
- There was a lack of evidence of the review of required financial performance data, such as management accounts and activity data.
- Contractual agreements relating to the provision of funding include a requirement for grantees to have appropriate risk management and governance arrangements in place and to comply with public procurement guidelines and public sector pay policy. Audits and Annual Compliance Statement (ACS) submissions indicate some gaps in governance arrangements, compliance in some incidents with legacy issues regarding public sector pay policy and procurement remains an issue.

The steps being taken by the HSE in recent years to address the weaknesses identified are set out below. These initiatives have enabled the HSE, to a reasonable extent, to be satisfied that there are appropriate governance structures and procedures in place with these agencies.

Contract Management Support Units

The HSE is establishing Contract Management Support Units (**CMSUs**) in each of the nine Community Healthcare Organisations (**CHOs**) to assist service managers in managing and documenting all aspects of the relationship with S38 and S39 Service Providers (**Providers**). Four pilot sites are being put in place in CHOs 4, 6, 7 and 9; three of these CMSUs are partially established and one is fully established. In addition, CHOs 3, 5 and 8 are at the early stage of developing their CMSUs. Central to the establishment of the CMSUs is the appointment of the CMSU Managers at Grade VIII level and in this connection, in late 2020, the DoH conveyed sanction for the appointment of these CMSU Managers in each of the nine CHOs. This was a most welcome development in 2020 in terms of progressing this project. The recruitment of the other staff for each of the CMSUs is expected to be completed before the end of Q3, 2021. Currently, an Implementation Group is working with representatives from all the above mentioned CHOs to develop the CMSU processes. Among the key responsibilities of the CMSUs is to ensure that:

- SAs and GAs are finalised and completed in respect of all Providers that are in receipt of annual funding and that the service provider governance (SPG) system is updated in this regard
- Annual Financial Statements and Annual Financial Monitoring Returns are both received and reviewed at local level in a timely manner
- regular performance review meetings are held in accordance with the requirements of *Guidelines for Performance Management* for SAs and GAs
- Key documents such as the Business Plan, Chairperson's Statement, Management Accounts and Activity Data are received and reviewed as appropriate.

Monitoring of the Governance Framework

In accordance with the *HSE's Performance and Accountability Framework*, the CEOs of the HGs and the Chief Officers of the CHOs are the Accountable Officers for their areas of responsibility. This responsibility extends to inter alia ensuring that SAs and GAs are in place in respect of all funding which is released to Section 38 and Section 39 Providers.

During 2020, the COVID-19 pandemic resulted in increased demands on both HSE service managers and staff in Provider organisations in relation to operational matters. This impacted on the timelines for completion of the governance documentation in Q1 and Q2 of 2020. However, to assist the operational system in discharging its responsibilities, the frequency of the compilation of monitoring reports was increased and these reports were circulated twice monthly to all relevant managers. Additionally, teleconferences were held on a regular basis and direct contact was made with CHOs, to ensure that this aspect of the Governance Framework was afforded sufficient attention in Q3 and Q4 of 2020.

Furthermore, in December 2020 the Compliance Unit advised all HGs and CHOs that where additional funding (to that previously set out in 2020 SAs/GAs) had been released to S38 or S39 Providers to fund COVID-19 related Services during 2020, there was a requirement for a Contract Change Notice to be completed before year end with them (the Providers). This was to ensure that the totality of the funding released to Providers during 2020 was properly accounted for and contractually underpinned through the SA/GA process.

At the end of 2020, and in line with 2019, 91% of funding was covered by a completed SA/GA despite the challenges arising from the COVID-19 pandemic.

Receipt and Review of Annual Financial Statements (AFS) and Annual Financial Monitoring Return (AFMR)

The HGs and CHOs update the Service Provider Governance (**SPG**) system in respect of the receipt and review of the AFS and AFMR for which they have responsibility. Status reports in respect of the receipt and review of these documents are circulated to the CEOs of the HGs and the Chief Officers of the CHOs at regular intervals. Ongoing monitoring and support is provided by the Compliance Unit in this respect. As set out above, the CMSUs will have a key role in ensuring that these documents are both received and reviewed at local level in a timely manner. In 2020, the frequency of the circulation of these status reports regarding the receipt and review of AFS and AFMRs was increased.

Governance Reviews of Section 38 and 39 Service Providers

Phase 1 of the External Review process was completed in 2020 except for one outstanding review, which is being finalised. A report regarding these reviews from Phase 1 was brought to HSE Leadership, and thereafter provided to the PAC, in June 2019. A further seven reviews were completed since that report was compiled, however, no matters which had not already been covered in the earlier Reviews emerged in these seven reports.

Following a competitive tender in 2020, work on finalising a contract with the successful external consultants to undertake Phase 2 of the External Reviews is at an advanced stage. It is envisaged that these reviews will commence in 2021 albeit considering the operational requirements and priorities of Providers due to the current pandemic. Phase 2 will cover Section 38 Providers not reviewed in Phase 1, along with several Section 39 Providers. It should be noted that as a follow-up to these reports from Phase 2 a process will again be established whereby the Boards of the relevant Providers will be required to submit updates on actions agreed in the reports in respect of these reviews.

Annual Compliance Statements (ACS)

All Providers who receive funding more than €3m from the HSE are required to submit an ACS in accordance with the obligations set out in the SA. In this regard the relevant Providers self-declare retrospectively in respect of the corporate governance procedures that obtained at Board and Executive level within their respective organisations. This process ascertains the level of self-declared corporate governance in existence and ensures that improvements in this regard are made where necessary and on an ongoing basis. In 2020 all the 2019 ACSs have been submitted by the relevant Providers, reviewed by the HSE, and followed up, as necessary.

Some of the Section 38 and Section 39 Providers have themselves used the outputs of the ACS, AFMR and the External Reviews processes to implement their own initiatives to enhance their corporate governance at Board level. Specifically, this has had positive impacts in key areas such as the:

- Development of Internal Audit Function
- Rotation of Board members
- Examination of Board Committee Structure
- Development of Codes of Conduct
- Enhancement of Board Governance and Assurance processes
- Development of relevant Board Policies.

Where Providers have raised specific corporate governance issues regarding their processes, the Compliance Unit works with such Providers to suggest and identify solutions.

IV. Information Communication Technology (ICT)

The Office of the Chief Information Officer (OoCIO) delivers and manages a full range of ICT services throughout the HSE and in part of the voluntary acute sector. The HSE have a base of over 50,000 users using approximately 1,817 applications and over 1,000 networked sites. In addition, the OoCIO provide a range of national applications to the acute voluntary sector and indirectly supports their user base. There are approximately 266 ICT projects currently being progressed, of which about 50 are large multi-annual programmes or projects. The OoCIO currently has 399 staff, a revenue budget of €83.1m and a capital budget of €120m.

Statement on Internal Control – continued

Internal audits have identified weaknesses around security controls across parts of the domain including application password protocols and the management of secure access. Weaknesses have been acknowledged in some of the areas audited in disaster recovery protocols, particularly in relation to older and legacy systems. The OoCIO is committed to improving controls in respect of cyber security.

The OoCIO has several programmes underway to manage these weaknesses across our large domain. These include Windows 7 refresh programme, the single sign-on programme, other key infrastructure upgrades, and the upgrading of application software which will, over time, provide a means for the following:

- Single logon to domains and applications which ensures that all staff have unique and safe access to the domains and applications
- Single email platform to improve cross-regional communication and collaboration
- Upgraded infrastructure with modern security features
- Upgraded applications and database technology.

Migration to a single digital identity for staff has commenced and will continue to be rolled out during 2020/2021 across CHOs, Hospital Groups and HBS, as well as central divisions.

The OoCIO also has plans to improve resourcing to ensure that staff with the right blend of technology skills are situated where needed most.

A formal review of ICT policies was launched in January 2020 by the CIO, which was due to be concluded by Q3 2020. However, due to the necessary COVID-19 pandemic response OoCIO resources were fully dedicated to that effort. The review has re-commenced in 2021 and following this review and the likely updating of some policies, OoCIO management intends to conduct a compliance exercise to assess and baseline the level of compliance with these policies. This compliance assessment will inform what further actions then need to be taken.

Windows 10 Patch management for high/critical patches is fully operational across our desktop estate with a high level of compliance across regions. The programme is now moving to next phase which is MS Office patching.

OoCIO management has initiated an “Infrastructure Migration Programme” which will migrate selected disaster recovery environments to the cloud. The initial stages of this programme will in turn inform a Cloud services procurement to be commenced later this year. That procurement will include provision for disaster recoveries for all systems.

OoCIO cloud for disaster recovery (DR) initiative has moved on significantly, with the following activities underpinning the organisations ambition to leverage Cloud for DR:

- Cloud Framework completed with 4 successful bidders
- OoCIO have completed a pilot of a hybrid on-premise/Cloud VMware environment which will enable the seamless migration of systems to the Cloud
- DR has been built in the Cloud for one of our critical services (Healthlink)
- Azure network hub in pilot for key programmes. This is the ‘central station’ for secure, resilient Cloud Network connectivity.

Other DR Supporting activity:

- Core Network Resilience Testing scheduled for Q1, 2021
- National Backup policy has been agreed and published on the HSE intranet
- DR Test of CHI Evolve system was successfully executed.

Further, the Internal Audit function in collaboration with external specialist ICT audit support will continue to conduct targeted audits on a risk management basis.

The current cyber-attack further supports the requirement that the HSE will require additional investment in its ICT systems to protect against future threats and attacks.

V. Risk Management

As detailed in section 3 the HSE recognises the importance of a strong Risk Management Framework. Despite the impact of the COVID-19 pandemic significant activity has taken place during 2020 as described in detail below.

Managing Corporate Risk (Central Enterprise Risk Management Team)

Following the adoption of the recommendations arising from the HSE's Risk Management Review in 2019, the establishment of an Enterprise Risk Management Programme was agreed, and initial funding provision was made in the NSP 2020. Rolling out the Programme in 2020 was impacted by the lack of success in appointing a Chief Risk Officer (CRO), and the impact of COVID-19.

Review of Corporate Risks

The EMT concluded a major review of the HSE's corporate risks in February 2020. A key output of this process was a fully revised corporate risk register.

In June 2020, the EMT undertook a second major review of the HSE's corporate risks considering the significant changes to the overall health service risk profile as a result of COVID-19. The review identified a number of major new COVID-19 specific risks relating to:

- The Testing and Tracing System
- The restoration of core health service activity
- Long term residential care services
- Critical equipment including PPE
- Public health capacity
- Health service funding.

As part of this process all the other corporate risks were reassessed to determine the impact of the pandemic on our wider risk profile.

EMT/Board risk process

In Q4 2020 the HSE engaged the support of an external risk expert to support the development of the HSE's risk process between the EMT and the Board. The report from this process is expected by the end of February 2021.

Provision has been made in the NSP 2021 to further strengthen the risk teams within the offices of each EMT member.

Board Committee risk oversight

In 2020 a revised risk oversight process was introduced between the EMT and the Committees of the Board. The ARC who retains oversight of the overall Risk Framework has assigned individual corporate risks to the relevant Board Committee for oversight. Guidance for Board Committees has been developed and EMT members attend committee meetings to report on risks for which they are the owners.

The new COVID-19 corporate risks are dynamic by virtue of the rapidly evolving nature of the pandemic. These risks are subject to a monthly monitoring process for this reason (corporate risks are usually reviewed on a quarterly basis). To support the oversight of these COVID-19 risks, a joint subgroup of the ARC and Safety and Quality Committee was established to oversee these risks.

Statement on Internal Control – continued

Risk Management Information System development

One of the main recommendations of the HSE's Review of Risk Management adopted by the Board in 2019 is the development of a Risk Management Information System to support the assessment and management of risk and to provide for the complex monitoring and reporting requirements. Exploratory work has commenced to determine possible options for a system.

VI. Payroll Fraud

In late 2020 HSE management were alerted to payroll irregularities within one of its Statutory Hospitals. The relevant Hospital Group conducted an initial investigation which determined that certain payroll payments had been made that were fraudulent resulting in the suspension of the Hospitals payroll officer and the commencement of a HR disciplinary process. In accordance with HSE policy the matter was also referred to An Garda Siochana in November 2020.

The HSE's Internal Audit division also conducted an independent audit in this hospital which has indicated significant weaknesses and deficiencies within the direct management of the hospital which had contributed to the payroll fraud. These include:

- Lack of segregation of duties
- Lack of management oversight or hierarchical controls
- Deficiencies in payroll cheque handling processes
- Insufficient review of divisional personnel reporting
- Lack of evidence in relation to key payroll and HR controls

The HSE has been rolling out a National Integrated Staff Records and Pay Programme (NiSRP) which was a significant factor in the identification of this payroll fraud. The purpose of NiSRP is to implement a single HR/Staff Records technical platform for national coverage of all people related data for the HSE using SAP HR. It also covers the implementation of one Payroll technical platform for all HSE employees using SAP Payroll. It will allow for the automation of appropriate staff processes through the introduction of Employee and Manager self-service.

Currently NiSRP has been rolled out in the East and South East as at the end of 2020 and a third roll-out is currently underway.

The full roll-out of NiSRP will mitigate the risk of payroll fraud and irregularity through workflow automation, inbuilt system controls and process standardisation.

The HSE's National Financial Division are co-ordinating a 3-year control improvement programme as noted earlier. As part of this an information bulletin will be issued to all divisions of the HSE providing support, clarification, and advice as to what constitutes a good payroll controls environment.

10. Conclusion

The report on the Review of Effectiveness of the System of Internal Control in the HSE has been considered by the HSE's Audit and Risk Committee who have provided advice on same on behalf of the Board.

The HSE is an organisation undergoing significant change as well as facing a significant challenge in terms of its response to the current COVID-19 pandemic emergency facing the country. It also now must manage the impact of the recent cyber-attack on the HSE and the wider Health System. The HSE's control systems still rely on the legacy financial systems of the former health bodies it replaced. These legacy systems will be replaced on a phased basis with a single national integrated financial and procurement system as detailed earlier in section 9.

The review of the system of internal control indicates that there are limitations and weaknesses observed in the HSE's system of internal controls. However, where these weaknesses have been observed there is some evidence of mitigation and/or management action plans that have been undertaken to reduce the risk exposure, sufficient to support the adoption of the Annual Financial Statements. However, these weaknesses taken in conjunction with the overall 2020 limited audit opinion issued by the National Director of Internal Audit mean that the review can only provide limited assurance in respect of the system of internal control.

The HSE acknowledges that there is a requirement to improve overall levels of compliance with the system of internal control, and this is receiving senior management attention, however, it is encouraging to note that the 2020 review indicates a continued growing awareness of the importance of improved accountability and responsibility at all levels of HSE staff, and stronger engagement with the controls assurance process for 2020.

The Board acknowledges that it has overall responsibility for the system of internal control within the HSE and will continue to monitor and support further development of controls. Progress will be reassessed in the 2021 Review of the Effectiveness of the System of Internal Control.

Ciarán Devane
Chairperson of the HSE Board

26 May 2021

Comptroller and Auditor General Report

For Presentation to the Houses of the Oireachtas

Health Service Executive

Opinion on the financial statements

I have audited the financial statements of the Health Service Executive for the year ended 31 December 2020 as required under the provisions of Section 36 of the Health Act 2004. The financial statements comprise

- The statement of revenue income and expenditure
- The statement of capital income and expenditure
- The statement of financial position
- The statement of changes in reserves
- The statement of cash flows and
- The related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- Properly present the state of the Health Service Executive's affairs at 31 December 2020 and its income and expenditure for 2020
- Have been properly prepared in accordance with the accounting standards specified by the Minister for Health as set out in the basis of preparation section of the accounting policies.

Basis of the opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Executive and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Executive has presented certain other information together with the financial statements. This comprises the annual report, including the governance statement and Board members' report, the statement on internal control, and two appendices. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

1. Losses arising from procurement of personal protective equipment

The financial statements include an exceptional level of expenditure on items of personal protective equipment (PPE) purchased in response to the threats arising from the COVID-19 pandemic. The PPE items were acquired for use to protect the Executive's staff, patients and service users, to keep services working and to limit the spread of the virus.

While consumption of PPE items in 2020 was significantly in excess of that in previous years due to the pandemic, substantial quantities remained in the Executive's storage facilities at the year end. That stock of PPE was acquired during the year at an estimated cost of €556 million.

Provision for anticipated obsolescence of protective suits

One of the PPE item types acquired was disposable full-body protective suits, intended for single use. The Executive has stated that the suits were purchased at a time when there was a shortage of more clinically-appropriate gowns.

The Executive purchased a total of 4.4 million suits, at a cost of €112 million, or an average of €25.50 per unit. An estimated 1.4 million units were used by health care staff during the year, but usage rates of the suits declined when gowns became available. The manufacturers' projected 'shelf life' of the suits is three years. The Executive has estimated that, at most, it is likely to use only 480,000 (16%) of the suits on hands at the end of 2020 within the shelf life period. Accordingly, a provision for anticipated obsolescence of 2.5 million surplus suits has been charged to the 2020 revenue income and expenditure account. The amount of the provision is €64 million.

The quantities of other items of PPE held by the Executive as stock at the year-end are estimated, at projected use rates, to be usable within the respective projected shelf lives.

Impairment of stock value

The bulk of the purchases of PPE items by the Executive occurred in the first half of 2020, when most such products were reported to be in short supply and/or to be available only at abnormally high market prices. In the latter part of the year, it was reported that the market supply of PPE items increased significantly and that unit prices fell.

Accounting rules require that stock items held at the reporting date are valued at the lower of acquisition cost or current market value. Accordingly, the Executive has valued the stock of PPE items on the basis of the purchase prices prevailing at the year end. The result is that the Executive is recognising an impairment charge of €310 million in the revenue income and expenditure account, to reflect the loss in value resulting from price changes.

The PPE stock held at the end of 2020 for future use is valued in the financial statements at €182 million.

The Executive has explained the combined impairment of €374 million in section 7 of the statement on internal control, and in Note 1(b).

Examination of personal protective equipment procurement process

The statement on internal control discloses that the Executive engaged a consultancy firm to carry out an examination of the systems and controls employed by the Executive in relation to the sourcing, management and usage of PPE items in 2020. The examination was requested by the Minister for Health. The statement discloses that the consultants' report is currently being finalised, and states that the Executive is implementing control and system improvements in this regard.

2. Non-effective expenditure – ventilators

The Executive sought in the first half of 2020 to purchase additional ventilators to increase its capacity to treat patients suffering with respiratory symptoms. Suppliers of such equipment previously contracted by the Executive were able to provide only a limited number of the required ventilators.

The statement on internal control discloses that the Executive made advance payments of €81 million to ten companies with which it placed orders for additional ventilators. The Executive had not dealt with these companies previously.

Two of the companies fulfilled the orders placed by the Executive, and another company delivered a small part of the order it had received. Subsequent to the deliveries, the Executive decided it would not be appropriate to deploy the machines that had been received. The outstanding orders were cancelled, and refunds were sought.

At the reporting date, the Executive had not received value or refunds in respect of the full amount pre-paid for ventilators in 2020. A provision in the amount of €42.5 million has been made in this regard in the revenue income and expenditure account.

Staff of my Office are examining the prepayments and the related attempts at procurement of ventilators, and I may report further in that regard in due course.

3. Non-compliant procurement

Section 9 (II) of the statement on internal control discloses that non-compliance with procurement rules remains an issue for the Executive. I have repeatedly drawn attention to this issue in my annual reports on the audits of the financial statements of the Executive.

A self-assessment exercise to determine the level of non-compliant procurement was carried out by the Executive in respect of certain purchases in 2020 of goods and services valued in excess of €25,000. A sample of the self-assessment returns was reviewed by independent consultants appointed by the Executive. Based on this exercise, the Executive has estimated that the rate of non-compliant procurement in 2020 was 10%.

Comptroller and Auditor General Report – continued

In my view, the estimated rate of non-compliant procurement may not be representative of the scale of the underlying problem of non-compliant procurement by the Executive, for a number of reasons.

- The emergency procurement of goods and services on an exceptional scale in 2020 may have affected the result of the self-assessment exercise.
- A significant part of the Executive's procurement (i.e. procurements valued at €25,000 or less) was not within the scope of the self-assessment exercise.
- Compliance assessments were not completed in respect of 10% of the procurement expenditure within the scope of the exercise.

The statement on internal control sets out the steps being taken by the Executive to address its non-compliance with procurement rules, but it reiterates that it will take a number of years to address fully the procurement compliance issues.

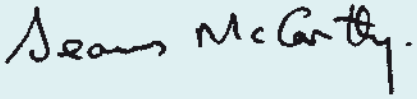
4. ICT security breach

On 14 May 2021, the Executive suffered a ransomware cyber attack on its ICT systems resulting in severe disruption to the delivery of its services, and unauthorized access to personal data of patients and staff, and to commercial data relating to suppliers. The Executive, with the support of other State agencies, is working to resolve the impact of the attack. Section 9 (IV) of the statement on internal control discloses that internal audits had identified weaknesses in the area of security controls, and sets out the steps that were being taken to address the concerns identified.

The security breach happened after the period of account and does not impact the financial statements for 2020.

5. Payroll fraud

Section 9 (VI) of the statement on internal control discloses that significant weaknesses in internal controls at one of the Executive's hospitals resulted in an alleged payroll fraud by an individual staff member. Investigation by the Executive indicates the alleged fraud continued over a long period. The matter has been referred to An Garda Síochána.



Seamus McCarthy
Comptroller and Auditor General

28 May 2021

Appendix to the report

Responsibilities of Board members

The members are responsible for

- The preparation of financial statements in the form prescribed under section 36 of the Health Act 2004 and accounting standards specified by the Minister for Health
- Ensuring the regularity of transactions
- Assessing whether the use of the going concern basis of accounting is appropriate, and
- Such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under Section 36 of the Health Act 2004 to audit the financial statements of the Health Service Executive and to report thereon to the Houses of the Oireachtas.

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

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health Service Executive's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Health Service Executive to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Comptroller and Auditor General Report – continued

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in receipt of substantial funding from the State in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- The accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- The financial statements are not in agreement with the accounting records.

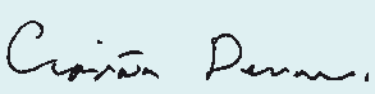
Statement of Revenue Income and Expenditure

For the year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
Income			
Department of Health Revenue Grant	3(a)	**19,451,541**	16,471,023
Surplus/Deficit on Revenue Income and Expenditure brought forward	3(b)	**6,472**	(85,174)
		19,458,013	16,385,849
Patient Income	4	**328,549**	408,249
Other Income	5	**478,178**	504,197
		20,264,740	17,298,295
Expenditure			
Pay and Pensions			
Clinical	6 & 7	**4,127,292**	3,842,649
Non Clinical	6 & 7	**1,368,286**	1,268,349
Other Client/Patient Services	6 & 7	**950,673**	895,811
		6,446,251	6,006,809
Non Pay			
Clinical	8	**2,066,701**	1,186,858
Patient Transport and Ambulance Services	8	**135,690**	74,724
Primary Care and Medical Card Schemes	8	**3,642,405**	3,285,665
Other Client/Patient Services	8	**8,761**	6,919
Grants to Outside Agencies	8	**5,442,823**	4,699,339
Housekeeping	8	**383,630**	269,512
Office and Administration Expenses	8	**795,210**	618,248
Other Operating Expenses	8	**807**	12,219
Long Stay Charges Repaid to Patients	9	**55**	1
Hepatitis C Insurance Scheme	10	**1,054**	641
Payments to State Claims Agency	11	**372,704**	390,939
Nursing Home Support Scheme (Fair Deal) – Private Nursing Home only	12	**767,938**	685,959
		13,617,778	11,231,024
Total Expenditure		**20,064,029**	17,237,833
Net Operating Surplus/Deficit for the Year		**200,711**	60,462

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

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.



Ciarán Devane
Chairperson

26 May 2021

Paul Reid
CEO

26 May 2021

Statement of Capital Income and Expenditure

For the year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
Income			
Department of Health Capital Grant	3(a)	**1,023,288**	678,113
Surplus on Capital Income and Expenditure brought forward	3(b)	**15,182**	16,356
		1,038,470	694,469
Revenue Funding Applied to Capital Projects		**1,724**	1,665
Application of Proceeds of Disposals		**9,179**	2,979
Government Departments and Other Sources	13(c)	**1,752**	3,764
		1,051,125	702,877
Expenditure			
Capital Expenditure on HSE Capital Projects	13(b)	**623,989**	362,682
Capital Grants to Outside Agencies (Appendix 1)	13(b)	**359,730**	324,967
		983,719	687,649
Net Capital Surplus for the Year		**67,406**	15,228

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

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

Ciarán Devane
Chairperson

26 May 2021

Paul Reid
CEO

26 May 2021

Statement of Changes in Reserves

For the year ended 31 December 2020

	Notes	Revenue Reserves €'000	Capital Reserves €'000	Capitalisation Account €'000	Total €'000
Balance at 1 January 2019		(1,214,804)	(122,631)	5,117,012	**3,779,577**
Transfer of (Deficit)/Surplus in accordance with *Section 33(3) of the Health Act 2004*, as amended	3(b)	85,174	(16,356)		**68,818**
Net (Deficit)/Surplus for the year		60,462	15,228		**75,690**
Proceeds of Disposal Account – reserves movement	14		0		**0**
Additions to Property, Plant and Equipment in the year	13(a)			333,735	**333,735**
State Investment in PPP Service Concession Arrangements				5,424	**5,424**
Less: Net book value of Property, Plant and Equipment disposed in year				(8,268)	**(8,268)**
Less: Depreciation charge in year	15			(195,572)	**(195,572)**
Balance at 31 December 2019		(1,069,168)	(123,759)	5,252,331	**4,059,404**
Balance at 1 January 2020		(1,069,168)	(123,759)	5,252,331	**4,059,404**
Transfer of Deficit/(Surplus) in accordance with *Section 33(3) of the Health Act 2004*, as amended	3(b)	(6,472)	(15,182)		**(21,654)**
Net Surplus for the year		200,711	67,406		**268,117**
DOH Debtor offset by First Surplus	3(b)	(53,990)	(46)		**(54,036)**
Proceeds of Disposal Account – reserves movement	14		(0)		**(0)**
Additions to Property, Plant and Equipment in the year	13(a)			446,918	**446,918**
State Investment in PPP Service Concession Arrangements				3,186	**3,186**
Less: Net book value of Property, Plant and Equipment disposed in year				(6,544)	**(6,544)**
Less: Depreciation charge in year	15			(226,530)	**(226,530)**
Balance at 31 December 2020		(928,919)	(71,581)	5,469,361	**4,468,861**

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

Ciarán Devane
Chairperson

26 May 2021

Paul Reid
CEO

26 May 2021

Statement of Financial Position

As at 31 December 2020

	Notes	2020 €'000	2019 €'000
Fixed Assets			
Property, Plant and Equipment	15	**5,618,343**	5,404,501
Financial Assets		**351**	360
Total Fixed Assets		**5,618,694**	5,404,861
Current Assets			
Inventories	16	**359,880**	170,162
Trade and Other Receivables	17	**415,613**	451,204
Cash	21	**812,031**	353,605
Creditors (amounts falling due within one year)	18	**(2,517,147)**	(2,096,590)
Net Current Liabilities		**(929,623)**	(1,121,619)
Creditors (amounts falling due after more than one year)	19	**(168,419)**	(174,031)
Deferred Income	20	**(51,791)**	(49,807)
Net Assets		**4,468,861**	4,059,404
Capitalisation Account		**5,469,361**	5,252,331
Capital Reserves		**(71,581)**	(123,759)
Revenue Reserves		**(928,919)**	(1,069,168)
Capital and Reserves		**4,468,861**	4,059,404

The primary financial statements of the HSE comprise the Statement of Revenue Income and Expenditure, Statement of Capital Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position and Statement of Cash Flows.

Ciarán Devane
Chairperson

26 May 2021

Paul Reid
CEO

26 May 2021

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
Net Cash Inflow from Operating Activities	21	**486,412**	298,254
Cash Flow from Investing Activities			
Donation of Shares		**0**	(358)
Cash payments for Capital purposes		**(966,883)**	(670,680)
Cash payments from Revenue for Capital purposes	13(a)	**(84,502)**	(59,404)
Receipts from sale of property, plant and equipment (excluding trade-ins)	14	**9,179**	2,979
Net Cash Outflow from Investing Activities		**(1,042,206)**	(727,463)
Cash Flow from Financing Activities			
Capital Grant received		**1,023,288**	678,113
Capital receipts from other sources	13(c)	**1,752**	3,764
State Investment in PPP Service Concession Arrangements		**(3,186)**	(5,424)
Payment of capital element of finance lease		**(1,724)**	(1,665)
Interest paid on loans and overdrafts		**(9)**	0
Interest paid on Service Concession Arrangements		**(5,025)**	(5,167)
Interest paid on finance leases		**(876)**	(935)
Net Cash Inflow from Financing Activities		**1,014,220**	668,686
Increase in cash and cash equivalents in the year		**458,426**	239,477
Cash and cash equivalents at the beginning of the year		**353,605**	114,128
Cash and cash equivalents at the end of the year		**812,031**	353,605

2019 Cashflow comparative figures have been restated to reflect 2020 Classifications

Ciarán Devane
Chairperson

26 May 2021

Paul Reid
CEO

26 May 2021

Notes to the Financial Statements

Note 1(a) Accounting Policies

Statement of Compliance and Basis of Preparation

The Financial Statements have been prepared on an accruals basis, in accordance with the historical cost convention. Under Section 36(3) of the *Health Act 2004*, the Minister specifies the accounting standards to be followed by the HSE. The HSE has adopted Irish and UK Generally Accepted Accounting Principles (GAAP), FRS 102, in accordance with accounting standards issued by the Financial Reporting Council subject to the following exceptions specified by the Minister:

1. Depreciation is not charged to the Statement of Revenue Income and Expenditure, rather it is charged against the Capitalisation (Reserve) Account balance. Under GAAP depreciation must be charged in the Statement of Revenue Income and Expenditure.
2. Capital grants received from the State to fund the purchase of property, plant and equipment are recorded in the Statement of Capital Income and Expenditure. Under GAAP, capital grants are recorded as deferred income and amortised over the useful life of related property, plant and equipment, in order to match the accounting treatment of the grant against the related depreciation charge. Capital expenditure in relation to assets other than those purchased by way of service concession arrangement are recognised in the Statement of Capital Income and Expenditure as incurred. Under FRS 102, such expenditure is capitalised and charged to income and expenditure over the life of the asset.
3. Pensions are accounted for on a 'pay as-you go' basis. The provisions of FRS 102 '*Section 28: Employee Benefits'* are not applied and the liability for future pension benefits accrued in the year has not been recognised in the financial statements.
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. This does not comply with FRS 102 '*Section 21: Provisions and Contingencies'*. Details of the amount recognised in the Statement of Revenue Income and Expenditure in 2020, together with the actuarially estimated future liability attaching to this scheme at 31 December 2020, are set out in Note 11.
5. The Consultant Contract (2008) settlement was agreed between the State and medical consultants in June 2018 and provided for the payment of retrospective remuneration in 2019 and 2020 to eligible consultants, subject to compliance with the terms of the legal agreement. The estimated liability arising from the settlement had not been recognised in 2018. This was not compliant with FRS 102 '*Section 21 – Provisions and Contingencies'*, which requires the recognition of the liability due at the year end date. Recognition of this remuneration was matched with funding allocated on a 'receipts and payments' basis in 2019 and 2020. Further detail on this matter is set out in Note 26.

The HSE financial statements are prepared in Euro and rounded to the nearest €'000.

Going Concern

The COVID-19 pandemic has placed a significant burden on the HSE and the country as a whole which has required significant additional funding both in the current year and in future years. The HSE have received the required additional funding in 2020. The HSE is also in receipt of the 2021 Letter of Determination from the Minister for Health which confirms that the government is committed to the provision of appropriate funding for existing key HSE activities, including meeting the challenges of COVID-19 work-streams. This therefore provides a high level of assurance that it is appropriate to prepare the Financial Statements for 2020 on the Going Concern basis.

Income Recognition

Department of Health Revenue and Capital Grant

Monies to fund the health service are voted to the Department of Health (Vote 38). The Department of Health provides grants to the HSE in respect of administration, capital and non-capital services.

Section 33(1) of *Health Act 2004*, as amended, provides that each year the Minister will issue a Letter of Determination to the HSE setting out the maximum expenditure it may incur in the relevant financial year. The final Letter of Determination in relation to 2020 was received on 7 May 2021.

In accordance with the accounting standards prescribed by the Minister, the HSE accounts for grants on an accruals basis. Accordingly, the amount specified in the Letter of Determination for the relevant financial year is recognised as income in that year.

Grant income in respect of administration and non-capital services is accounted for:

- In the Statement of Revenue Income and Expenditure where it is applied to non-capital areas of expenditure;
- In the Statement of Capital Income and Expenditure under the heading '*Revenue Funding Applied to Capital Projects*' where non-capital grant monies is used to fund capital expenditure.

Grant income in respect of capital services is accounted for in the Statement of Capital Income and Expenditure.

Section 33(3) of the *Health Act 2004*, as amended, requires the HSE to manage and deliver services in a manner that is in accordance with an approved Service Plan and within the determination notified by the Minister. The Act provides for any deficits to be charged to income and expenditure in the next financial year and, subject to the approval of the Minister with the consent of the Department of Public Expenditure and Reform, for surpluses to be credited to income and expenditure in the next financial year.

Other Income

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

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

iii. Income from all other sources is recognised when received with the exception of advanced payments for specified products and services that are to be delivered in the future where the expenditure has not yet occurred.

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 funding is charged, in the year of account, to income and expenditure at the maximum determined level for the year, although a certain element may not actually be disbursed until the following year.

Leases

Operating Leases – Rentals payable under operating leases are dealt with in the Financial Statements as they fall due. Lease incentives are recognised over the lease term on a straight line basis.

Finance Leases – The HSE is not permitted to enter into finance lease obligations under the Department of Public Expenditure and Reform's Public Financial Procedures, without prior sanction or approval from the HSE. 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.

Assets purchased by way of finance lease are stated at initial recognition at an amount equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments at inception of the lease. At initial recognition, a finance lease liability is also recognised at an amount equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

In addition to the normal GAAP treatment for assets acquired under finance leases, the cost of the asset is charged to the Statement of Capital Income and Expenditure 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 calculated using the effective interest rate method and charged to income and expenditure over the period of the lease.

Capital Grants

Capital grant funding is recorded in the Statement of Capital Income and Expenditure. 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 Statement of Revenue Income and Expenditure 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.

Notes to the Financial Statements – continued

Note 1(a) Accounting Policies – continued

Property, Plant and Equipment and Capitalisation Account

Valuation – Property, Plant and Equipment comprise Land, Buildings, Work in Progress, Equipment and Motor Vehicles.

- The carrying values of assets taken over from predecessor bodies by the HSE were 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 Statement of Financial Position. On establishment of the HSE, land of predecessor bodies was included at valuation based on rates per hectare/square metre supplied by the Department of Health following consultation with the Valuation Office. These valuations were last updated in 2002. The HSE continues to value land taken over from predecessor bodies using these rates. It should be noted that lands owned by the HSE are held for the provision of health and personal social services.
- Property plant and equipment additions since 1 January 2005 are stated at historic cost less accumulated depreciation.

Capital Expenditure Recognition – In accordance with the accounting standards prescribed by the Minister, expenditure on property, plant and equipment additions is charged to the Statement of Revenue Income and Expenditure or the Statement of Capital Income and Expenditure, depending on whether the asset is funded by capital or revenue funding.

Capitalisation Policy – 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 13(b) under '*Expenditure on HSE projects not resulting in Property, Plant and Equipment additions*'. A breakdown of asset additions by funding source is provided in Note 13(a) to the accounts.

Primary Care Centres acquired under Public Private Partnership (PPP) service concession arrangements are capitalised and accounted for using the finance lease liability model.

The value of the Primary Care Centre asset and the service concession liability is recognised as assets and liabilities in the Statement of Financial Position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Future minimum lease payments are calculated from the unitary charge payments set out in the contract, to be made directly by the HSE. The property elements of the unitary charge plus any reliably measured capital element of operational payments are used as the basis of the future minimum lease payments.

PPP service concession arrangements are accounted for in the HSE's accounts using the Capital Investment Approach. This provides for the accumulation of capital value reflecting the State's equity in PPP property assets. Using this approach the PPP capital commitment is recognised in the Capitalisation (Reserve) Account at an amount equal to the related finance lease liability. Over the life of the concession, the reduction in the outstanding finance lease liability is amortised annually through the Statement of Capital Income and Expenditure with the corresponding entry to the Capitalisation (Reserve) Account.

Depreciation – In accordance with the accounting standards specified by the Minister for Health, depreciation is not charged to the Statement of Income and Expenditure over the useful life of the asset. Instead, a Statement of Financial Position reserve account, the Capitalisation Account, is the reciprocal entry to Property, Plant and Equipment. Depreciation is charged to the Property, Plant and Equipment and Capitalisation Accounts over the useful economic life of the asset.

Assets are not depreciated where they have been acquired or are managed under PPP service concession agreements which guarantee residual useful lives and operating capacity at the end of the concession term that would be equivalent to that of the asset when it was first commissioned. Other fixed assets, where subject to depreciation, are depreciated for a full year in the year of acquisition.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

Depreciation on all other property, plant and equipment is calculated to write-off the original cost/valuation of each 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 fixed assets both the Property Plant and Equipment 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 the Statement of Changes in Reserves.

The Letter of Sanction for Capital provides for an allowance to re-invest proceeds of sale of fixed assets of up to €9.1 million in 2020 (2019: €2.9 million). The proceeds of the sale of assets in the 2020 AFS is below this €9.1 million threshold and is not considered to be Extra Exchequer Receipts (EERs) and in 2020 are reflected under Capital and Reserves.

Public Private Partnerships Service Concession Agreements

The HSE has entered into a public private partnership (PPP) or service concession agreement with a private sector entity to design, build, finance and maintain infrastructure assets for a specified period of time (concession period). This is a single PPP contract for the delivery of fourteen Primary Care Centres (PCC).

The HSE controls or regulates what services the operator must provide using the PCC infrastructure assets, to whom, and at what price; and the HSE controls the residual interest in the assets at the end of the term of the concession period.

The HSE makes payments over the life of the concession for the construction, financing, operating, maintenance and renewal of the PCC infrastructure assets and the delivery of services that are the subject of the concession.

The contract entered into is on an availability basis and is for a 25 year service period from the date of service commencement for each PCC, it is payable by way of an annual unitary charge. The unitary charge is subject to deductions for periods when the assets are unavailable for use.

Service charge elements of the unitary charge payments are expensed in the Statement of Capital Income and Expenditure. Obligations to make payments of an operational nature are disclosed in Note 22 to the financial statements.

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 Department of Health on a pay-as-you-go basis for this purpose. Funding from the Department of Health in respect of pensions is included in income. Pension payments under the schemes are charged to the Statement of Revenue Income and Expenditure when paid, as follows:

i. Superannuation paid to retired HSE employees is accounted for within the pay classification (see Note 6);
ii. Superannuation paid to retirees 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 Statement of Revenue Income and Expenditure 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.

No provision has been made in respect of pension benefits earned by employees and payable in future years under the pension scheme, consistent with the accounting treatment in previous years. This continues to be the treatment adopted by the HSE following the accounting specifications of the Minister.

The *Public Service (Single Scheme and Other Provisions) Act 2012* introduced the new Single Public Service Pension Scheme ("Single Scheme") which commenced with effect from 1 January 2013. All new staff members to the Health Service Executive, who are new entrants to the Public Sector, on or after 1 January 2013 are members of the Single Scheme. Single Scheme member contributions are paid over to the Department of Public Expenditure and Reform.

Notes to the Financial Statements – continued

Note 1(a) Accounting Policies – continued

Additional Superannuation Contribution (ASC)

ASC was introduced and operative from 1 January 2019 and replaces the Pension Related Deduction (PRD). Whereas PRD was a temporary emergency measure, ASC is a permanent contribution in respect of pension. Details of the amounts collected in respect of the ASC are set out in Note 5(a) to the Financial Statements.

Inventories

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated proceeds of sale less costs to be incurred in the sale of inventory. The HSE historically carries a provision against specific vaccine inventories and any other write offs and adjustments for obsolescence are charged in the current year against revenue income and expenditure.

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 Statement of Financial Position. The HSE acts as trustee of the funds. Patients' Private Property accounts are independently audited each year.

Critical Accounting Judgements and Estimates

The preparation of the financial statements requires the HSE to make significant judgements and estimates that effect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenue and capital income and expenditure during the year. However the nature of estimation means that actual outcomes could differ from those estimates. Whilst determining these judgements and estimates the HSE has taken into consideration the impact of COVID-19. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements and it has been determined that there is little or no impact arising from the current COVID-19 environment, and if appropriate comment has been made as below:

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. Provision is made for patient debts which are outstanding for more than one year.

Accrued Holiday Pay

Salaries, wages and employment related benefits are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the financial year is recognised in the financial statements to the extent that employees are permitted to carry forward unpaid annual leave into the following year. Due to different payroll systems across the HSE it was necessary to make assumptions in order to calculate the accrual. The assumptions underlying the holiday pay accrual, for which amounts are recognised in the financial statements, are determined (including employee profiles and the pattern of holidays taken) based on current conditions. Due to the COVID-19 pandemic there has been an increase in the number of annual leave days not taken by HSE staff and this is reflected in the quantum of the accrual as at 31 December 2020.

Primary Care Centres: Valuation, Depreciation, Residual Values and Future Minimum Lease Payments

Primary Care Centres (PCC) purchased by way of Public Private Partnership (PPP) service concession arrangements are capitalised and accounted for using the finance lease liability model.

The value of the PCC asset and the service concession liability is recognised as assets and liabilities in the Statement of Financial Position at amounts equal to the present value of the minimum lease payments.

Assets acquired under service concession agreements are, under specific contractual obligations in those agreements, handed back to the HSE at the end of the concession term with useful lives equivalent to that of the asset when originally commissioned. Performance of the 'hand back' provisions is guaranteed by significant financial retentions and penalties provided for in the concession agreements. As a result of these provisions the HSE does not charge depreciation on these assets.

Future minimum lease payments are calculated from the unitary charge payments set out in the construction contract financial model, to be made directly by HSE. The property elements of the unitary charge plus any reliably measured capital element of operational payments as used at the basis of the future minimum lease payments. In line with FRS 102, the effective interest rate is used to discount the future construction related liabilities arising from concession agreements. The HSE selected a discount rate of 3.32% after consultation with the National Development Finance Agency (NDFA), on the basis that it reflects an appropriate rate for long term infrastructure assets.

The HSE have reviewed the asset lives and associated residual values of the Primary Care Centres and have concluded that the asset lives and residual values are appropriate.

Note 1(b) COVID-19

The COVID-19 pandemic has had an unprecedented impact on the HSE, its hospital, ambulance and community services, its staff across all disciplines but particularly frontline staff which altogether has placed significant pressure on funding and expenditure during the full year of 2020.

The HSE has received additional Revenue and Capital funding from the Department of Health in 2020 of €3.3 billion of which €2.8 billion has been provided in respect of initiatives to ensure the delivery of ongoing health services whilst rising to the challenges presented by the impact of the COVID-19 pandemic.

This additional funding has been used across the following key areas and initiatives which are fundamental to the HSE's COVID-19 strategy. These are summarised below:

- Testing and Tracing Initiative
- GP COVID-19 related services
- Temporary Payment Assistance Scheme for private nursing homes (TAPS)
- Commissioning of Private Hospital Capacity
- Procurement of Personal Protective Equipment (PPE) and associated logistics costs
- Winter planning in the context of the pandemic
- Capital costs related to setting up testing centres, step down facilities such as City West and enabling works in various locations to reflect additional safety needs related to COVID-19.

The material items of expenditure which are primarily driven by the COVID-19 response are further reported in Note 8, Note 12, and Note 16 and are discussed in more detail below.

The cost of Personal Protective Equipment (PPE)

The timely ordering and purchasing of PPE was vital to the HSE's management of the pandemic and because of worldwide demand and supply shortages, the HSE was forced to pay higher than normal prices and ultimately the cost of PPE in 2020 was estimated to be within Government Sanction of €920m.

Of the overall PPE expenditure, €182m is reflected in year end inventories (Note 16) whilst the balance has been charged to the HSE's Income and Expenditure account across a number of headings (see Note 8; Medical & Surgical Supplies, Bedding & Clothing, Cleaning & Washing and Transportation).

Included in the cost of PPE is €32m in respect of air transportation of PPE and other logistics, warehousing and freight costs related to the distribution and storage of this PPE of €27m. This is shown in Note 8 to the AFS.

The HSE purchased protective suits early in 2020 which were expected to be utilised in clinical settings for the protection of staff, patients, and service users. As the pandemic continued the clinical guidance indicated that protective gowns were the preferred and most clinically appropriate PPE for use and as a result, the HSE had almost 2.9 million suits on hand at the year end. It was estimated that 2.5 million were unlikely to be used and therefore, it was deemed prudent to create a provision for anticipated obsolescence at a cost of €64m.

Notes to the Financial Statements – continued

Note 1(b) COVID-19 – continued

Most of the orders for vital PPE were ordered in the first half of 2020 at a time when demand across the world was very high and supplies were hard to source. The HSE successfully secured this vital PPE despite the challenges in the market, albeit at higher-than-normal cost. During the latter half of 2020 market prices reduced to more normal rates.

The HSE is required under accounting rules to revalue stock that is held on the reporting date at the lower of cost or net realisable value. The original cost of the stock held at the reporting date was €556m, however, the actual net realisable value of that stock was €182 resulting in an overall write down of €374m.

As reported above €64m of that write down relates to the provision recorded against protective suits and the balance of €310m represents the write off attributable to cost.

Ventilators and Bad Debt Provision 2020

Ventilators are a key piece of medical equipment vital to the treatment in our hospitals of seriously ill COVID-19 patients. The global pandemic caused a shortage worldwide of both PPE and ventilators and the HSE was able to secure orders of ventilators only on the basis in many cases of advance payments.

At the year end the HSE has recognised a bad debt provision in the region of €42.5m which is reflected in Note 8 to the AFS.

Other key areas of COVID-19 related expenditure in 2020

- Laboratory costs and testing have increased by €157m arising from COVID-19 testing needs
- Doctor's Fees and Allowances have increased by €192m in recognition of the additional strain on GP practices and associated services such as assessment hubs and COVID-19 referral
- The TAPS scheme has provided an additional €77m in respect of private nursing home services
- Property and Estates and office administration type costs have increased by €117m as additional properties have been needed to support frontline staff, step down facilities and social distancing safety measures
- Grants to outside agencies have increased by over €743m in recognition of the additional COVID-19 challenges in the voluntary hospitals and agencies which the HSE funds. Additionally, the circa €289m cost of securing private hospital capacity to support the health system is included in this increase
- Other medical equipment has increased by circa €107m reflecting the purchase of vital medical equipment required in the context of COVID-19 response.

The HSE has considered the impact of COVID-19 when determining whether it is appropriate to prepare these Annual Financial Statements on the basis of going concern. Given the significant investment by the State in the HSE and its services during 2020 as detailed above along with the fact that funding has been secured for 2021 as well as the longer term *Sláintecare* plan for the provision of future health services the HSE has determined that these Annual Financial statements are prepared on the going concern basis.

The review and impact on the HSE's governance and controls environment is considered in the Statement of Internal Control.

Note 2 Operating Surplus

	2020 €'000	2019 €'000
Net operating surplus for the year is arrived at after charging:		
Audit fees	**653**	594
Remuneration CEO*	**426**	337

* The CEO received total remuneration of €426,208 comprising basic pay €358,651, allowances €48,416 and benefit in kind (company car) €19,141.

The CEO is not a member of the HSE pension scheme and no employer pension contributions are made by the HSE on the behalf of the CEO. As a consequence the CEO receives an equivalent pension allowance.

	2020 €	2019 €
Directorate members' expenses*		
Dean Sullivan	**0**	11,041
Rosarii Mannion	**0**	4,555
Anne O'Connor (appointed 11 June 2018)	**0**	526
Liam Woods (appointed 01 January 2019, resigned 13 May 2019)	**0**	3,903
Dr Colm Henry (appointed 16 October 2018)	**0**	5,101
	0	25,126

* In 2019 Directorate members' expenses were from 1 January to 27 June 2019

The Chief Executive Officer total expenses for 2020 amounted to €3,579 (2019: €3,411).

	2020 €	2019 €
Board members' expenses*		
Ciarán Devane	**2,162**	3,090
Professor Deirdre Madden	**1,831**	2,570
Fergus Finlay	**0**	0
Fiona Ross	**0**	0
Mark Molloy (resigned 7 January 2020)	**0**	1,647
Dr Yvonne Traynor	**0**	278
Tim Hynes	**0**	0
Aogán Ó Fearghail	**0**	2,136
Dr Sarah McLoughlin	**0**	986
Brendan Lenihan	**0**	2,268
Professor Fergus O'Kelly	**0**	0
	3,993	12,975

* Board members' expenses for 2019 were from the date of appointment.

The Board of the HSE was established on 28 June 2019 as governing body of the HSE in accordance with the Health Service Executive (Governance) Act 2019. The Act provides for a Chief Executive Officer who is accountable to the Board but is not a Board member. Fees are paid to Board members.

Notes to the Financial Statements – continued

Note 3 Department of Health Revenue and Capital Grant

	2020 €'000	2019 €'000
3(a) Department of Health Revenue and Capital Grant		
Net Revenue Funding allocated to HSE	**20,474,829**	17,149,136
Less: Capital Funding	**(1,023,288)**	(678,113)
Department of Health Revenue Grant	**19,451,541**	16,471,023

The table below provides further analysis of Department of Health funding received.

	2020 €'000	2019 €'000
Revenue Grant – Funding allocation from the Department of Health	**19,451,541**	16,471,023
Less: Remittances from Department of Health between 1 January and 31 December	**(19,451,541)**	(16,471,894)
Revenue Grant balance due from Department of Health (up to Approved Allocation) carried forward	**53,990**	54,861
Revenue Grant balance due from Department of Health offset against First Suplus 2019	**(53,990)**	0
Revenue Grant balance due from Department of Health (up to Approved Allocation) as at 31 December	**0**	53,990
Capital Grant – Funding allocation from the Department of Health	**1,023,288**	678,113
Less: Remittances from Department of Health between 1 January and 31 December	**(1,023,288)**	(678,113)
Capital Grant balance due from Department of Health (up to Approved Allocation) carried forward	**46**	46
Capital Grant balance due from Department of Health offset against First Suplus 2019	**(46)**	0
	0	46
Total Revenue and Capital Grant due from Department of Health, up to Approved Allocation, as at 31 December (Note 17)	**0**	54,036

3(b) Transfer of (Deficit)/Surplus in accordance with Section 33(3) of the Health Act 2004, as amended

As outlined in the accounting policies, Section 33(3) of the Health Act 2004, as amended, requires that deficits arising in the preceding year must be charged to the Statement of Income and Expenditure in the current year and, subject to the approval of the Minister with the consent of the Department of Public Expenditure and Reform, for surpluses to be credited to the Statement of Income and Expenditure. The HSE has credited the revenue operating surplus of €60.46m at 31 December 2019 to the Statement of Revenue Income and Expenditure in 2020. Of this €60.46m, as instructed by the Department of Health, €53.99m has been used to offset the Department of Health Debtor at 31 December 2019, resulting in a credit of €6.47m showing in the Statement of Revenue Income and Expenditure.

Similarly, the capital operating surplus of €15.23m at 31 December 2019 was credited to the Statement of Capital Income and Expenditure in 2020. Of this €15.23m, as instructed by Department of Health, €0.046m has been used to offset the Department of Health Debtor at 31 December 2019, resulting in a credit of €15.182m showing in the Statement of Capital Income and Expenditure.

Note 4 Patient Income

	2020 €'000	2019 €'000
Private Charges	**206,938**	276,052
Inpatient Charges	**20,597**	23,439
Emergency Department Charges	**11,670**	13,608
Road Traffic Accident Charges	**3,385**	5,902
Long Stay Charges	**78,735**	81,269
EU Income – E111 Claims	**7,224**	7,979
	328,549	408,249

Note 5 Other Income

	2020 €'000	2019 €'000
(a) Other Income		
Superannuation Income	**159,838**	158,099
Additional Superannuation Contributions (ASC) deductions from HSE own staff	**130,264**	139,517
Additional Superannuation Contributions (ASC) deductions from service providers	**61,639**	76,506
Other Payroll Deductions	**8,833**	7,775
Secondment Recoupments of Pay	**18,659**	18,527
Agency/Services – provided to Local Authorities and other organisations	**8,595**	7,761
Canteen Receipts	**8,759**	11,930
Certificates and Registration Income	**8,081**	11,647
Parking	**5,233**	12,109
Refunds	**12,515**	12,530
Rental Income	**2,422**	4,463
Donations	**2,376**	2,747
Legal Costs Recovered	**253**	701
Income from other Agencies (See Note 5(b) analysis below)	**36,992**	26,082
Miscellaneous Income	**13,719**	13,803
	478,178	504,197

Notes to the Financial Statements – continued

Note 5 Other Income – continued

	2020 €'000	2019 €'000
(b) Income from Other Agencies*		
Department of Foreign Affairs & Trade – Irish Aid: programme for overseas development	**142**	151
Friends of St. Lukes Rathgar	**88**	390
Department of Arts, Heritage, Regional and Gaeltacht Affairs – Helicopter Services	**74**	183
Pobal/Slainte Care	**3,775**	0
Clinical Trials Ireland – Clinical Research Trials	**964**	1,035
EU Income – various projects	**6,566**	2,908
Genio Trust (Mental Health Projects)	**3,894**	4,226
Education and Training Boards/Solas	**1,028**	1,372
Regional Drug Task Force	**727**	222
The Atlantic Philanthropies – National Dementia Strategy	**959**	380
Katherine Howard Foundation – Nurture	**1,110**	1,792
National Treatment Purchase Fund	**15,339**	10,499
UHL Chidrens Ark Development Fund	**172**	0
UCC Oncology Clinical Trials	**1,055**	333
Nursing and Midwifery Board of Ireland	**57**	107
BMS Clinical Trials	**110**	0
Niall Horan Donation	**100**	0
Novartis (Donations & Clinical Trials)	**432**	3
Kerry Hospice Donation	**400**	0
Department of Justice-Irish Refugee	**0**	257
Friends of Letterkenny University Hospital – Radiology System	**0**	1,406
Enterprise Ireland	**0**	100
NEIC Development Grant	**0**	719
	36,992	26,082

* Only income from agencies in excess of €100,000 in either year are shown. Income from Other Agencies that did not exceed €100,000 in either year is shown at Note 5(a) under Miscellaneous Income. Accordingly, the 2019 comparatives above have been re-stated where appropriate.

Note 6 Pay and Pensions Expenditure

	2020 €'000	2019 €'000
Clinical HSE Staff		
Medical/Dental	**1,048,654**	944,291
Nursing	**1,724,700**	1,622,268
Health and Social Care Professional	**664,303**	612,590
Superannuation	**472,403**	460,254
	3,910,060	3,639,403
Clinical Agency Staff		
Medical/Dental	**95,488**	95,427
Nursing	**87,277**	79,958
Health and Social Care Professional	**34,467**	27,861
	217,232	203,246
Non Clinical HSE Staff Management/Administration	**735,908**	684,370
General Support Staff	**351,511**	331,607
Superannuation	**184,022**	181,186
	1,271,441	1,197,163
Non Clinical Agency Staff Management/Administration	**44,327**	30,010
General Support Staff	**52,518**	41,176
	96,845	71,186
Other Client/Patient Services HSE Staff		
Other Patient and Client Care	**764,374**	714,760
Superannuation	**110,278**	106,036
	874,652	820,796
Other Client/Patient Services Agency Staff		
Other Patient and Client Care	**76,021**	75,015
	76,021	75,015
Total Pay Expenditure	**6,446,251**	6,006,809

Notes to the Financial Statements – continued

Note 6 Summary Analysis of Pay Costs

	Clinical	Non Clinical	Other Client/ Patient Services	Total	Total
	2020 €'000	2020 €'000	2020 €'000	2020 €'000	2019 €'000
Basic Pay	2,582,486	933,511	558,483	**4,074,480**	3,803,874
Allowances	98,766	8,783	24,576	**132,125**	124,738
Overtime	162,301	18,673	29,856	**210,830**	187,752
Night duty	61,747	5,003	17,561	**84,311**	76,555
Weekends	121,386	25,610	47,158	**194,154**	190,901
On-Call	61,564	2,462	13,985	**78,011**	57,565
Arrears	41,187	1,467	1,586	**44,240**	39,430
Wages and Salaries	3,129,436	995,509	693,205	**4,818,150**	4,480,815
Employer PRSI	308,221	91,909	71,169	**471,299**	429,071
Superannuation*	472,403	184,023	110,278	**766,704**	747,476
Total HSE Pay	3,910,060	1,271,441	874,652	**6,056,153**	5,657,362
Agency Pay	217,232	96,845	76,021	**390,098**	349,447
Total Pay	4,127,292	1,368,286	950,673	**6,446,251**	6,006,809

Total Pay Costs above relate to HSE services only. 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.

Superannuation

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 income and expenditure 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 and no charge is made to the Statement of Revenue Income and Expenditure in respect of this. Superannuation contributions from employees who are members of these schemes are credited to the Statement of Revenue Income and Expenditure when received. No formal actuarial valuations of the HSE's pension liabilities are carried out. The Pension charge to the Statement of Revenue Income and Expenditure for 2020 was €767m (2019: €747m), which included payments in respect of once-off lump sums and gratuity payments on retirement of €117m (2019: €112m).

	2020 €'000	2019 €'000
*Analysis of Superannuation		
Ongoing superannuation payments to pensioners	**650,020**	635,560
Once-off lump sums and gratuity payments	**116,684**	111,916
	766,704	747,476

Termination Benefits

	2020 €'000	2019 €'000
Termination benefits charged to Statement of Revenue Income and Expenditure	**110**	282
	110	282

The termination benefits above relate to settlements with three staff during 2020 (2019: seven staff).

In addition to the payments outlined above, no staff were granted added years on termination. The value of enhanced pension arrangements was €nil.

Legal costs of €33,494 (2019: €274,759) were also incurred in relation to concluding the termination agreements.

Note 7 Employment

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

	2020	2019*
Acute Services	**36,215**	33,917
Mental Health	**9,855**	9,513
Primary Care	**10,872**	9,923
Disability and Older Persons' Services	**16,758**	16,428
Community Health & Wellbeing	**144**	–
Health and Wellbeing	**511**	573
Ambulance Services	**1,990**	1,933
Corporate and HBS	**4,847**	4,618
Total HSE employees	**81,192**	**76,905**
Voluntary Sector – Acute Services	**28,234**	26,230
Voluntary Sector – Non Acute Services	**16,748**	16,682
Sub-total Section 38 Sector employees* **	**44,982**	**42,912**
Total Health Sector Employees (including Home Helps)** **	**126,174**	**119,817**

Source: Health Service Personnel Census

* 2019 figures are restated to reflect current methodology and organisational mappings.

** All figures are calculated to 2 decimals and expressed as whole-time equivalents (WTE) under a methodology as set out by the Department of Health

*** Health Sector staffing figures relate to direct employment levels as returned through the Health Service Personnel Census (HSPC) for the public health sector (HSE & Section 38 Voluntary Hospitals & Agencies).

**** Directly employed home help staff are included in reported WTE w.e.f. 2019 and historical figures have been restated to reflect this methodology change. Pre-registration Student Nurses on clinical placement are recorded at 50 percent actual WTE in line with WRC agreement.

Notes to the Financial Statements – continued

Note 7 Employment – continued

Additional Analysis – Department of Expenditure and Reform Circular 13/2014 requirement

The number of HSE employees whose total employee benefits (including basic pay, allowances, overtime, night duty, weekends, on-call, arrears and excluding employer PRSI, employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards are as follows:

Pay Band (Number of Staff)	2020	2019
€60,001 to €70,000	**10,409**	8,613
€70,001 to €80,000	**5,211**	3,497
€80,001 to €90,000	**2,734**	2,206
€90,001 to €100,000	**1,450**	981
€100,001 to €110,000	**676**	581
€110,001 to €120,000	**439**	428
€120,001 to €130,000	**285**	162
€130,001 to €140,000	**158**	138
€140,001 to €150,000	**137**	129
€150,001 to €160,000	**145**	166
€160,001 to €170,000	**164**	171
€170,001 to €180,000	**165**	131
€180,001 to €190,000	**163**	124
€190,001 to €200,000	**108**	103
€200,001 to €210,000	**122**	78
€210,001 to €220,000	**79**	85
€220,001 to €230,000	**67**	87
€230,001 to €240,000	**93**	88
€240,001 to €250,000	**92**	128
€250,001 to €260,000	**107**	101
€260,001 to €270,000	**123**	136
€270,001 to €280,000	**103**	78
€280,001 to €290,000	**85**	65
€290,001 to €300,000	**69**	48
€300,001 to €310,000	**56**	38
€310,001 to €320,000	**39**	24
€320,001 to €330,000	**19**	20
€330,001 to €340,000	**20**	18
€340,001 to €350,000	**23**	1

Pay Band (Number of Staff)	2020	2019
€350,001 to €360,000	**17**	7
€360,001 to €370,000	**15**	3
€370,001 to €380,000	**7**	8
€380,001 to €390,000	**5**	1
€390,001 to €400,000	**4**	4
€400,001 to €410,000	**3**	1
€410,001 to €420,000	**5**	1
€420,001 to €430,000	**4**	1
€440,001 to €450,000	**2**	1
€450,001 to €460,000	**2**	5
€480,001 to €490,000	**3**	0
€490,001 to €500,000	**1**	0
€500,001 to €510,000	**0**	1
€510,001 to €520,000	**1**	0
€570,001 to €580,000	**0**	1
€590,001 to €600,000	**1**	0
€640,001 to €650,000	**1**	0
Total HSE employees in excess of €60,001	**23,412**	18,459

The HSE does not have an integrated payroll system and this disclosure which is required by DPER circular 13/2014 has therefore been prepared from multiple payroll systems across HSE areas.

Notes to the Financial Statements – continued

Note 8 Non Pay Expenditure*

	2020 €'000	2019 €'000
Clinical		
Drugs and Medicines (excl. demand led schemes)	**341,910**	326,693
Less Rebate from Pharmaceutical Manufacturers**	**(9,141)**	(9,190)
Net Cost Drugs and Medicines (excl. demand led schemes)	**332,769**	317,503
Blood/Blood Products	**29,810**	30,687
Medical Gases	**11,788**	12,420
Medical/Surgical Supplies	**894,520**	314,053
Other Medical Equipment	**273,083**	166,202
X-Ray/Imaging	**38,703**	37,671
Laboratory	**298,486**	141,806
Professional Services (e.g. therapy costs, radiology, etc.)	**116,449**	104,268
Education and Training	**71,093**	62,248
	2,066,701	1,186,858
Transport and Ambulance Services†		
Patient Transport	**59,067†**	57,534
Vehicles Running Costs	**17,345**	17,190
Transportation and Logistical costs related to purchase of PPE†	**59,278†**	0
	135,690	74,724
Primary Care and Medical Card Schemes		
Pharmaceutical Services	**2,537,829**	2,406,513
Less Rebate from Pharmaceutical Manufacturers**	**(186,896)**	(182,841)
Less Prescription Levy Charges	**(79,704)**	(85,334)
Net Cost Pharmaceutical Services	**2,271,229**	2,138,338
Doctors' Fees and Allowances	**808,457**	616,772
Pension Payments to Former District Medical Officers/Dependents	**2,059**	2,081
Dental Treatment Services Scheme	**40,074**	55,584
Community Ophthalmic Services Scheme	**22,313**	29,262
Cash Allowances (Blind Welfare, Mobility, etc.)	**30,881**	30,629
Capitation Payments:		
Treatment Abroad Schemes and Related Expenditure	**49,460**	54,441
Intellectual/Physical Disabilities, Psychiatry, Therapeutic Services, etc.	**296,386**	251,246
Elderly and Non-Fair Deal Nursing Home Payments	**78,853**	71,099
Rehabilitative and Vocational Training	**26,255**	21,362
Respite Beds	**16,438**	14,851
	3,642,405	3,285,665

† Since publication of this Annual Report 2020, an amendment has been made to the presentation of this table in the published on-line version to reflect removal of the word 'Patient' from the heading 'Transport and Ambulance Service', amendment of the 2020 costs for 'Patient Transport' from 118,345 to 59,067 and inclusion of an additional line 'Transportation and Logistical costs related to purchase of PPE' with 2020 costs of 59,278.

	2020 €'000	2019 €'000
Other Client/Patient Services		
Professional Services e.g. care assistants, childcare contracted services, etc.	**8,015**	5,686
Education and Training	**746**	1,233
	8,761	6,919
Grants to Outside Agencies		
Revenue Grants to Outside Agencies (Appendix 1)	**5,442,823**	4,699,339
	5,442,823	4,699,339
Housekeeping		
Catering	**65,926**	65,167
Heat, Power and Light	**65,791**	65,770
Cleaning and Washing	**187,104**	108,225
Furniture, Crockery and Hardware	**23,011**	15,692
Bedding and Clothing	**41,798**	14,658
	383,630	269,512
Office and Administration Expenses		
Maintenance	**157,291**	120,600
Finance Costs	**3,242**	3,137
Prompt Payment Interest and Compensation	**467**	420
Insurance	**6,770**	6,349
Audit	**653**	594
Legal and Professional Fees	**102,300**	73,410
Bad and Doubtful Debts	**70,114**	29,171
Education and Training	**12,509**	14,224
Travel and Subsistence	**61,537**	73,367
Vehicle Costs	**6,932**	2,357
Office Expenses	**161,011**	147,549
Rent and Rates	**108,210**	71,527
Computers and Systems Maintenance	**104,174**	75,543
	795,210	618,248

Notes to the Financial Statements – continued

Note 8 Non Pay Expenditure – continued

	2020 €'000	2019 €'000
Other Operating Expenses		
Licences	**1,037**	893
Sundry Expenses	**(3,889)**	7,720
Burial Expenses	**174**	149
Recreation (Residential Units)	**729**	1,032
Materials for Workshops	**216**	353
Meals on Wheels Subsidisation	**1,508**	1,368
Ex Gratia Payments to Patients***	**288**	62
Refunds	**744**	642
	807	12,219

* Note 1(b) provides additional analysis in respect of material year on year increases

** In respect of 2016 IPHA Agreement and special arrangements for specific drugs and medicines.

*** This relates to CervicalCheck payments

Note 9 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

A special account was 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 2020 for this purpose. The majority of this funding refers to a provision for payments that will arise as a result of follow-on claims and offer acceptances.

The scheme closed to new applicants on 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. Up to 31 December 2020, 20,302 claims were paid. As at December 2020, there were no outstanding claims being processed to offer stage under the scheme. €0.494m has been provided in the HSE's 2021 budget to fund repayments for outstanding claims and associated administrative costs.

The cumulative total expenditure of the scheme (including administrative costs) to 31 December 2020 is €485.92m.

In 2020, the following expenditure has been charged to the Statement of Revenue Income and Expenditure in respect of the Repayments Scheme:

	2020 €'000	2019 €'000
Pay	**23**	96
Non Pay		
Repayments to Patients	**55**	1
Payments to Third Party Scheme Administrator	**0**	0
	55	1
Legal and Professional Fees	**0**	0
Office Expenses*	**21**	37
Total Non Pay	**76**	38
Total	**99**	134

*All expenditure in relation to the Health (Repayment Scheme) Act 2006 is included in HSE expenditure.

Note 10 The 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 covers 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 was originally estimated at €90m. The cumulative expenditure on the insurance scheme to 31 December 2020 was €12.2m.

In 2020, the following expenditure has been charged to the Statement of Revenue Income and Expenditure in respect of the Insurance Scheme:

	2020 €'000	2019 €'000
Pay	**91**	89
Non Pay		
Payments of premium loadings	**233**	511
Payments of benefits underwritten by HSE	**821**	130
	1,054	641
Office Expenses*	**14**	15
Total Non Pay	**1,068**	656
Total**	**1,159**	745

* All expenditure in relation to the Hepatitis C Compensation Tribunal (Amendment) Act 2006 is included in HSE expenditure.

** These costs are included in the Hepatitis C Insurance Scheme Special Account. Other Hepatitis C Costs are included in the Hepatitis C Special Account and the Hepatitis C Reparation Account.

Notes to the Financial Statements – continued

Note 11 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. The State Claims Agency's best current estimate of the ultimate cost of resolving each claim, includes all foreseeable costs such as settlement amounts, plaintiff legal costs and defence costs such as fees payable to counsel, consultants, etc. In 2020, the charge to the Statement of Revenue Income and Expenditure was €372.7m (2019: €390.9m). Based on actuarial estimates, the charge to the Statement of Revenue Income and Expenditure 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.

The estimated liability is revised on a regular basis in light of any new information received for example past trends in settlement amounts and legal costs. At 31 December 2020, the estimated liability incurred to that date under the Clinical Indemnity Scheme and State indemnity was €3,687m (2019: €3,302m). Of this €3,687m, approximately €3,030m (2019: €2,722m) relates to active claims in respect of clinical care, with the balance of the estimated liability relating to non-clinical care claims. Active claims are those that have been notified to the State Claims Agency through legal process and that have not yet concluded as at the reporting date.

Note 12 Long Term Residential Care (incorporating Nursing Homes Support Scheme/Fair Deal)

The Nursing Homes Support Scheme (Fair Deal) commenced in 2009 and phases out the former Nursing Homes Subvention Scheme and the 'contract beds' system for older persons. Under the scheme, people who need long term residential care services have their income and assets assessed, and then contribute up to 80% of assessable income and up to 7.5% per annum of the value of the assets they own, subject to a maximum period of three years in respect of their principal private residence, towards the cost of their care. The HSE pays the balance, if any, of the costs of their care in both registered public and private nursing homes covered under the scheme.

Costs of Long Term Residential Care (Nursing Homes Support Scheme/Fair Deal)

	2020 €'000	2019 €'000
Private Nursing Homes	**657,663**	648,761
Section 39 Agencies	**21,950**	21,265
Private Nursing Homes Contract Beds and Subvention Payments	**10,805**	15,933
COVID-19 Temporary Assistance Payment Scheme (TAPS)*	**77,520**	0
Total Payments to Private Nursing Homes including Section 39 Agencies	**767,938**	685,959
Gross NHSS Cost of Public Nursing Homes**	**356,191**	359,725
Payments to Section 38 Agencies	**26,410**	26,793
Nursing Home Fixed and Other Unit Costs	**57,407**	26,567
Total Long Term Residential Care	**1,207,946**	1,099,044

* See COVID-19 Temporary Assistance Payment Scheme (TAPS) section below.

** Public nursing homes costs are included under the relevant expenditure headings in the Statement of Revenue Income and Expenditure.

COVID-19 Temporary Assistance Payment Scheme (TAPS)

The support under the scheme is a temporary assistance payment, being offered to support private and voluntary Nursing Homes to continue to build resilience within their service to mitigate against a COVID-19 outbreak and be capable of managing an outbreak in terms of providing safe staffing and environment should an outbreak occur.

The intention to establish the Scheme was announced on 4 April 2020 and the Scheme first opened for applications on 17 April 2020. In 2020, the cost of the COVID-19 Temporary Assistance Payment Scheme (TAPS) was €77.52m.

Patient contributions

NHSS recipient contributions for those patients in public homes amounted to €62.80m (2019: €63.07m) and are included in the HSE Financial Statements – Revenue Income & Expenditure Account.

NHSS recipient contributions for those patients in voluntary centres (S38 Organisations) amounted to €6.67m (2019: €6.86m), and is retained by those centres and does not constitute income for the HSE.

Additional Income

Under Section 27 of the Nursing Homes Support Scheme Act 2009, a Schedule of Assets must be submitted to the HSE in respect of a deceased person who received financial support under the Scheme. This is checked to identify and calculate any overpayment of financial support that is repayable to the HSE pursuant to Section 42 of the Act. The HSE collected income of €7.28m during 2020 (2019: €7.61m) in respect of non-declared income and assets of Fair Deal clients.

Contract beds and Subvention beds

In 2020, payments of €10.81m (2019: €15.93m) 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 commenced in 2009.

Expenditure within Public Facilities

Within the public homes in 2020 there was an additional €57.41m (2019: €26.57m) 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.

Cost of Public Nursing Homes

In 2020, the cost of public nursing homes amounted to €356.19m (2018 €359.73m), these costs are gross and the client contribution element amounted to €62.80m (2019 €63.07m). The contributions are recognised as income in Long Stay Charges in the Statement of Income and Expenditure.

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 a person paying their assessed contribution for care from their own resources, a person 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 following the occurrence of a relevant event e.g. sale of the asset or death of the person. 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.

The total gross amount of Ancillary State Support advised to Revenue as at 31 December 2020 for recoupment from the commencement of the Nursing Homes Support Scheme (where a relevant and non-relevant event has occurred) was €211.37m, representing 9,179 client loans. As at 31 December 2020 the Revenue Commissioners are collecting €210.41m, representing 9,202 clients. The difference accounts for clients where their Nursing Home loan is not due for repayment such as the Further Deferral option, as mentioned above, and also clients who wish to make a voluntary repayment prior to a relevant event occurring. The Revenue Commissioners have confirmed that they had received €142.60m of loan repayments paid in full, representing 6,769 client loans.

The total amount of Nursing Home Loan payments made under the Nursing Homes Support Scheme that are outstanding (i.e. where a repayable amount has not been notified to Revenue for collection - a relevant event has not occurred), as at 31 December 2020 is €151.32m. This amount does not include an adjustment for CPI as a relevant event has not yet occurred.

Notes to the Financial Statements – continued

Note 12 Long Term Residential Care (incorporating Nursing Homes Support Scheme/Fair Deal) – continued

	2020 €'000	2020 Number of loans	2019 €'000	2019 Number of loans
Ancillary State Support details at 31 December are as follows:				
Advised by HSE to Revenue for recoupment	**211,374**	**9,179**	160,123	7,497
Confirmed by Revenue as being paid*	**(142,603)**	**(6,769)**	(113,281)	(5,699)
Subtotal	**68,771**	**2,410**	46,842	1,798
Not yet advised to Revenue for recoupment	**151,321**	**5,035**	140,014	5,034
Total Ancillary State Support outstanding	**220,092**	**7,445**	186,856	6,832

* Amounts confirmed by Revenue does not include part payments and only includes loans fully repaid

Note 13 Capital Expenditure

(a) Additions to Fixed Assets

	2020 €'000	2019 €'000
Additions to Property, Plant and Equipment (Note 15) Land and Buildings – Service Concession*	**0**	0
Additions to Property, Plant and Equipment (Note 15) Land and Buildings – Other	**228,343**	214,377
Additions to Property, Plant and Equipment (Note 15) Other than Land and Buildings	**218,575**	119,358
	446,918	333,735
Funded from Department of Health Capital Grant	**362,416**	274,331
Funded from Department of Health Revenue Grant	**84,502**	59,404
Capitalised – Investment in PPP Service Concession Arrangements*	**0**	0
	446,918	333,735

* Relates to Primary Care Centre assets acquired under Public Private Partnership (PPP) service concession arrangements.

(b) Analysis of Expenditure Charged to Statement of Capital Income and Expenditure

	2020 €'000	2019 €'000
Expenditure on HSE's own assets (Capitalised)	**362,415**	274,331
Expenditure on HSE projects not resulting in property, plant and equipment additions*	**258,388**	82,927
Capitalised Interest – PPP Service Concession Arrangements**	**3,186**	5,424
Total expenditure on HSE Projects charged to capital***	**623,989**	362,682
Capital grants to outside agencies (Appendix 1)*	**359,730**	324,967
Total Capital Expenditure per Statement of Capital Income and Expenditure	**983,719**	687,649

* Total capital expenditure not capitalised amounts to €561.10m (2019: €413.31m).

** Relates to Primary Care Centre assets acquired under Public Private Partnership (PPP) service concession arrangements.

*** 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.

(c) Analysis of Capital Income from Other Sources

	2020 €'000	2019 €'000
Income from Government Departments and Other Sources in respect of Capital Projects:		
Sustainable Energy Authority of Ireland (SEAI) – Energy savings in acute hospitals	**1,605**	1,396
Waterford Hospice Movement Ltd – Waterford Hospital Palliative Care Unit	**0**	400
Insurance Proceeds – St. Dympna's Hospital, fire damage	**0**	194
Ballymote CNU – Donation	**0**	116
University of Cork – CUH Academic Centre Project Contribution	**126**	0
Other Miscellaneous Income	**21**	1,658
Total Capital Income from Other Sources	**1,752**	3,764

Note 14 Proceeds of Disposal of Fixed Asset Account

	2020 €'000	2019 €'000
Gross Proceeds of all Disposals in year	**9,225**	2,992
Less: Net Expenses Incurred on Disposals	**(46)**	(13)
Net Proceeds of Disposal	**9,179**	2,979
Less Application of Proceeds	**(9,179)**	(2,979)
Movement in the year	**(0)**	(0)
At 1 January	**38**	38
Balance at 31 December	**38**	38

The Multi-Annual Delegated Capital sanction 2019-2022 was issued in December 2019 by the Department of Public Expenditure and Reform.

Notes to the Financial Statements – continued

Note 15 Property, Plant and Equipment

	Land*	Buildings**	Work in Progress (L&B)	Motor Vehicles	Equipment	Work in Progress (P&E)	Total 2020
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cost/Valuation							
At 1 January 2020	1,677,153	4,600,223	401,650	94,530	1,556,501	18,793	**8,348,850**
Additions	488	44,197	183,658	12,034	195,367	11,174	**446,918**
Transfers from Work in Progress	0	186,608	(186,608)	6,308	12,485	(18,793)	**0**
Disposals	(2,309)	(3,147)	(1,190)	(7,318)	(14,567)	0	**(28,531)**
At 31 December 2020	1,675,332	4,827,881	397,510	105,554	1,749,786	11,174	**8,767,237**
Depreciation							
Accumulated Depreciation at 1 January 2020	0	1,525,390	0	72,489	1,346,470	0	**2,944,349**
Charge for the Year	0	114,921	0	12,765	98,844	0	**226,530**
Disposals	0	(1,588)	0	(6,421)	(13,976)	0	**(21,985)**
At 31 December 2020	0	1,638,723	0	78,833	1,431,338	0	**3,148,894**
Net Book Values							
At 1 January 2020	1,677,153	3,074,833	401,650	22,041	210,031	18,793	**5,404,501**
At 31 December 2020	1,675,332	3,189,158	397,510	26,721	318,448	11,174	**5,618,343**

The current carrying value of land amounting to €1.67bn held by the HSE at 31 December 2020 is based on the 2002 Department of Health valuation rates.

Building assets held under Finance Leases/Service Concession Arrangements

	2020 €'000	2019 €'000	2020 €'000	2019 €'000	2020 €'000	2019 €'000
	Finance Lease	Finance Lease	Service Concession*	Service Concession*	Total	Total
Cost	**45,824**	45,824	**165,217**	165,217	**211,041**	211,041
Additions	**0**	0	**0**	0	**0**	0
Accumulated Depreciation at 1 January	**(25,347)**	(23,485)	**0**	0	**(25,347)**	(23,485)
Depreciation charged for the year	**(1,862)**	(1,862)	**0**	0	**(1,862)**	(1,862)
Net Book Values at 31 December	**18,615**	20,477	**165,217**	165,217	**183,832**	185,694

*/** Relates to Primary Care Centre (PCC) assets acquired under Public Private Partnership (PPP) service concession arrangements. The ten PCC sites included within Work in Progress (Land and Buildings) at a value of €137m in 2017 were transferred to Buildings during 2018. All fourteen PCC sites have reached service commencement.

PCC Assets are not depreciated where they have been acquired or are managed under service concession agreements which guarantee residual useful lives and operating capacity at the end of the concession term that would be equivalent to that of the asset when it was first commissioned.

Note 16 Inventories

	2020 €'000	2019 €'000
Medical, Dental and Surgical Supplies	**206,013**	41,020
Laboratory Supplies	**7,211**	6,645
Pharmacy Supplies	**27,716**	25,398
High Tech Pharmacy Inventories	**44,813**	48,893
Pharmacy Dispensing Inventories	**508**	541
Blood and Blood Products	**1,420**	1,262
Vaccine Inventories	**35,816**	33,639
Household Services	**30,721**	7,436
Stationery and Office Supplies	**2,114**	2,195
Sundries	**3,548**	3,133
	359,880	170,162

The movement in inventory is mainly attributable to the increase in PPE stock levels held at 31 December 2020. PPE year end stocks are included in Medical, Dental & Surgical Supplies (€182.6m).

PPE stock was procured when demand was high & costs were inflated during the pandemic. Year end stock must be stated at the lower of cost or net realisable value. Consequently, PPE stock held at year end was revalued, resulting in an impairment loss of €374.4m in 2020.There is a write-off of €64m† due to surplus stock purchased (protective gowns) included in the total impairment loss. This write-off is charged in the current year against revenue expenditure. The impairment cost is included in the Medical & Surgical Supplies total of €894.5m (Note 8). Full details of the impairment are provided in Note 1(b).

† Since publication of this Annual Report 2020 and identification of a typographical error made, the write-off figure of €13.6m has been amended to €64m.

Notes to the Financial Statements – continued

Note 17 Trade and Other Receivables

	2020 €'000	2019 €'000
Receivables: Patient Debtors – Private Facilities in Public Hospitals*	**76,868**	95,357
Receivables: Patient Debtors – Public Inpatient Charges	**5,916**	6,234
Receivables: Patient Debtors – Long Stay Charges	**9,761**	10,280
Prepayments and Accrued Income	**37,967**	31,657
Department of Health (DoH)**	**0**	54,036
Pharmaceutical Manufacturers	**81,818**	100,441
Payroll Technical Adjustment	**15,067**	16,494
Additional Superannuation Contributions (ASC) Deductions from Staff	**6,294**	7,745
Statutory Redundancy Claim	**0**	0
Local Authorities	**570**	664
Payroll Advances	**1,712**	626
Voluntary Hospitals – National Medical Device Service Contracts	**4**	41
Voluntary Hospitals – Grant Funding Advances	**89,519**	75,648
Sundry Receivables	**90,117**	51,981
	415,613	451,204

* *Private Healthcare Insurance Income*
In line with the HSE's accounting policy the HSE recognises patient income due from private health insurance companies at the time the service is provided. During 2017 some insurance companies commenced deductions from claims made by the HSE relating to the time period between the date of admission and the date the Private Insurance Patient form was signed by the patient. The HSE has disputed these deductions through a legal process which is ongoing. In line with the HSE's accounting policy a bad and doubtful debt provision is created in relation to debts outstanding for more than one year.

** See Note 3(b).

Note 18 Creditors (amounts falling due within one year)

	2020 €'000	2019 €'000
Finance Leases	**2,795**	2,734
Service Concession Liability	**4,516**	3,874
Payables – Revenue	**156,633**	165,967
Payables – Capital	**21,759**	12,472
Accruals Non Pay – Revenue	**998,577**	761,386
Accruals Non Pay – Capital	**7,199**	7,861
Accruals – Grants to Voluntary Hospitals and Outside Agencies	**504,463**	402,740
Accruals Pay	**566,943**	557,545
Taxes and Social Welfare	**222,054**	157,144
Department of Public Expenditure and Reform – Single Public Service Pension Scheme	**5,383**	3,579
Lottery Grants Payable*	**2,590**	815
Sundry Payables	**24,235**	20,473
	2,517,147	2,096,590

* The HSE administers the disbursement of National Lottery grants for local programmes under the National Lottery's Health and Welfare Funded Schemes. The balance represents funding approved but not yet disbursed to grant recipients at year end.

Note 19 Creditors (amounts falling due after more than one year)

	2020 €'000	2019 €'000
Finance Leases	**23,951**	25,735
Service Concession Liability	**144,468**	148,296
Total Finance Lease obligations	**168,419**	174,031
Liability to the Exchequer in respect of Exchequer Extra Receipts – Other Sales	**0**	0
	168,419	174,031

Notes to the Financial Statements – continued

Note 20 Deferred Income

Deferred Income comprises the following:

	2020 €'000	2019 €'000
Donations and bequests*	**19,433**	17,215
Grant Funding from the State and other bodies	**27,757**	27,711
Funding from specific capital projects	**390**	92
General	**4,211**	4,789
Balance at 31 December	**51,791**	49,807

* Unspent income arising from donations and bequests where the purposes to which money may be applied has been specified but the related expenditure has not been incurred.

Note 21 Net Cash Inflow from Operating Activities

	2020 €'000	2019 €'000
Surplus/(Deficit) for the current year	**200,711**	60,462
Share Revaluation	**9**	0
Capital element of lease payments charged to revenue	**1,724**	1,665
Purchase of equipment charged to Statement of Revenue Income and Expenditure	**84,502**	59,404
Finance Costs charged to Statement of Revenue Income and Expenditure	**885**	935
(Increase)/Decrease in Inventories	**(189,718)**	(5,966)
(Increase)/Decrease in Trade and Other Receivables	**(18,442)**	(40,352)
Increase/(Decrease) in Creditors (falling due within one year)	**411,229**	129,012
Revenue Reserves – transfer of Deficit in accordance with Section 33(3) of the Health Act, 2004, as amended	**(6,472)**	85,174
Increase/(Decrease) in Deferred Income	**1,984**	7,920
Net Cash Inflow from Operating Activities	**486,412**	298,254

Note 22 Commitments

Capital Commitments

	2020 €'000	2019 €'000
Future Property, Plant and Equipment purchase commitments:		
Within one year	**990,617**	814,776
After one but within five years	**2,365,720**	1,451,120
	3,356,337	2,265,896
Contracted for, but not provided for, in the financial statements	**1,613,926**	1,333,877
Included in the Capital Plan but not contracted for	**1,742,411**	932,019
	3,356,337	2,265,896

The HSE has a multi-annual Capital Investment Plan which prioritises expenditure on capital projects in line with goals 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 2020 for which budgets have yet to be approved and are therefore estimated.

Operating Lease Commitments

	2020 €'000	2019 €'000
Operating lease rentals (charged to the Statement of Revenue Income and Expenditure)		
Land and Buildings	**62,181**	54,166
Motor Vehicles	**471**	374
Equipment	**1,293**	716
	63,945	55,256

The HSE has the following total amounts payable under non-cancellable operating leases split between amounts due:

	Land and Buildings 2020 €'000	Other 2020 €'000	Total 2020 €'000	Total 2019 €'000
Within one year	50,609	927	**51,536**	50,771
In the second to fifth years inclusive	185,157	597	**185,754**	183,083
In over five years	493,220	8	**493,228**	499,186
	728,986	1,532	**730,518**	733,040

Notes to the Financial Statements – continued

Note 22 Commitments – continued

Public Private Partnership Forward Commitments

	2020 €'000	2019 €'000
Nominal Amount:		
Service Concession Arrangement – Primary Care Centres (14 sites bundle)	**188,883**	196,231

These commitments incorporate facilities management services, operational, and lifecycle costs, for the remaining life of the agreement. They are not discounted to present value.

Finance Lease Commitments

The future minimum lease payments at 31 December are as follows:

	2020 €'000 Finance Lease	2019 €'000 Finance Lease	2020 €'000 Service Concession*	2019 €'000 Service Concession*
Not later than one year	**3,600**	3,600	**9,418**	8,891
Later than one year but not later than five years	**12,080**	11,520	**35,882**	44,620
Later than five years	**15,470**	18,630	**167,267**	167,267
Total Gross Payments	**31,150**	33,750	**212,567**	220,778
Less: Finance Charges	**(4,405)**	(5,281)	**(63,583)**	(68,608)
Carrying Amount of Liability	**26,745**	28,469	**148,984**	152,170
Classified as:				
– Creditors (amounts falling due within one year)	**2,794**	2,734	**4,516**	3,874
– Creditors (amounts falling due after more than one year)	**23,951**	25,735	**144,468**	148,296

* The value of the PCC asset and the service concession liability is recognised as assets and liabilities in the Statement of Financial Position at an amount of €165.2m which is equal to the present value of the minimum lease payments. In line with FRS 102, the effective interest rate is used to discount the future construction related liabilities arising from concession agreements. The carrying amount of the liability at 31 December 2020 is €148.98m.

Note 23 Property

The HSE estate comprises 2,572 properties.

	2020 Number of Properties	2019 Number of Properties
Title to the properties can be analysed as follows:		
Freehold	**1,583**	1,587
Leasehold	**989**	938
Total Properties	**2,572**	2,525
Primary utilisation of the properties can be analysed as follows:		
Delivery of health and personal social services	**2,484**	2,438
Health Business Services and Support (including medical card processing, etc.)	**88**	87
Total Properties	**2,572**	2,525

During the year there were 78 property additions to the healthcare estate and 31 properties were removed through both disposals and lease terminations. The net result is a increase of 47 healthcare properties during 2020. The total number of properties in the HSE healthcare estate at the end of 2020 has been impacted by a combination of routine estate management activities as well as the requirements of specific key healthcare strategies to deliver ongoing rollout of primary care centres and relocation of disability services to community settings.

Note 24 Taxation

The HSE carried out a significant self-review of tax compliance in respect of 2019 with external specialist tax assistance which was completed in 2020. The self-review was conducted on an agreed risk based assessment with Revenue under their co-operative compliance framework. The level of review for 2019 was impacted by COVID-19 staffing requirements, and it was agreed with Revenue to perform a review focussed on specific areas which gave rise to the significant liabilities in previous years. The liability to taxes identified in the course of the self-review for 2019 was set out by means of a Self-Correction disclosure and payment (including interest) of €3,174,921 was made to the Revenue Commissioners in September 2020. The amount represents 0.17% of the overall tax paid by the HSE for that year. The HSE has a dedicated in house tax team resourced by tax professionals developing a strong relationship with Revenue and with access to external advisors where necessary. The HSE remains committed to exemplary tax compliance.

Notes to the Financial Statements – continued

Note 25 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.

Patient Private Property Retained Interest

Prior to 2005, interest income earned on patients' private funds was retained by the former Health Boards and used to partially defray the costs incurred in administering approximately 19,000 Patients' Private Property Accounts. This action was based on previous legal advice. Subsequent legal advice taken by the HSE indicated that the Patients' Private Property Accounts operated under an implied trustee relationship with the patients and as such the HSE was obliged to remit interest earned to those patients. The lack of available historic private patient property records limits the ability of the HSE to estimate the full potential liability and therefore a partial liability only had been provided for in the HSE's financial statements. The HSE has reviewed the matter on the basis of learning to date from the payment of interest to clients/estates for which funds are held – mostly post 2005. It has determined that there is no longer a requirement to continue to hold a provision in respect of a potential liability for pre-2005 historic interest, which was used to defray costs, and has therefore reversed this provision in the 2020 HSE Financial Statements.

Clinical Indemnity Scheme

Details of the contingent liability in respect of the Clinical Indemnity Scheme are set out in Note 11.

Note 26 Consultants' Settlement

In June 2018, a settlement was agreed between the State and Medical Consultants arising from an alleged breach of contract in relation to the non-implementation of the 2008 Consultants contract. The settlement specifies that 40% of the retrospective remuneration should be paid in 2019 and the balance in 2020. The HSE's estimate of the liability at 31 December 2019 was €101m which was discharged in 2020; with the exception of a small number of claims which have not been paid amounting to less than €1.1m as at the 31 December 2020.

Note 27 Post Balance Sheet Events

The COVID-19 Pandemic continues to present significant global challenges and uncertainties in all sectors, and most particularly on the Health Sector. The HSE is tasked with the provision of health and personal social services for the citizens of Ireland and has therefore been significantly impacted by the 2020 COVID-19 outbreak and more recently by the serious surge experienced in early 2021.The HSE and its staff continue to play a major role in the response to the COVID-19 outbreak to ensure that ongoing resources are available to provide appropriate Hospital and Community services to look after those whose health has become impacted by the virus whilst keeping normal services operational.

Increased pressures on services and resourcing have resulted in the requirement for additional funding in 2021 to continue in order to react and manage the current outbreak. This commitment to additional funding means that the HSE considers that it is still appropriate to apply the going concern concept.

HSE management are fully engaged in creating appropriate strategies to deal with the ongoing impact of the COVID-19 pandemic and are actively monitoring the situation as it develops.

Note 28 Related Party Transactions

The Health Service Executive adopts procedures in accordance with the Department of Public Expenditure and Reform'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 the Health Service Executive. These procedures have been adhered to by the HSE during the year. A number of interests were noted by board members. It was deemed that none of the interests disclosed have a material commercial and/or financial impact on the HSE. It was also noted that no investments in unlisted companies, partnerships and other forms of business, major shareholdings and beneficial interests were disclosed. No board members disclosed gifts or hospitality offered by external bodies in the last twelve months. No board members noted any contractual relationship with the HSE and no board members noted any other conflicts not covered elsewhere.

Key Management Personnel

The Executive Management Team (EMT) in addition to the Board are considered to be key management personnel. Overall remuneration, including those that were appointed and resigned during the year is €2.1m (2019: €1.7m). Two members of the Executive Management Team (EMT) are on secondment from other positions. The Chief Clinical Officer is seconded to the HSE from the Mercy Hospital, Cork. The National Lead for Testing and Contact Tracing is seconded to the HSE from Ernst and Young (EY), without charge.

The Board members are in receipt of fees. Other than disclosed in Note 2, all other key management who are in receipt of remuneration comprise of basic pay only. There is one exception (not in receipt of fees); due to the one person, one salary rule.

With the exception of the CEO, other appointed members of the Executive Management Team who are in receipt of remuneration are members of the approved HSE pension schemes (and in the case of the Chief Clinical Officer the Voluntary Hospitals Superannuation Scheme). Their pension entitlements do not extend beyond the standard entitlements applicable to these schemes.

Note 29 Approval of Financial Statements

The Financial Statements were approved by the Board on 26 May 2021.

Appendix 1: Revenue Grants And Capital Grants**

Analysis of Grants to Outside Agencies in Note 8 and Note 13

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Total Grants under €100,000 (1,530 Grants)	**37,426**		**37,426**	**33,014**
Grants €100,000 or more each				
A Ghra Homecare Services Ltd	1,179		1,179	1,364
Ability West Ltd	28,590		28,590	27,579
Abode Hostel and Day Centre	1,051		1,051	1,027
ACET Ireland	309		309	463
Acquired Brain Injury Ireland (formerly Peter Bradley Foundation)	11,993		11,993	11,500
Active Connections CLG	169		169	136
Active Retirement Ireland	346		346	335
Addiction Response Crumlin (ARC)	916		916	922
Aftercare Recovery Group	105		105	105
AGC Healthcare	400		400	380
Age Action Ireland	454		454	454
Age and Opportunity	556		556	545
AIDS Help West	255		255	256
Aiseanna Tacaiochta	2,530		2,530	2,103
Aiseiri	1,141		1,141	721
Aislinn Centre, Kilkenny	1,142		1,142	1,130
AKIDWA	160		160	140
Alcohol Action Ireland	240		240	220
All About Healthcare T/A The Care Team	1,390		1,390	1,199
All In Care	6,247		6,247	7,690
Alliance	252		252	295
ALONE	1,046		1,046	729
Alpha One Foundation	120		120	120
Alzheimer Society of Ireland	12,431		12,431	11,020
An Saol Foundation	0		0	500
An Siol	117		117	109
Ana Liffey Drug Project	1,455		1,455	1,236

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Anchor Treatment Centre	171		171	196
ANEW Support Service	0		0	353
Anne Sullivan Foundation for Deaf/Blind	693		693	750
Ann's Home Care	5,059		5,059	1,315
Applewood Homecare Ltd	2,055		2,055	2,020
Arabella Counselling, t/a Here2Help	14		14	188
Aras Mhuire Day Care Centre (North Tipperary Community Services)	308		308	309
ARC Cancer Support Centre	251		251	184
Ard Aoibhinn Centre	5,083		5,083	4,604
Ardee Day Care Centre	299		299	291
Arlington Novas Ireland	3,833		3,833	3,456
Arthritis Ireland	207		207	228
Asperger Syndrome Association of Ireland (ASPIRE)	285		285	273
Associated Charities Trust	219		219	110
Association for the Healing of Institutional Abuse (AHIA). (Previously known as the Aislinn Centre, Dublin).	228		228	230
Association of Parents and Friends of The Mentally Handicapped	1,448		1,448	1,409
Athlone Community Services Council Ltd	280		280	275
Autism Initiatives Group	5,279		5,279	4,981
Aware	606		606	481
Baile Mhuire Recuperative Unit for the Elderly	175		175	0
Ballinasloe Social Services	125		125	112
Ballincollig Senior Citizens Club Ltd	350		350	446
Ballyfermot Advanced Project Ltd	398		398	398
Ballyfermot Chapelizod Partnership	112		112	93
Ballyfermot Local Drug and Alcohol Task Force CLG	216		216	125
Ballyfermot Star Ltd	421		421	370
Ballymun Local Drugs Task Force	295		295	286
Ballymun Regional Youth Resource (BRYR)	200		200	146
Ballymun Youth Action Project (YAP)	678		678	678
Ballyphehane and Togher Community Resource Centre	286		286	340
Barnardos	952		952	972

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Barretstown Camp	151		151	151
Barrog Healthcare	107		107	0
Barrow Valley Enterprises for Adult Members with Special Needs Ltd (BEAM)	1,758		1,758	1,825
Be Independent Home Care	4,897		4,897	3,712
Beacon Hospital	33,653		33,653	0
Beaufort Day Care Centre	231		231	234
Beaumont Hospital	404,006	18,506	422,512	363,557
Behaviour Detectives Ltd, Kilkenny.	352		352	223
Belong to Youth Services Ltd.	311		311	241
Bergerie Trust	261		261	345
Best Home Care Services	701		701	538
Better Living Homecare	301		301	44
Blackrock Clinic	27,531		27,531	0
Blakestown and Mountview Youth Initiative (BMYI)	480		480	481
Blanchardstown and Inner City Home Helps	2,798		2,798	2,425
Blanchardstown Local Drugs Task Force	542		542	545
Blanchardstown Youth Service	195		195	162
Bloomfield Health Services	566		566	151
Bluebird Care	33,519		33,519	29,459
Bodywhys The Eating Disorder Association of Ireland	471		471	445
Bon Secours Cork	35,656		35,656	0
Bon Secours Dublin	15,316		15,316	0
Bon Secours Galway	10,128		10,128	0
Bon Secours Limerick	4,445		4,445	0
Bon Secours Sisters	129		129	272
Bon Secours Tralee	10,544		10,544	0
Bray Community Addiction Team	706		706	693
Bray Home Help/Care Service Company Limited by Guarantee	1,087		1,087	1,036
Bray Lakers Social and Recreational Club Ltd	151		151	200
Bray Travellers Group	113		113	113
Breffni Integrated	142		142	9
Brindley Healthcare	1,561		1,561	1,542

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Brothers of Charity Services Ireland	243,752	31	243,783	218,257
Cabra Resource Centre	218		218	220
Cairde	623		623	610
Cairdeas Centre Carlow	573		573	533
Camphill Communities of Ireland	11,951		11,951	9,495
Cancer Care West	693		693	600
Cancer Trials Ireland	0		0	100
Cappagh National Orthopaedic Hospital	43,009	2,651	45,660	40,208
Cara House Family Resource Centre	102		102	43
Care About You	2,788		2,788	2,265
Care at Home Services Ltd	3,425		3,425	2,026
Care For Me Ltd	1,627		1,627	1,742
Care of the Aged, West Kerry	110		110	110
CareBright	3,568		3,568	4,562
Caredoc GP Co-operative	16,286		16,286	9,915
Caremark Ireland	10,363		10,363	9,992
Careworld	1,557		1,557	720
Caritas Convalescent Centre	1,053		1,053	1,837
Carlow Day Care Centre (Askea Community Services)	105		105	97
Carlow Social Services	227		227	220
Carlow/Kilkenny Home Care Team	306		306	218
Carnew Community Care Centre	151		151	152
Carriglea Cairde Services Ltd (formerly Sisters of the Bon Sauveur)	12,929		12,929	11,790
Carrigoran Nursing Home – Day Care Centre	131		131	130
Casadh	195		195	180
Casla Home Care Ltd	1,001		1,001	680
Castle Homecare	1,306		1,306	1,235
Catholic Institute for Deaf People (CIDP)	4,930		4,930	4,619
CDA Trust Ltd (Cavan Drug Awareness)	220		220	214
Central Remedial Clinic	19,752	78	19,830	17,836
Centres for Independent Living (CIL)	11,450		11,450	12,525
Charleville Care Project Ltd	172		172	214

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Cheeverstown House Ltd	30,457		30,457	28,145
Cheshire Ireland	28,467		28,467	29,574
Children's Health Ireland	394,726	5,817	400,543	361,902
Children's Sunshine Home	4,071		4,071	4,036
ChildVision (St Joseph's School For The Visually Impaired)	4,685		4,685	4,440
Chime	4,206		4,206	4,505
Chrysalis Community Drug Project	538		538	438
Cill Dara Ar Aghaidh	248		248	268
Circle of Friends Cancer Support Centre	0		0	150
Clann Mór	138		138	1,871
Clannad Care Waterford	1,042		1,042	1,143
Clare Local Development Company	170		170	130
Clarecare Ltd Incorporating Clare Social Service Council	7,244		7,244	7,367
Clarecastle Daycare Centre	389		389	394
Clareville Court Day Centre	172		172	176
Clondalkin Addiction Support Programme (CASP)	865		865	852
Clondalkin Drugs Task Force	203		203	223
Clondalkin Tus Nua Ltd	515		515	501
Clonmany Mental Health Association	345		345	340
Clontarf Home Help	185		185	3,172
Cluain Training & Enterprise Centre	570		570	750
CLUB 91 (Formerly Chez Nous Service), Sligo	123		123	0
Co-Action West Cork	9,611		9,611	8,716
Cobh General Hospital	329		329	399
Comfort Keepers Ltd	22,380		22,380	21,847
Communicare Healthcare Ltd	6,922		6,922	5,439
Community Creations Ltd	1,179		1,179	1,127
Community Response, Dublin	457		457	397
Community Substance Misuse Team Limerick	435		435	417
CONNECT – The National Adult Counselling Service (NOVA HELPLINE)	370		370	361
Contact Care	1,581		1,581	1,663
Coolmine Therapeutic Community Ltd	2,386		2,386	1,999

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Coombe Women's Hospital	81,362	2,960	84,322	72,553
COPE Foundation	63,201		63,201	58,871
COPE Galway	1,925		1,925	1,762
Core Caring Ltd	134		134	38
Cork Association for Autism	7,416		7,416	7,754
Cork City Council	908		908	88
Cork Foyer Project	312		312	294
Cork Mental Health Association	173		173	150
Cork Social and Health Education Project (CSHEP)	938		938	794
Cork University Dental School and Hospital	3,325		3,325	2,798
County Kildare Leader Partnership	141		141	86
County Sligo Leader Partnership Company	188		188	248
County Wexford Community Workshop, Enniscorthy/New Ross Ltd	8,214		8,214	6,951
County Wicklow Partnership	134		134	53
CPL Healthcare	817		817	1,667
Crescent Homecare Ltd	217		217	200
CROI (West of Ireland Cardiology Foundation)	265		265	468
Crosscare	3,046		3,046	2,826
Crumlin Home Care Service Limited	3,662		3,662	3,306
Cuan Mhuire	1,584		1,584	2,028
Cumann na Daoine	103		103	103
Curam Altranais Paediatric and Adult Case Management Service Ltd.	628		628	26
Cystic Fibrosis Registry of Ireland	140		140	140
Daisyhouse Housing Association	340		340	237
Dara Residential Services	0		0	1,931
Darndale Belcamp Drug Awareness	244		244	243
Daughters of Charity	130,916		130,916	121,694
Dawn Court Day Care Centre Ltd	118		118	118
Delta Centre Carlow	5,045		5,045	4,005
Depaul Ireland	2,952		2,952	1,941
Diabetes Ireland	432		432	268

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Dignity 4 Patients	100		100	100
Disability & Home Support Services Wexford	367		367	146
Disability Federation of Ireland (DFI)	1,278		1,278	1,239
Dóchas	55		55	102
Dolmen Clubhouse Ltd	173		173	123
Domestic Violence Response Ltd	300		300	0
Donegal Homecare Limited	1,442		1,442	610
Donnycarney and Beaumont Home Help Services Ltd.	1,324		1,324	1,454
Donnycarney Youth Project Ltd	414		414	410
Donnycarney/Beaumont Local Care	110		110	115
Donore Community Development	195		195	178
Down Syndrome Ireland	190		190	163
Drogheda Community Services	170		170	119
Drogheda Homeless Aid Association	130		130	167
Dromcollogher and District Respite Care Centre	525		525	525
Drumcondra Home Help	1,143		1,143	1,240
Drumkeerin Care Of The Elderly	182		182	228
Drumlin House	151		151	174
Dublin 12 Local Drug and Alcohol Task Force CLG	182		182	132
Dublin AIDS Alliance (DAA) Ltd.	701		701	477
Dublin Dental Hospital	7,440	239	7,679	7,854
Dublin Inner City Community Alliance	138		138	22
Dublin North East Drugs Task Force	278		278	506
Dublin Region Homeless Executive	452		452	579
Dublin West Home Help	4,739		4,739	4,688
Dun Laoghaire Home Help	823		823	972
Dun Laoghaire Rathdown Community Addiction Team	387		387	417
Dun Laoghaire Rathdown Local Drugs Task Force	119		119	109
Dun Laoghaire Rathdown Outreach Project	252		252	252
Dundalk Outcomers	110		110	123
Edward Worth Library	200		200	165
EmployAbility Limerick	132		132	37

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Empower	107		107	58
Empowerment Plus	248		248	172
Enable Ireland	47,118		47,118	45,710
Engaging Dementia	93		93	116
Environmental Protection Agency	159		159	104
Epilepsy Ireland	756		756	763
Errigal Truagh Special Needs Parents and Friends Ltd	267		267	312
Extern Ireland	1,290		1,290	1,085
Familibase	304		304	296
Family Carers Ireland	7,261		7,261	8,565
Fatima Groups United	122		122	116
Ferns Diocesan Youth Services (FDYS)	412		412	447
Festina Lente Foundation	565		565	539
Fettercairn Drug Rehabilitation Project	91		91	109
Fighting Blindness Ireland	123		123	111
Fingal Home Care	4,469		4,469	4,605
Finglas Addiction Support Team	635		635	556
Finglas Cabra Local Drugs and Alcohol Task Force	136		136	170
Finglas Home Help/Care Organisation	2,635		2,635	2,972
First Employment Services	104		104	116
First Fortnight Ltd	162		162	155
Focus Ireland	1,929		1,929	1,792
Fold Ireland	4,019		4,019	3,861
Foróige	333		333	266
Forum The North West Connemara Rural Project	454		454	395
Friends of the Regional Hospital, Mullingar	109		109	0
Fusion CPL Ltd	111		111	111
Gaelic Athletic Association	110		110	150
Galway Clinic	20,102		20,102	0
Galway Hospice Foundation	9,002		9,002	5,401
Ganavan Ltd (T/A Woodbrook Outreach & Homecare Services)	230		230	4
Gateway Community Care	1,678		1,678	1,401

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Gay Health Network	370		370	378
Genio Trust	827		827	702
Gheel Autism Services Ltd	4,813		4,813	6,217
Good Morning Inishowen	134		134	51
Good Shepherd Sisters	1,120		1,120	1,202
Graiguenamanagh Elderly Association	196		196	200
Grantstown Daycare Centre	127		127	106
Greystones Home Help Service Company Limited by Guarantee	1,442		1,442	1,644
GROW	1,354		1,354	1,305
Guardian Ad Litem and Rehabilitation Office (GALRO)	5,331		5,331	4,956
HADD Family Support Group	265		265	233
Hail Housing Association for Integrated Living	829		829	464
Hands On Peer Education (HOPE)	173		173	149
HCD Homecare Ltd	248		248	3
Headway the National Association for Acquired Brain Injury	2,946		2,946	2,787
Health Research Board Ireland (HRB)	227		227	303
Heritage Homecare Ltd.	3,584		3,584	2,443
Hesed House	241		241	241
Holy Angels Carlow, Special Needs Day Care Centre	705		705	677
Holy Family School	111		111	111
Holy Ghost Hospital	277		277	350
Home and Away Care	759		759	563
Home Care Plus	3,648		3,648	1,706
Home Instead Senior Care	58,377		58,377	55,451
Homecare Independent Living Ltd	3,805		3,805	3,900
Homecare Solutions Ltd.	857		857	863
HomeCarer Trusted Independent Living	363		363	192
Hope House	310		310	285
IADP Inter-Agency Drugs Project UISCE	159		159	150
ICARE (Inishowen Childrens Autism Related Education)	184		184	41
Immigrant Counselling and Psychotherapy (ICAP)	250		250	254
Inchicore Community Drugs Team	549		549	529

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Inclusion Ireland	662		662	633
Inclusive Care Supports Ltd. T/A Barrog Healthcare	353		353	56
Incorporated Orthopaedic Hospital of Ireland	14,549		14,549	12,213
Inis Care	1,036		1,036	773
Inspire Wellbeing	1,452		1,452	177
International Organisation for Migration Screening	0		0	300
Íontas Arts & Community Resource Centre, Castleblayney	156		156	167
Irish Advocacy Network	768		768	794
Irish Association for Spina Bifida and Hydrocephalus (IASBH)	965		965	928
Irish Association of Supported Employment	103		103	0
Irish Cancer Society	668		668	753
Irish College of General Practitioners	647		647	477
Irish Family Planning Association (IFPA)	1,311		1,311	1,315
Irish Guide Dogs for the Blind	828		828	830
Irish Haemophilia Society (IHS)	527		527	623
Irish Heart Foundation	376		376	293
Irish Hospice Foundation	334	1,200	1,534	329
Irish Kidney Association (IKA)	310		310	454
Irish Motor Neurone Disease Association	288		288	218
Irish Prison Service	256		256	256
Irish Society for the Prevention of Cruelty to Children (ISPCC)	400		400	343
Irish Wheelchair Association (IWA)	46,525		46,525	42,832
Jack and Jill Children's Foundation	1,062		1,062	1,129
Jigsaw (also known as Headstrong)	9,893		9,893	10,749
Jobstown Assisting Drug Dependency Project (JADD Project)	273		273	348
K Doc (GP Out of Hours Service)	4,176		4,176	2,334
KARE Plan Ltd	7,630		7,630	7,525
Kare Plus Ireland	1,266		1,266	847
KARE, Newbridge	23,122		23,122	20,786
Kerry Parents and Friends Association	12,689		12,689	11,800
Kerry Supported Employment	102		102	114
Kilbarrack Coast Community Programme Ltd (KCCP)	463		463	458

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Kildare and West Wicklow Community Addiction Team Ltd	300		300	300
Kildare Youth Services (KYS)	193		193	386
Killinarden (KARP)	150		150	150
Kilmaley Voluntary Housing Association	267		267	267
Kiltoghert Women's Group	0		0	284
Kingsbridge Private Hospital	908		908	0
Kingsriver Community	1,033		1,033	642
L'Arche Ireland	4,066		4,066	3,775
LauraLynn Children's Hospice Foundation	772		772	32
Leap Ireland	44		44	100
Leitrim Association of People with Disabilities (LAPWD)	581		581	550
Leitrim Development Company	433		433	432
Leopardstown Park Hospital	14,799	1,215	16,014	14,967
Letterkenny Women's Centre	117		117	195
LGBT Ireland	115		115	52
Liberties and Rialto Home Help	1,340		1,340	1,372
Liberty HomeCare	218		218	31
Lifetime Care	576		576	517
Lifford Clonleigh Resource Centre	226		226	200
Limerick Social Services Council	322		322	294
Limerick Youth Service Community Training Centre	217		217	205
LINC	128		128	126
Link (Galway) Ltd	193		193	160
Liscarne Court Senior Citizens	115		115	115
Little Angels Hostel Letterkenny	365		365	365
Lochrann Ireland Ltd	133		133	133
Longford Community Resources Ltd	200		200	216
Longford Social Services Committee	167		167	155
Lorcan O' Toole Day Care Centre	128		128	118
Lourdes Day Care Centre	247		247	226
Macroom Senior Citizens Housing Development Sullane Haven Ltd	182		182	127
Mahon Community Creche	265		265	178

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Marian Court Welfare Home Clonmel	136		136	128
Mater Misericordiae University Hospital Ltd	355,275	32,585	387,860	330,051
Mater Private Hospital Cork	10,178		10,178	0
Mater Private Hospital Dublin	47,129		47,129	0
Matt Talbot Adolescent Services	1,241		1,241	1,275
McGann Family Home Care Services	0		0	109
Meath County Council	458		458	175
Meath Partnership	453		453	481
Mental Health Associations (MHAs)	1,441		1,441	1,122
Mental Health Ireland	1,997		1,997	2,233
Mental Health Reform	367		367	362
Merchant's Quay Ireland (MQI)	3,625		3,625	3,727
Mercy University Hospital, Cork	118,176	10,415	128,591	101,650
MIDOC	3,365		3,365	1,081
Mid-West Regional Drugs Task Force	388		388	473
Migraine Association of Ireland	140		140	132
Milford Care Centre	15,171		15,171	11,861
Monaghan Intergrated Development	157		157	13
Moorehaven Centre Tipperary Ltd	2,736		2,736	2,451
Mount Cara House	347		347	346
Mount Carmel Home, Callan, Co Kilkenny	261		261	99
Mounttown Neighbourhood Youth Project	133		133	133
Mowlam Healthcare	3,475		3,475	1,467
MS Ireland – Multiple Sclerosis Society of Ireland	1,714		1,714	2,621
Muintir na Tire Ltd	142		142	86
Mulhuddart/Corduff Community Drugs Team	325		325	324
Multiple Sclerosis North West Therapy Centre Ltd	226		226	233
Muscular Dystrophy Ireland	1,194		1,194	1,180
My Homecare Angels	585		585	0
Mymind Ltd	276		276	258
Nasc (The Irish Immigrant Support Centre)	225		225	90
National Association of Housing for the Visually Impaired Ltd	1,188		1,188	1,067
National Childhood Network (NCN)	135		135	125

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
National Council for the Blind of Ireland (NCBI)	7,083		7,083	6,553
National Federation of Voluntary Bodies in Ireland	253		253	240
National Maternity Hospital	75,081	2,667	77,748	68,231
National Paediatric Hospital	0	168,112	168,112	201,423
National Rehabilitation Hospital	42,417	13,341	55,758	89,736
National Suicide Research Foundation (NSRF)	1,299		1,299	1,127
National Women's Council of Ireland	142		142	150
National Youth Council of Ireland	142		142	151
Nazareth House, Mallow	1,834		1,834	1,812
Nazareth House, Sligo	2,075		2,075	2,572
Neart Le Cheile	488		488	488
New Ross Community Hospital	135		135	78
Newport Social Services, Day Care Centre	261		261	265
No Name Youth Club Ltd	125		125	130
North Doc Medical Services	4,453		4,453	3,938
North Dublin Inner City Homecare and Home Help Services	4,326		4,326	1,890
North Fingal Community Development	141		141	0
North Tipperary Disability Support Services Ltd	740		740	747
North Tipperary Leader Partnership	220		220	222
North West Alcohol Forum	515		515	408
North West Parents and Friends Association	2,671		2,671	2,454
North West Regional Drugs Task Force	152		152	122
Northside Community Health Initiative (NICHE)	320		320	626
Northside Homecare Services Ltd	4,516		4,516	4,474
Northside Partnership	139		139	162
Northstar Family Support Project	188		188	160
Northwest Hospice	2,400		2,400	1,174
Nua Healthcare Services	5,112		5,112	4,417
Nurse on Call – Homecare Package	2,717		2,717	3,955
Obair Newmarket-on-Fergus	128		128	47
O'Connell Court Residential and Day Care	335		335	293
Offaly Local Development Company	167		167	128

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Offaly Travellers Movement	379		379	280
One Family	455		455	405
One In Four	598		598	678
Open Door Day Centre	368		368	376
Order of Malta	557		557	518
Our Lady's Hospice & Care Services (Sisters of Charity)	37,101	451	37,552	31,455
Outhouse Ltd	195		195	187
Paul Partnership Limerick	100		100	0
Pavee Point Traveller and Roma Centre	1,423		1,423	1,449
Peacehaven Trust	1,028		1,028	861
Peamount Hospital	33,119	3,647	36,766	39,194
Peter McVerry Trust (previously known as The Arrupe Society).	5,077		5,077	2,300
PHC Care Management Ltd	4,367		4,367	3,649
Pieta House	2,628		2,628	2,158
Pioneer Homecare Ltd	4,514		4,514	2,384
Positive Futures	1,407		1,407	3,184
Post Polio Support Group (PPSG)	357		357	363
Prague House	249		249	151
Praxis Care Group	5,718		5,718	5,475
Private Home Care, Lucan	104		104	74
Prosper Group	12,391	150	12,541	12,162
Purple House Cancer Support	188		188	176
R K Respite Services Ltd	440		440	414
RADE (Recovery through Art Drama and Education)	113		113	119
Radius Housing Association	113		113	158
RAH Home Care Ltd T/a Right At Home	3,666		3,666	3,250
Regional and Local Drugs Task Forces	4,341		4,341	3,882
Rehab Group	71,255		71,255	65,584
Resilience Ireland (Resilience Healthcare Ltd)	5,160		5,160	5,848
Respond! Housing Association	702		702	765
Rialto Community Development	130		130	122
Rialto Community Drugs Team	422		422	422

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Rialto Community Network	101		101	90
Rialto Partnership Company	723		723	749
Right of Place Second Chance Group	170		170	200
Ringsend and District Response to Drugs	403		403	403
Roscommon Home Services Co-op	3,208		3,208	3,859
Roscommon Partnership Company Ltd	191		191	182
Roscommon Support Group Ltd	1,526		1,526	1,662
Rosedale Residential Home	287		287	96
Rosses Sheltered Workshop	135		135	1
Rotunda Hospital	78,907	6,430	85,337	69,130
Royal College of Physicians	1,409		1,409	2,235
Royal College of Surgeons in Ireland	3,958		3,958	4,218
Royal Hospital Donnybrook	20,750	1,828	22,578	20,787
Royal Victoria Eye and Ear Hospital	33,805	2,523	36,328	31,321
Ruhama Women's Project	220		220	220
Rutland Centre	66		66	142
S H A R E	160		160	208
Safeguarding Ireland	246		246	246
Safetynet Primary Care	1,392	38	1,430	779
Sage Advocacy	1,691		1,691	1,641
Salesian Youth Enterprises Ltd	497		497	477
Salvation Army	1,657		1,657	1,650
Samaritans	625		625	688
Sancta Maria Day Centre	115		115	60
Sandra Cooney's Homecare	2,575		2,575	2,552
Sandymount Home Help	263		263	323
Sankalpa	353		353	251
Saoirse Addiction Treatment Center	168		168	130
SAOL Project	358		358	361
SCJMS/Muiriosa Foundation	67,412		67,412	62,221
SDC South Dublin County Partnership (formerly Dodder Valley Partnership)	1,115		1,115	872
Servisource Recruitment	7,243		7,243	6,683

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Shalamar Finiskilin Housing Association	163		163	255
Shankhill Old Folks Association	171		171	151
Shannondoc Ltd (GP Out Of Hours Service)	5,235		5,235	5,030
SHINE	1,427		1,427	1,768
Simon Communities of Ireland	9,945		9,945	9,610
Simplicitas Ltd.	185		185	186
Sisters of Charity	2,695		2,695	5,216
Sisters of Charity St Mary's Centre for the Blind and Visually Impaired	2,490		2,490	3,183
Sisters of Mercy	457		457	293
Slí Eile Support Services Ltd	455		455	346
Sligo County Council	108		108	13
Sligo Family Centre	154		154	143
Sligo Social Services Council Ltd	440		440	323
Snug Community Counselling	176		176	149
Society of St Vincent De Paul (SVDP)	4,189		4,189	4,103
Sophia Housing Association	885		885	846
Sora Healthcare T/A Irish Homecare	12,866		12,866	11,723
SOS (Kilkenny) Ltd Special Occupation Scheme.	14,193		14,193	12,386
South Doc GP Co-operative	12,259		12,259	8,302
South Infirmary Victoria University Hospital	65,744	4,478	70,222	64,747
South West Mayo Development Company	303		303	282
Southern Gay Health Project	111		111	117
Southside Partnership	124		124	122
Spinal Injuries Ireland	313	85	398	398
Spiritan Asylum Services Initiative (SPIRASI)	390		390	403
St Aengus Community Action Group	141		141	141
St Aidan's Services	5,658		5,658	5,410
St Andrew's Resource Centre	740		740	602
St Bridget's Day Care Centre	133		133	117
St Carthage's House Lismore	436		436	182
St Catherine's Association Ltd	6,026		6,026	5,969
St Christopher's Services, Longford	10,583		10,583	10,247

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
St Colman's Care Centre	183		183	185
St Cronan's Association	1,705		1,705	1,282
St Dominic's Community Response Project	452		452	399
St Fiacc's House, Graiguecullen	403		403	326
St Francis Hospice	16,956		16,956	12,442
St Francis Private Hospital	1,347		1,347	0
St Gabriel's School and Centre	2,329		2,329	2,228
St Hilda's Services For The Mentally Handicapped, Athlone	6,238		6,238	5,684
St James' Hospital	454,687	19,634	474,321	415,997
St James' Hospital, Jonathan Swift Hostels	4,750		4,750	4,933
St John of God Hospitaller Services	175,087		175,087	166,316
St John's Hospital	28,491	899	29,390	24,252
St Joseph's Foundation	21,616		21,616	20,383
St Joseph's Home For The Elderly	377		377	414
St Joseph's Home, Kilmoganny, Co.Kilkenny	234		234	162
St Kevin's Home Help Service	58		58	368
St Laurence O' Toole SSC	168		168	887
St Lazarian's House, Bagenalstown	321		321	231
St Luke's Home	1,180		1,180	1,306
St Michael's Hospital, Dun Laoghaire	37,362	584	37,946	31,415
St Michael's House	99,454	237	99,691	94,271
St Michael's Day Care Centre	185		185	188
St Monica's Community Development Committee	401		401	401
St Monica's Nursing Home	66		66	199
St Patrick's Centre, Kilkenny (Sisters of Charity)	19,047		19,047	18,245
St Patrick's Hospital/Marymount	718		718	483
St Patrick's Special School	292		292	182
St Patrick's Wellington Road	14,785		14,785	10,478
St Vincent's Hospital Fairview	16,139		16,139	15,654
St Vincent's Private Hospital	31,779		31,779	1
St Vincent's University Hospital, Elm Park	307,312	34,642	341,954	314,616
St. Margaret's Donnybrook (IRL-IASD)	2,811		2,811	1,705

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
St. Paul's Child and Family Care Centre	2,461		2,461	2,469
Star Project Ballymun Ltd	334		334	331
Stella Maris Facility	146		146	147
Stewart's Care Ltd	56,336	10	56,346	53,806
Stillorgan Home Help	295		295	507
Suicide or Survive (SOS)	348		348	323
Sunbeam House Services	30,854	4	30,858	28,702
Support 4 U Ltd.	419		419	671
Tabor House, Navan	200		200	158
Tabor Lodge	691		691	944
Talbot Group	0		0	611
Talbot Grove Treatment Centre	181		181	86
Tallaght Home Help	1,719		1,719	1,974
Tallaght Rehabilitation Project	208		208	208
Tallaght Travellers Youth Service	130		130	131
Tallaght University Hospital	286,298	24,273	310,571	261,593
Tearmann Eanna Teo	374		374	407
Tee Care Home Help Services Limited	209		209	194
Teen Challenge Ireland Ltd	277		277	277
Templemore Day Care Centre	168		168	173
Terenure Home Care Service Ltd	1,448		1,448	1,450
The Arklow Home Help Service Company Limited by Guarantee	2,201		2,201	2,336
The Avalon Centre, Sligo	273		273	320
The Beeches Residential Home	1		1	130
The Birches Alzheimer Day Centre	373		373	327
The Bishopstown Senior Social Centre	111		111	42
The Collective Sensory Group	197		197	125
The Eating Disorder Centre Cork	103		103	126
The Family Centre	188		188	1
The Irish Forum for Global Health (IFGH)	132		132	110
The Irish Men's Sheds Association (IMSA)	401		401	324
The Killarney Asylum Seekers Initiative (KASI)	110		110	102

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
The Mens Development Network	185		185	143
The Nightingale Placement Agency (TNPA)	320		320	1,210
The North Inner City Drugs and Alcohol Task Force	272		272	266
The Oasis Centre	209		209	164
The Office of Public Works (OPW)	5,034		5,034	3,055
The Paddy McGrath Housing Project (formerly Aids Fund Housing)	364		364	364
The Sexual Health Centre	330		330	293
The Sports Surgery Clinic	7,911		7,911	0
The Sunflower Clinic	0		0	400
The TCP Group	1,448		1,448	1,365
The Hermitage Medical Clinic	17,056		17,056	0
Third Age	118		118	70
Thurles Community Social Services	224		224	207
Tiglin Challenge Limited	88		88	103
Tintean Housing Association Ltd	208		208	200
Tipperary Association for Special Needs	130		130	130
Tipperary Hospice Movement	320		320	220
Tolka River Project	328		328	281
Tralee Women's Forum	52		52	120
Transfusion Positive	125		125	143
Transgender Equality Network Ireland	263		263	311
Traveller Groups and Organisations	4,399		4,399	4,191
Traveller Support Group Galway	585		585	678
Travellers Education & Development Association, Tuam	206		206	210
Treoir	374		374	382
Tribli CLG, t/a Exchange House Ireland National Travellers Service Enterprise	904		904	909
Trinity College Dublin	22		22	232
Trinity Community Care	3,593		3,593	3,537
Trustus We Care	153		153	25
TTM Healthcare Ltd.	21		21	191
Tullow Day Care Centre	182		182	166

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Turas Counselling Services Ltd	345		345	389
Turn2Me	432		432	364
Turners Cross Social Services Ltd	157		157	157
TUSLA Child & Family Agency	460		460	78
University College Dublin	12		12	308
University of Limerick	881		881	901
UPMC Aut Even Hospital	4,713		4,713	0
UPMC Kildare Hospital	1,829		1,829	0
UPMC Whitfield Hospital	9,504		9,504	0
Valentia Community Hospital	208		208	219
Victoria Healthcare Organisation Ltd	896		896	936
Village Counselling Service	135		135	135
Walkinstown Association For Handicapped People Ltd	135		135	4,222
Walkinstown Greenhills Resource Centre	239		239	241
Waterford and South Tipperary Community Youth Service	523		523	525
Waterford Association for the Mentally Handicapped	4,586		4,586	4,029
Waterford Community Childcare	183		183	188
Waterford Hospice Movement	692		692	276
Well Woman Clinics	647		647	665
West Cork Carers Support Group Ltd	10		10	148
West Limerick Resources Ltd	137		137	172
West Of Ireland Alzheimer Foundation	827		827	2,034
Westcare Homecare Ltd	503		503	475
Westdoc (GP Out Of Hours Service)	3,949		3,949	2,757
Western Care Association	42,031		42,031	37,628
Western Region Drugs Task Force	256		256	255
Westmeath Community Development Ltd	249		249	227
Wexford Homecare Service	256		256	202
Wexford Local Development	151		151	132
White Oaks Addiction Treatment Centre	6		6	149
White Oaks Housing Association Ltd	404		404	255
Whitechurch Addiction Support Programme (WASP)	157		157	138

Name of Agency	Revenue Grants 2020 €000	Capital Grants 2020 €000	Total Grants* 2020 €000	Total Grants* 2019 €000
Wicklow Community Services Company Limited by Guarantee	2,072		2,072	1,744
Wicklow Rural Partnership Ltd.	144		144	87
Willow Health Care Ltd	1,087		1,087	869
Windmill Therapeutic Training Unit	1,336		1,336	884
Young Social Innovators Ltd	100		100	100
Youth Advocacy Programme	107		107	73
Youth For Peace Ltd	139		139	139
Youth Work Ireland	234		234	226
Total Grants to Outside Agencies (see Note 8 for Revenue; see Note 13 for Capital)	**5,442,822**	**359,730**	**5,802,552**	**5,024,306**

* Additional payments, not shown above, may have been made to some agencies related to services provided.

** Agencies with grants exceeding €100,000 in either year are shown. All other grants are included at "Total Grants under €100,000". Accordingly, the 2019 comparatives above have been re-stated where appropriate.

Appendix 2: Disclosures Required by the Code of Practice for the Governance of State Bodies

The Board is responsible for ensuring that the HSE has complied with the requirements of the Code of Practice for the Governance of State Bodies ('the Code'), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the code.

Employee Short-Term Benefits

Employee short-term benefits in excess of €60,000 are set out in Note 7 of the Annual Financial Statements.

Consultancy Costs*

Consultancy costs include costs of external expert analysis and advice to management which contributes to decision making or policy direction. It excludes outsourced 'business as usual' functions.

Table 1

	2020 €'000	2019 €'000
Total consultancy costs charged to Income and Expenditure and Retained Revenue Reserves	**38,173**	25,791

* Included in Note 8 Non Pay Expenditure, Office and Administration Expenses, Legal and Professional Fees.

Legal Costs and Settlements*

Table 2 below provides a breakdown of amounts recognised as expenditure in 2020 in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the HSE which is disclosed in Consultancy costs shown above.

Table 2

	2020 €'000	2019 €'000
Legal fees – legal proceedings	**18,100**	17,920
Conciliation and arbitration payments	**84**	97
Settlements	**446**	1,616
Total	**18,629**	19,633

* Included in Note 8 Non Pay Expenditure, Office and Administration Expenses, Legal and Professional Fees.

There are no costs in relation to ongoing matters involving other State bodies.

The number of cases covered by the above legal costs amounted to 1,896 in 2020 (2019: 1,964).

Additional legal costs and settlements were paid by the HSE's Insurance Company. The legal costs associated with claims processed by the State Claims Agency under the terms of the Clinical and General Indemnity Schemes are disclosed in Note 11 of the Annual Financial Statements.

Travel and Subsistence Expenditure*

Table 3 below provides a breakdown of Travel and subsistence as follows:

Table 3

Travel and subsistence is categorised as follows:

	2020 €'000	2019 €'000
Domestic		
– Directorate	**4**	23
– Employees	**61,366**	72,551
International		
– Directorate	**2**	4
– Employees	**165**	789
Total	**61,537**	73,367

***** Included in Note 8 Non Pay Expenditure, Office and Administration Expenses, Legal and Professional Fees.

Hospitality Expenditure*

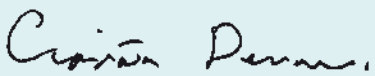
The aggregate total expenditure incurred in relation to hospitality was €Nil. All entertainment type expenses disclosed in the financial statements relate to Client/Patient clinical programmes and are disclosed under Miscellaneous/Recreation.

* Included in Note 8 Non Pay Expenditure, Other Operating Expenses, Recreation.

Statement of Compliance

The HSE has complied with the requirements of the *Code of Practice for the Governance of State Bodies, 2016* and has put in place procedures to ensure compliance with the Code.

Signed on behalf of the HSE Board.



Ciarán Devane
Chairperson

Health Service Executive

Health Service Executive
Dr. Steevens' Hospital
Steevens' Lane
Dublin 8
D08 W2A8

Telephone: **01 6352000**
www.hse.ie

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