

HEALTH SERVICE EMPLOYERS AGENCY

REPORT 199

HEALTH SERVICE EMPLOYERS AGENCY

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**ANNUAL REPORT 1999**

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# INTRODUCTION

The Health Service Employers Agency (HSEA) was established on 15th July 1996 under Statutory Instrument S.I. 213/1996, pursuant to the provisions of the Health (Corporate Bodies) Act, 1961. The Agency is a representative body for all publicly-funded health service employers. Its membership includes the health boards, public voluntary hospitals, mental handicap agencies and such other corporate bodies in the health sector as are admitted to membership.

The aims and objectives of the Agency are as follows:

- To devise employment practices which are cost effective and responsive to client/patient needs;
- To align pay negotiations to improvements in service delivery;
- To pursue an innovative and radical approach to modernisation and change;
- To provide a comprehensive employer advisory role on human resource issues;
- To support and assist health service employers in developing policies designed to improve human resource management.

## Structure and Staffing

The HSEA provides its services through a Board, which was appointed by the Minister for Health and Children. The Board consists of nine persons drawn from Health Boards, Voluntary Hospitals, Department of Health and Children, Joint Hospital Boards and Mental Handicap Agencies. The Chief Executive of the HSEA is an ex-officio, non-voting member of the Board.

The three main Committees of the Board have been established and were formally launched in September 1997. The Committees are organised on the basis of the three main functions of the Agency, viz:

- HRM Advisory Service;
- Innovation and Change Management; and
- Industrial Relations.

These three Committees involve representatives of health service management in identifying initiatives designed towards achieving the Agency's objectives. Each Committee is chaired by a Board member and their effective functioning is central to the manner in which the Agency approaches its business and delivers its service.

# CHAIRMAN'S FOREWORD



This third report by the Health Service Employers Agency covers the period 1st January 1999 to 31st December 1999.

As the Agency has now been through a period of consolidation the Board deemed it timely to review its role and operation with a view to maximising its contribution to Human Resource Management in the health sector. It was decided that the review would involve consultation with all of the Agency's constituents and further clarification from the Department of Health and Children on matters to be devolved to the Agency. The review was underway at the end of the year.

The continued implementation of the Strategic Management initiative and modernisation programmes as provided for in Programme for Prosperity and Fairness require health service employers to adopt a strategic approach to human resource issues, and ensure that our personnel policies practices and procedures are designed to positively progress the HR agenda in the health service. It is vital therefore that our HR Managers are encouraged and supported to work in collaboration with the Agency in its developing best practice in this regard.

An important element of the Human Resource Management agenda is the development of partnership arrangements both at national and local level in order to improve the quality of services provided to patients and clients by developing joint ownership by management, unions and staff of the change process. The National Partnership Forum established during the year will lead, model and facilitate the partnership approach and create an action agenda for the development of a new active relationship involving all employees

Industrial relations in the health service had an exceptionally high profile during the year particularly in light of the nurses dispute and the resultant strike action. Health service employers were extremely disappointed that despite their co-operation with every stage of the industrial relations process, strike action and the consequential disruption to patient care did in fact ensue. Thankfully the strike was relatively short lived and our appreciation is due to members of the management teams, the Labour Court, and all those involved in bringing about a resolution to the dispute.

Finally, I would like to thank members of the Agency's committees, working groups and management teams for their contribution to the Agency's activities during the year. I would also like to express my appreciation to Mr Gerard Barry, Chief Executive and the staff of the Agency who responded very positively to the challenges presented to them in 1999.

**John Cooney**  
Chairman

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# OVERVIEW BY THE CHIEF EXECUTIVE (continued)

## **Non-Consultant Hospital Doctors – 48 Hour Week**

Towards the end of 1998, the European Commission published a draft amending Directive 93/104 to cover groups, including doctors in training (NCHD's), previously excluded from the original Directive. The draft Directive provided a timescale for the phased introduction of the 48 hour working week. Following this publication, the Council of Ministers decided that the employers should consult the representatives of the employees in good time with a view to reaching agreement, wherever possible, on the arrangements which would apply in the transitional period.

The IMO and the health service employers subsequently agreed an action plan to prepare for the introduction of the 48 hour working week. It was thus decided that a study would be undertaken by independent consultants to determine a variety of issues such as current working hours, rota arrangements, rest periods, efficiency of existing on-call arrangements and the management of doctors' working time. The objective of this study would be to facilitate agreement on how best to reduce NCHD working hours in a manner that should benefit both doctors and patients and may make it possible to achieve a 48-hour working week for NCHD's in advance of the timescale laid down under the EU Directive.

## **Millennium Payments**

Early in the year, it was expected that a significant number of additional staff would need to be rostered to provide cover during the millennium holiday period. However, as the year end approached, it became apparent that the special events planned to mark the occasion were of a much smaller scale than had been expected. As a result, the number of additional staff whose holiday plans were disrupted as a result of the requirement to attend for duty over the millennium period was much smaller than originally anticipated. Fortunately, the millennium celebrations did not result in any major increase in demands being made on the health service.

In response to a claim by the Alliance of Health Service Unions for a premium payment to health service staff who were required to provide cover over the millennium period, agreements were reached under the auspices of the LRC and Labour Court which provided for enhanced payments for attendance or on-call duty.

## **Joint Working Party on an Ambulance Service Review**

A joint working party on an Ambulance Service Review was established between health service employers and SIPTU. The Working Group was set up to establish progress to date on the implementation of the recommendations of the *Report of the Review Group on the Ambulance Service (1993)* and to advise on how best to expedite the implementation of all its outstanding recommendations.

### **Expert Groups**

The Expert Group on Paramedical Grades, which was established on foot of a Labour Court recommendation to settle their PCW pay claim, concluded a series of site visits throughout the country and abroad and commenced drafting its recommendations. The Expert Groups for Medical Laboratory Technicians/Technologists and Radiographers, established as part of the LRC settlement proposals on their PCW pay claims, continued to receive submissions from interested parties. The Expert Group on Cooks, established on foot of their PCW pay claim, commenced framing its recommendations based on the results of questionnaires which were issued to management and staff. The Group, which comprised representatives from management and SIPTU, also carried out a number of site visits to study the operation of catering departments in various hospitals.

### **Anti-bullying policy**

In December, a model anti-bullying policy, which was jointly devised by the HSEA, IBEC and representatives from all of the major health service unions and a cross-section of employing authorities, was launched by the Minister for State at the Department of Health & Children, Dr Tom Moffet T.D. The policy originated from a request from health service unions to devise a comprehensive policy for dealing with allegations of workplace bullying. In addition, one of the issues identified by the Commission on Nursing was the reported incidence of bullying taking place at all levels within nursing and midwifery. The Commission's Report also noted that bullying is not a phenomenon peculiar to nursing, but is a form of harassment in the workplace which has been a source of concern to both employers and unions representing different categories of staff in the health service.

### **Employment Equality Act, 1998**

The Employment Equality Act 1998 came into operation on 18th October 1999. The purpose of the Act is to promote equality between employed persons by making discrimination unlawful on nine grounds, seven of them new – marital status, family status, sexual orientation, religion, age, disability, race and membership of the travelling community, as well as the long-established grounds of gender and marital status. It also prohibits harassment based on these discriminatory grounds. The Employer Advisory Division of the Agency issued explanatory guidelines on the salient provisions of the Act as it relates to health service employment and commenced the preparation of best-practice guidelines designed to ensure compliance with the provisions of the Act.



# BOARD MEMBERS OF THE HSEA

31/12/1999

Mr John Cooney (Chairman)	Chief Executive Officer	South Eastern Health Board
Mr Frank Ahern	Director of Personnel and Development	Department of Health and Children
Mr P McLoughlin	Chief Executive Officer	Eastern Health Board
Mr Martin Cowley	Chief Executive Officer	Mater Hospital
Ms Maria Cronin	Divisional Director	IBEC
Mr Pat Harvey	Chief Executive Officer	North Western Health Board
Mr Pat Lyons	Chief Executive Officer	Beaumont Hospital
Mr Brian O'Donnell	Chief Executive Officer	Federation of Voluntary Bodies
Mr Brendan Phelan	Principal Officer	Department of Health and Children
<i>Industrial Relations Committee</i>		
Mr P McLoughlin (Chairman)	Chief Executive Officer	Eastern Health Board
Mr Tom Beegan	Programme Manager	South Eastern Health Board
Ms Martina Behrendt	Personnel Officer	Beaumont Hospital
Mr Denis Fenton	Personnel Officer	Southern Health Board
Ms Teresa Cody	Assistant Principal Officer	Department of Health & Children
Ms Mary Kelly	Personnel Officer	Eastern Health Board
Mr Tim Kinelly	Secretary/Manager	St John's Hospital, Limerick

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# BOARD MEMBERS OF THE HSEA (continued)

Ms Sheila O'Sullivan	Industrial Relations Executive	IBEC
Mr John Pepper	Human Resource Manager	St John of God Brothers
Ms Mairead Shields	Director of Human Resources	Adelaide and Meath Hospital (Incorporation National Children's Hospital)
Mr John Sullivan	Personnel Officer	Western Health Board
<i>Human Resources (Personel Management) Committee</i>		
Mr Martin Cowley (Chairman)	Chief Executive Officer	Mater Hospital
Mr Larry Bane	Personnel Officer	Midland Health Board
Mr John Byrne	Personnel Officer	Mid-Western Health Board
Mr Noel Cassidy	Personnel Officer	St Vincent's Hospital
Ms Maria Cronin	Divisional Director	IBEC
Mr Pat Gaughan	Programme Manager	North Western Health Board
Ms Anne McNeely	Assistant Personnel Officer	St. James's Hospital
Mr John O'Dea	Executive Director	Western Care Association
Ms Melanie Pine	Principal Officer	Department of Health & Children
Ms Vivienne Tegg	A/Personnel Officer	South Eastern Health Board
Mr Bob Tucker	Secretary/Manager	Portiuncula Hospital
Ms Maura Donovan	Director of Staffing	Stewart's Hospital

***Innovation/Change Management/Value for Money Committee***

Mr Pat Lyons (Chairman)	Chief Executive Officer	Beaumont Hospital
Ms Emer Brady	Assistant Principal Officer	Department of Health and Children
Mr Ned Byrne	Secretary/Manager	St Vincent's, Fairview
Mr Brian Conlon	Financial Controller	Mater Hospital
Mr Eamon Fitzgerald	General Manager	St Vincent's / St Luke's
Mr John Lamont	Clinical Services Co-ordinator	Beaumont Hospital
Mr Michael Lenihan	Secretary/Manager	National Maternity Hospital
Mr Tony McNamara	General Manager	Cork University Hospital
Mr Willie Murphy	Personnel Officer	North Western Health Board
Mr Larry Walsh	Personnel Officer	North-Eastern Health Board

***Finance and Audit Committee***

Mr John Cooney (Chairman)	Chief Executive Officer	South Eastern Health Board
Mr Martin Cowley	Chief Executive Officer	Mater Hospital
Mr Brendan Phelan	Principal Officer	Department of Health and Children

# STAFF MEMBERS OF THE HSEA

at 31/12/1999

Mr Gerard Barry .....	Chief Executive
Mr George Franklin .....	Secretary/Administration Manager
Ms Elva Gannon .....	Head of Employer Advisory Service
Ms Grainne Connolly .....	Head of Change Management
Mr James Doran .....	Head of Industrial Relations
Mr Martin McDonald .....	Project Manager
Mr Pearse Costello .....	Industrial Relations Executive
Mr Rory Costello .....	Industrial Relations Executive
Ms Marian Keogh .....	Industrial Relations Executive
Mr Brendan Mulligan .....	Industrial Relations Executive
Mr Sé O'Connor .....	Industrial Relations Executive
Ms Anna Marie Killilea .....	Information/Research Officer
Ms Sonia Shortt .....	Information/Research Officer
Ms Ciara Murphy .....	Information/Research Officer
Ms Orla Tierney .....	Head of Secretarial Services
Ms Majella O'Hare .....	Secretarial Support
Ms Marian Larkin .....	Secretarial Support
Mr Michael Penston .....	Maintenance Co-ordinator
Ms Marie Lawlor .....	Catering Assistant
Ms Laura Spillane .....	Administrative Assistant

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FINANCIAL STATEMENTS

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FOR THE ACCOUNTING PERIOD

1 JANUARY 1999 TO 31 DECEMBER 1999

# COMPOSITION OF THE BOARD AND OTHER INFORMATION

## **Board**

Mr J Cooney (Chairman)  
Mr M Cowley  
Ms M Cronin  
Mr P McLoughlin  
Mr F Ahern  
Mr P Lyons  
Mr B Phelan  
Mr B O'Donnell  
Mr P Harvey

## **Chief Executive**

Mr G Barry

## **Banker**

Bank of Ireland  
34 College Green  
Dublin 2

## **Solicitor**

Roger Greene & Sons  
14 City Gate  
Lower Bridge Street  
Dublin 8

## **Accountant**

David Carton & Co.  
Chartered Accountants  
Hoar Rock Hill  
Balbriggan Road  
Skerries  
Co Dublin

## **Auditor**

The Comptroller & Auditor General  
Dublin Castle  
Dublin 2

# STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The Board is required by the Health Service Employers Agency (Establishment) Order 1996 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Health Service Employers Agency and its income and expenditure for that year.

In preparing those statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Health Service Employers Agency and to enable it to ensure that the financial statements comply with the Order. It is also responsible for safeguarding the assets of the Health Service Employers Agency and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

Board Members



Date 13 September 2000



# STATEMENT OF ACCOUNTING POLICIES

## Introduction

The Health Service Employers Agency (HSEA) was established by the Minister for Health & Children under The Health Service Employers Agency (Establishment) Order, 1996 which came into effect on 15 July 1996.

### The main functions of the Agency are:

- To promote value for money in pay cost management;
- To support and represent health service employers in the management of industrial relations;
- To develop appropriate research, education and information initiatives to assist personnel management.

## Statement of Accounting Policies

### (i) Basis of Accounting:

These accounts are prepared on an accruals basis under the historical cost convention.

### (ii) Income:

Income principally represents monies accruing to the Health Service Employers Agency based on the budgeted contributions payable by health service employers.

### (iii) Superannuation:

No provision has been made in respect of accrued benefits payable in future years under the Local Government Superannuation and Spouses' and Children's Schemes, as the liability is underwritten by the Minister for Health & Children.

Contributions from employees who are members of the schemes are credited to the Income and Expenditure Account when received. Pension payments (excluding death and marriage which are treated on an accruals basis) under the schemes are charged to the Income and Expenditure Account when paid.

### (iv) Fixed Assets:

Fixed Assets are included in the Accounts at cost less depreciation. The following rates and methods of depreciation apply:

	Rates	Method
Premises	2%	Straight Line
Fixtures & Fittings	10%	Straight Line
Office Equipment	25%	Reducing Balance

The depreciation, which is matched by an equivalent amortisation of the capitalisation account, is not charged against the Income and Expenditure account.

### (v) Capitalisation Account

The capitalisation account represents the unamortised value of funding provided for fixed assets.

### (vi) Department of Health & Children – Grants:

Grants from the Department of Health & Children are accounted for on an accruals basis.

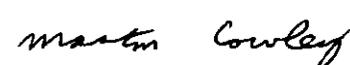


# BALANCE SHEET

for the year ended 31 December 1999

	Note	1999 £	1998 £
<b>Fixed Assets</b>	(1)	2,890,453	2,919,698
<b>Current Assets</b>			
Debtors & Prepayments	(2)	49,384	28,705
Bank & Cash Balances		245,442	194,313
		<u>294,826</u>	<u>223,018</u>
<b>Current Liabilities</b>			
Creditors & Accruals		121,559	112,912
Bank Term Loan repayable within 1 year	(3)	120,160	72,722
		<u>241,719</u>	<u>185,634</u>
<b>Net Current Assets</b>		53,107	37,384
<b>Net Assets</b>		<u><u>2,943,560</u></u>	<u><u>2,957,082</u></u>
<b>Financed by:</b>			
Surplus (Deficit) on Income & Expenditure Account		173,267	110,106
Capitalisation Account	(5)	2,890,453	2,919,698
Surplus (Deficit) on Capital Income & Expenditure Account	(6)	<u>(1,548,338)</u>	(1,685,477)
Bank Term Loan repayable after more than 1 year	(3)	1,428,178	1,612,755
		<u><u>2,943,560</u></u>	<u><u>2,957,082</u></u>

The Accounting Policies on page 16 and the Notes on pages 19 to 22 form part of these Financial Statements.

Board Members  

13 September 2000

# NOTES TO THE ACCOUNTS

for the year ended 31 December 1999

## 1. Fixed Assets

	Premises	Fixtures & Fittings	Office Equipment	Total
	£	£	£	£
<b>Cost</b>				
Cost or Valuation at 1/1/99	2,850,893	135,092	91,821	3,077,806
Additions	2,949	-	71,318	74,267
	<u>2,853,842</u>	<u>135,092</u>	<u>163,139</u>	<u>3,152,073</u>
<b>Depreciation:</b>				
Balance at 1/1/99	112,719	13,956	31,433	158,108
Charge for Year	57,077	13,509	32,926	103,512
Balance at 31/12/99	<u>169,796</u>	<u>27,465</u>	<u>64,359</u>	<u>261,620</u>
Net Book Value at 31/12/99	<u>2,684,046</u>	<u>107,627</u>	<u>98,780</u>	<u>2,890,453</u>
Net Book Value at 31/12/98	<u>2,738,174</u>	<u>121,136</u>	<u>60,388</u>	<u>2,919,698</u>
			<b>1999</b>	<b>1998</b>
<b>2. Debtors and Prepayments:</b>				
			£	£
Prepayments			-	3,429
Bank Interest Accrued			549	-
Debtors			48,835	25,276
			<u>49,384</u>	<u>28,705</u>

S U B S I D I A R Y A C C O U N T S

# NOTES TO THE ACCOUNTS *(continued)*

for the year ended 31 December 1999

### 3. Bank Loans:

A commercial mortgage was obtained to cover the acquisition cost of the Agency's premises. The capital element of this loan is repayable as follows:

	£	£
Within one year		120,160
In 2-5 years	480,640	
5 years +	<u>947,538</u>	<u>1,428,178</u>
		<u><u>1,548,338</u></u>

### 4. Restatement of Accounts

Due to the changes in accounting policies in 1999, it was necessary to restate certain prior year figures.

	Note	1999 £	1998 £
<b>5. Capitalisation Account</b>			
Balance as at 1 January		2,919,698	-
Prior Year Adjustment	(8)	<u>-</u>	<u>1,906,503</u>
Balance as at 1 January Restated		2,919,698	1,906,503
Add: Additions to Fixed Assets in year		74,267	1,103,851
Less: Amortisation in line with Depreciation		<u>(103,512)</u>	<u>(90,656)</u>
Balance as at 31 December		<u><u>2,890,453</u></u>	<u><u>2,919,698</u></u>



# NOTES TO THE ACCOUNTS *(continued)*

for the year ended 31 December 1999

	1999	1998
	£	£
<b>8. Prior Year Adjustment – Capitalisation Account</b>		
1996 Additions to Fixed Assets	-	1,853,250
1997 Additions to Fixed Assets	-	120,705
Less: Amortisation in line with Depreciation 1996-1997	-	(67,452)
	<u>-</u>	<u>1,906,503</u>

## 9. Prior Year Adjustment – Capital Income & Expenditure Account

DOH&C Capital Income 1996 utilised in 1996	-	(3,250)
DOH&C Capital Income 1996 utilised in 1997	-	(73,504)
DOH&C Capital Income 1997 utilised in 1997	-	(47,201)
New building cost unfunded as at 31/12/1997	-	(1,766,862)
	<u>-</u>	<u>(1,890,817)</u>

## 10. Contingent Liability

A future liability to the Agency may arise in relation to the Park House premises upon which there is a 35 year lease for part of the first floor. At present, these offices are sublet by the Local Government Staff Negotiations Board and the rent payable by the tenant covers the overheads. However, as a result of the arbitration agreement between the HSEA and the LGNSB, the Agency is liable for any future assets or liabilities which may arise in relation to this building. The lease has a further 11 years to run.

## 11. Approval of Financial Statements

The financial statements were approved by the Board on 13 September 2000

**HSEA**

Health Service Employers Agency

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