Department of Health, Social Services and Public Safety

Resource Accounts
For the year ended 31 March 2015

Laid before the Northern Ireland Assembly by the Department of Finance and Personnel under section 10(4) of the Government Resources and Accounts Act (Northern Ireland) 2001

3 July 2015

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ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

DIRECTORS' REPORT

The Department of Health, Social Services and Public Safety (DHSSPS or the Department) presents its Annual Report and Accounts for the financial year ended 31 March 2015.

MANAGEMENT

The Department is headed by a Minister who is supported by senior officials, the most senior of which is the Permanent Secretary. A Departmental Management Board, comprising the senior official in charge of each executive area, manages the Department.

Minister

Mr E Poots MLA was the Minister responsible for the Department from 16 May 2011 until 23 September 2014.

Mr J Wells MLA was appointed as the Minister responsible for the Department on 24 September 2014.

Permanent Head of the Department

Mr R Pengelly was appointed as the Permanent Secretary for the Department on 1 July 2014, succeeding Dr A McCormick who was in post from the 1 April 2014 to 30 June 2014.

Management Board

Membership of the Departmental Management Board during 2014-15 is outlined below:

Mr. R Pengelly	(Chair) Permanent Secretary (joined the Board July 2014)
Dr. A McCormick	(Chair) Permanent Secretary (left the Board June 2014)
Mrs. C Daly	Deputy Secretary, Health Care Policy Group (left the Board December 2014)
Mr. S Holland	Deputy Secretary, Social Care Policy Group
Mrs. C McArdle	Chief Nursing Officer (seconded to the Department from the South Eastern Health and Social Care Trust)
Dr. M McBride	Chief Medical Officer (seconded to the Department from the Belfast Health and Social Care Trust)

Mrs. D McNeilly	Deputy Secretary, Health Care Policy Group (joined the Board January 2015)
Mrs. J Thompson	Deputy Secretary, Resources and Performance Management Group
Dr. C King	Independent Non–Executive Director
Mr. M Little	Independent Non–Executive Director

DEPARTMENTAL ACCOUNTING BOUNDARY

These accounts consolidate financial information for those bodies within the Departmental accounting boundary, namely:

- DHSSPS Core Department;
- Health and Social Care Board (HSCB); and
- Public Health Agency (PHA).

Annex A contains a full list of bodies consolidated within the accounts. Annex B contains a list of all the public sector bodies outside the boundary for which the Department had lead policy responsibility during the year.

DEPARTMENTAL REPORTING CYCLE

In line with all NI departments, the DHSSPS reporting cycle commences early in the financial year with the production of the Main Estimates. These establish authority from the Assembly for DHSSPS to incur expenditure up to the limits stipulated. The provisions sought in the 2014-15 estimates were based primarily on the Comprehensive Spending Review (CSR) as set out in the NI Executive's Programme for Government (PfG) 2011-2015, as approved by the NI Assembly in March 2012. The figures in the accounts also reflect any Executive approved changes to the 2014-15 budget, as agreed by the Assembly during 2014-15. Supplementary Estimates were produced in January 2015 seeking authority for additional resources and/or cash to that previously provided in the Main Estimates for the financial year. Both documents are published and available from Her Majesty's Stationery Office (HMSO).

The HSC Trusts are expected to work to meet those priorities set by the Minister. The NI Executive's Programme for Government 2011 -15 and performance against Executive and Ministerial priorities and targets are subject to routine monitoring and reporting to the Departmental Board.

FINANCIAL REVIEW

Overall total expenditure by the Department on all services amounted to £4,429m (£4,282m in 2013-14) against Estimate cover of £4,666m (£4,705m in 2013-14). A detailed review is contained in the Strategic Report on pages 7-48. The financial results of the Department are set out on pages 89-150.

The financial statements are presented in £ sterling and are rounded in thousands.

Post-Balance Sheet Events

There are no post-balance sheet events that have a material effect on the 2014-15 accounts.

Contingent Liabilities disclosed under Parliamentary reporting requirements

No disclosures for this reporting period.

Payments to Suppliers

The Department is committed to the prompt payment of bills for goods and services and pays its non-HSC trade creditors in accordance with agreed terms and appropriate government accounting guidance, as set out in Managing Public Money NI. Updated late payment legislation (the Late Payment of Commercial Debts Regulations 2013) came into force on 16 March 2013. The effect of the new legislation is that a payment is normally regarded as late unless it is made within 30 days after receipt of an undisputed invoice. Contracts agreed before 16 March 2013 are however excluded from the amended provisions and will retain the payment terms agreed at the time the contract was signed.

Unless otherwise stated in the contract, payment is due within 30 days of the receipt of goods or services or within 30 days of the presentation of a valid invoice, whichever is later. Monthly reviews conducted to measure how promptly the Core Department pays its bills during the 2014-15 year have found that on average 96.78% were paid on time which represents an improvement of 0.82% on the previous year.

In November 2008, in response to the current economic position, the Minister for Finance and Personnel announced that Northern Ireland Departments would aim to ensure that valid invoices were paid within 10 days. In 2014-15 an average of 90.47% of the Core Department DHSSPS invoices were paid within 10 days, which represents an improvement of 3.78% on the previous year. Performance is regularly reviewed by the Departmental Board and steps have been taken to increase staff awareness of the importance of prompt payment. Moving into the 2015-16 financial year, the Department will build upon the performance achieved in 2014-15.

The following hyperlink provides details of the departments' prompt payment performance during 2014-15 and allows for comparison to be made with other NI Departments.

http://www.accountni.dfpni.gov.uk/index/working-with-suppliers/faqs-3.htm

Pension Liabilities

Past and present employees of the Department are covered by the Principal Civil Service Pension Scheme (PCSPS) (NI). Further details of the scheme can be found within the accounting policy note (Note 3) to the financial statements and within the Remuneration Report.

Related Party Transactions

The Department is the parent of those bodies listed in Annex A. It sponsors those bodies listed in Annex B. All these bodies are regarded as related parties with which the Department has had material transactions during the year. In addition, the Department has had a small number of transactions with other government departments and Central Government bodies. Most of these transactions have been with the Department of Finance and Personnel. Further details can be found at note 20 of the financial statements.

Audit

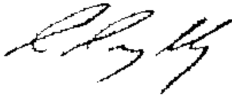
The accounts and supporting notes relating to the Department's activities for the year ended 31 March 2015 have been audited by the Comptroller and Auditor General. The Certificate and Report of the Comptroller and Auditor General is included on pages 87-88. The notional cost of the audit for the year ended 31 March 2015, which pertained solely to audit services, was £110k; this includes the audit fee for the Superannuation Scheme Resource Account.

Statement on disclosure of audit information

I can confirm that so far as I am aware there is no relevant audit information of which the auditors are unaware and that I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Authorised for Issue

The accounts were authorised for issue on 30th June 2015 by the Departmental Accounting Officer, Mr R Pengelly.



Mr R Pengelly
Accounting Officer
25th June 2015

STRATEGIC REPORT

The following contains a review of the activities of DHSSPS during 2014-15 and provides narrative on planned future developments. The information is set out under the following headings:

- Section 1 – Introduction;
- Section 2 – Performance of the Department;
- Section 3 – HSC, Northern Ireland Ambulance Service (NIAS) and Northern Ireland Fire and Rescue Service (NIFRS) Performance; and
- Section 4 – Resources.

SECTION 1 - INTRODUCTION

DHSSPS has a statutory responsibility to promote an integrated system of Health and Social Care (HSC) designed to secure improvement in:

- The physical and mental health of people in Northern Ireland;
- The prevention, diagnosis and treatment of illness; and
- The social wellbeing of the people in Northern Ireland.

The Department is also responsible for establishing arrangements for the efficient and effective management of the Fire and Rescue Services in Northern Ireland. The Department discharges its duties both by direct departmental action and through its 17 Arm's Length Bodies (ALBs). A list of ALBs is attached at Annexes A and B.

Strategic Priorities for Health, Social Services and Public Safety

For the overall health, social services and public safety system, the Minister has identified the following key strategic priorities, which include the Department's specific commitments to the wider Programme for Government:

- To improve and protect health and well-being and reduce inequalities, through a focus on prevention, health promotion, anticipation and earlier intervention;
- To improve the quality of services and outcomes for patients, clients and carers through the provision of timely, safe, resilient and sustainable services in the most appropriate setting;
- To improve the management of long-term conditions in the community, with a view to improving the quality of care provided and reducing the incidence of acute hospital admissions for patients with one or more long term conditions;
- To promote social inclusion, choice, control, support and independence for people living in the community, especially older people, and those individuals and their families living with disabilities;

- To improve the design, delivery and evaluation of health and social care services through involvement of individuals, communities and the voluntary, community and independent sectors;
- To improve productivity, by ensuring effective and efficient allocation and utilisation of all available resources in line with priorities; and
- To ensure the most vulnerable in our society, including children and adults at risk of harm, are looked after effectively across all our services.

The principal service objectives for HSC organisations derive from these strategic priorities and are set out in detail in the Health and Social Care Commissioning Plan Direction. Objectives for the Northern Ireland Fire and Rescue Service are embodied in its agreed business plan.

The Department's Responsibilities

Under the Health and Social Care (Reform) Act (Northern Ireland) 2009 the Department is required to:

- Develop policies;
- Determine priorities;
- Secure and allocate resources;
- Set standards and guidelines;
- Secure the commissioning of relevant programmes and initiatives;
- Monitor and hold to account its ALBs; and
- Promote a whole system approach.

SECTION 2 – PERFORMANCE OF THE DEPARTMENT

Throughout 2014-15, the Department has been engaged in developing, monitoring and implementing a range of health and social care strategies and policies, including:

Transforming Your Care (TYC)

"Transforming Your Care: A Review of Health and Social Care Northern Ireland" (TYC) was published in December 2011. TYC outlined a future model of care that places emphasis on the individual rather than the institution. This included seeking to ensure that services are provided in the community and in patient homes where it is appropriate and safe to do so. TYC also focussed on prevention, earlier interventions, and promoting health and well-being.

Providing the model of care described in TYC involves changes to how services for patients, carers and other service users are delivered. The reform of service delivery is being taken forward by the Health and Social Care Board (HSCB), HSC Trusts and other organisations on behalf of the Department. The Department has continued to support the work of these organisations, providing direction and guidance as required, on policy matters underpinning the service changes to deliver the model of care described in TYC.

In 2014-15, the Department secured additional funding of £13.4m through the Monitoring Round processes in order to fund specific TYC initiatives, including Integrated Care Partnerships, service changes/reform (such as new ambulance response models; medicines review of care homes; improvements in provision of stroke care) and to provide backfill for clinicians engaged in design of and review of new services.

However, securing sufficient transitional funding to deliver the shift in services from the hospital sector to the primary and community sector and associated resources, valued in TYC at £83m, (sometimes described as "shift left" of service provision) continues to present challenges given the current financial constraints.

Departmental progress in delivering those elements of the TYC proposals for which it has responsibility is monitored through the Department's business plan, with the Department liaising with HSCB and PHA on progress in pursuing TYC proposals for which they have responsibility.

The Department completed work on several TYC proposals for which it had responsibility during the year. These included the publication of "Making Life Better – The Strategic Framework for Public Health", with responsibility for implementing it passing to the PHA. In addition, a new Medicines Optimisation Policy Framework was developed and implemented, together with an associated strategic implementation plan.

Public Health Strategy

"Making Life Better", which is Northern Ireland's strategic framework for public health, was published in June 2014. It represents the Northern Ireland Executive's commitment to creating the conditions for individuals, families and communities to take greater control over their lives, including being enabled and supported in leading healthy lives.

Making Life Better provides strategic direction to improve health and reduce health inequalities, through strengthened collaboration in a whole system approach across the broad range of social, economic and environmental factors, which influence health and wellbeing. The strategic framework brings together actions at government level and provides direction for implementation at regional and local level. In order to achieve the aims of better health and wellbeing for everyone and reduced inequalities in health, action needs to be taken across the socio economic spectrum, to improve universal services as well as more targeted services for those experiencing greater need.

The Health and Social Care sector has a vital role to play in preventing ill health and keeping people well, and contributes in many other ways, for example as a major employer, and in partnership with other organisations to affect improvements to the conditions which impact on health and wellbeing. During 14-15 action has been focussed on putting in place the governance and implementation arrangements at strategic, regional and local levels to take the framework forward. These will need to be consolidated in the year ahead.

Making Life Better is underpinned by a range of key policies and strategies covering areas such as obesity, alcohol and drug misuse, mental health promotion and suicide prevention, tobacco. Progress in 2014-15 and key challenges for 2015-16 for these are set out below:

- Alcohol and Drug Misuse: The second progress report against the New Strategic Direction for Alcohol and Drugs continued to show good progress in a number of areas including Minimum Unit Pricing for Alcohol (MUP), a review of Tier 4 Services, action to address prescription drug misuse, and early identification of new emerging drugs and trends. Challenges for 2015-16 will include maintaining support for MUP - bringing forward appropriate legislation subject to Executive agreement - and working with the Home Office to address the sale of New Psychoactive Substances.

- Obesity: Publication of a two year update of the Obesity Prevention Framework 2012-14 – A Fitter Future for All demonstrated continuing progress to address obesity across the life course. Challenges for 2015-16 will be to agree and finalise a 3 year review of the Obesity Prevention Framework with our delivery partners and agree priorities for action over the next four years (2015-19). The Framework will require input from across a range of Departments including on sport, Education, active travel as well as in the health sector.

- Mental Health and Suicide: Ongoing development of new Suicide Prevention and Mental Health Promotion Strategy is planned for public consultation in September 2015. Challenges for 2015-16 will be development and publication of the new strategy and future implementation.

- Breastfeeding: The Department has been working with the regional Breastfeeding Strategy Implementation Group to prepare the policy detail of the legislative proposal to support breastfeeding in public places during the next financial year. The public consultation will be undertaken during the 2015-16 financial year. It is the Department's intention to introduce the legislation during the next Assembly mandate.

- Tobacco: Northern Ireland was included in recent UK-wide legislation which will introduce standardised packaging for tobacco products from May 2016. Challenges for 2015-16 include progressing legislation through the Assembly to restrict the age of sale for e-cigarettes to persons over the age of 18 and to restrict smoking in private vehicles when children are present.

Health Protection

During 2014-15, the Department progressed a range of Health Promotion activities, including:

- Initiating and progressing a review of the Public Health Act 1967 in conjunction with the Northern Ireland Law Commission. Following the Minister of Justice's decision in September 2014 to close the Commission, the Department has now taken direct responsibility for the review. The Department aims to complete the review by March 2016, with a view to introducing a public health bill during the next Assembly mandate.

- In Northern Ireland, around 1,400 people per year suffer an out-of-hospital cardiac arrest (OHCA) and the current survival rate is approximately 10%. In July 2014 the Department launched the Community Resuscitation Strategy. The strategy is intended to increase survival for those who suffer an OHCA, by raising public awareness of the importance of early recognition of an OHCA and the importance of early intervention; encouraging members of the public to intervene; increasing the availability of and access to Cardio

Pulmonary Resuscitation (CPR) training; promoting participation in CPR training; improving the availability of and access to the Automatic External Defibrillators (AED) in the community, and enhancing the capacity of information systems to capture and provide key data on OHCAs and patient outcomes. The Department asked NIAS, PHA and HSCB to establish an implementation group to take forward all the objectives within the strategy.

- In October 2014, phase 2 of the seasonal flu immunisation programme for children came into operation. This programme, introduced in 2013, is in addition to provision for at-risk groups, and phase 2 extended the programme to include (a) all pre-school children who were aged two years or more on 1 September 2014, who were vaccinated by GP practices, and (b) all children attending primary school, who were vaccinated by the school health teams. The uptake rate achieved for the programme was amongst the highest achieved across the UK with 54.4% for the pre-school children and 79.7% for the primary school children.

- In March 2015, the Department launched the Home Accident Prevention Strategy 2015-25. In Northern Ireland in a typical week, two people die as a result of home accidents. In addition to these deaths there are approximately 17,000 admissions to hospital each year as a result of unintentional injuries in general. The aim of the strategy is to minimise injuries and deaths caused by home accidents, particularly for those who are most at risk. The strategy partners, led by PHA, will seek to achieve this by empowering people to better understand the risks and make safe choices; promoting safer home environments, promoting and facilitating effective training, skills and knowledge in home accident prevention, and improving the evidence base.

Emergency Preparedness and Response

The Department has a responsibility to provide strategic advice and guidance on health and social care related matters to the emergency preparedness structures within Northern Ireland.

During 2014-15, the Department contributed to the following key initiatives:

- The Department, together with colleagues from the HSCB, PHA and BSO participated in Phase 1 of a UK-wide Tier 1 exercise on pandemic influenza preparedness in May 2014. Exercise Cygnus was led by CMO and it involved convening a meeting of the strategic cell in the Regional Health Command Centre to consider HSC actions to be taken to address the consequences of a moderate to severe scenario.

- Planning was also undertaken for key events such as the Giro d’Italia and Commonwealth Games Queen’s Baton Route in May 2014. The Department and HSC organisations were part of project planning structures to ensure any impact on HSC services were minimised.

- In October 2014, the focus switched to domestic preparedness in respect of Ebola Virus Disease. The 4 UK Health Ministers, Departments, public health organisations and health Board and Trusts worked closely together to ensure the appropriate measures and training were put in place in readiness for a positive Ebola case within the UK and to

monitor returning healthcare workers and other members of the public arriving from the affected regions in West Africa.

- From June to December, at the request of Civil Contingencies Group (NI), this Department led on the review of the Vulnerable People Protocol (a toolkit for addressing the needs of the vulnerable during an emergency). Following a multi-agency workshop and consultation with the Information Commissioner's Office, the revised Protocol and accompanying report was submitted to the CCG (NI) secretariat in December and shared with Other Government Department (OGD) members in January 2015.

During 2015-16, the Local Government reforms will be implemented and embedded. Local Government provide a pivotal role in the multi-agency preparedness and response relating to civil contingencies. Risks are usually at their highest during periods of transition and change and there remains uncertainty about the future longer-term support and funding for this role and any consequential impact this may have on HSC organisations and emergency services.

Pharmacy

'Making it Better' strategy

In 2014, the Department published the 'Making It Better Through Pharmacy in the Community' strategy. The aim of the strategy is to facilitate the fuller integration of pharmacy services across the HSC through the commissioning and delivery of HSC contracted pharmacy services to ensure high quality, safe and effective public health and medicines management for the people of Northern Ireland. It seeks to provide a clear direction for the delivery of pharmacy services in the community, which places the individual at the centre and aims to optimise their health and wellbeing throughout life by helping people to:

- Gain better outcomes from medicines;
- Live longer, healthier lives;
- Safely avail of care closer to home; and
- Benefit from advances in treatment and technology.

An implementation plan for the strategy was published in February 2015, which assigns indicators for each of the strategic goals, responsibility for taking forward the various actions and sets out a proposed timescale for these actions. A number of actions flowing from the strategy fall to the HSCB and PHA. Both organisations are developing costed work plans for implementation of the relevant actions. Arrangements will also be put in place during 2015-16 to oversee progress against the implementation plan.

Medicines Optimisation

During 2014-15, work progressed on the development of a draft Medicines Optimisation Quality Framework which has three components: (i) a Regional Medicines Optimisation Model, which outlines the activity needed at each stage of the patient journey to help gain the best outcomes from medicines; (ii) Quality Standards, which describe what patients can expect when medicines are included as part of their treatment; and (iii) a regional medicines

innovation plan to support the sustainable delivery of the quality standards identifying the priority areas for research and service development required to address the gaps in best practice in medicines optimisation over a five year period 2015-2020. The aim is to launch the draft Framework for consultation in May 2015 and finalise the framework during 2015-16.

Medicines Innovation

Phase 1 of the Medicines Optimisation Small Business Research Initiative (SBRI) competition commenced in January 2015, with the aim of developing new technology solutions that will help optimise the health benefits of medicines through improved adherence by supporting people to take their medicines as prescribed. Six successful applications were selected and the projects will run from January 2015 until the end of June 2015. The competition has been developed by the Department in partnership with the Department of Enterprise, Trade and Investment, and Innovate UK with support from the HSCB and Invest NI.

Minimum Care Standards

Minimum Care Standards are a key element in the Department's drive to improve the quality of health and social care. These standards provide service users with information on the quality of service they can expect to receive and set a benchmark against which service providers can measure their provision. The Regulation and Quality Improvement Authority (RQIA) and, where appropriate, Trusts, use these standards to assess and report on the quality of services delivered by registered providers.

Work has been ongoing throughout 2014-15 to update various suites of minimum care standards for establishments. To this end, revised minimum care standards for Children's Homes were published in April 2014 with revised standards for Independent Hospitals published in July 2014. Work was taken forward to update the standards for Nursing Homes and the revised standards were published early in April 2015. A Standards and Guidance policy framework was also developed.

Regional Learning System

In April 2013, the NI Assembly's Public Accounts Committee recommended that interim arrangements should be put in place prior to full implementation of a Regional Adverse Incident Learning system. In light of this a Regional Learning System project was established to map out the current processes relating to learning from good practice and adverse incidents, to support the interim system, and make recommendations on the future form of a permanent system. The Regional Learning System report was finalised and submitted to the Department in December 2014. The report makes 18 recommendations across four areas, including: governance, information technology, data analysis and scrutiny of incidents and are being taken forward as appropriate.

National Institute for Health and Care Excellence (NICE) Guidance

In January 2015, a process for the endorsement, implementation, monitoring and assurance of NICE Public Health Guidance in Northern Ireland came into effect. Public Health Guidance

makes recommendations for populations and individuals on activities, policies and strategies that can help prevent disease or improve health. This process will ensure that Northern Ireland has access to up-to-date, independent, professional, evidence-based guidance about the effectiveness and cost effectiveness of interventions and broader programmes of public health.

Office of Social Services

Reform of Conduct Model for Regulation of Social Workers and Social Care Workers

Work has continued to progress in 2014-15 to amend primary legislation (the HPSS Act (NI) 2001) to modernise the conduct model used by the Northern Ireland Social Care Council (the NISCC) in its assessment of registrants' fitness to practise and suitability to remain on the NISCC Register. The proposed changes will ensure that the conduct model used by the NISCC reflects current best practice and will provide for a broader range of proportionate sanctions in the disposal of conduct cases up to and including exclusion from the Register. A draft Bill has been produced and it is planned that this will be introduced to the Assembly before Summer Recess 2015 with Royal Assent anticipated in the current Assembly mandate.

Improving & Safeguarding Social Wellbeing – A Strategy for Social Work

The Strategy aims to improve the experience and outcomes for services by strengthening the capacity and capability of the social work workforce, reforming and modernising social work services, and building public trust and confidence in the profession. During 2014-15, a number of innovation projects sponsored by the Strategy Innovation Scheme were completed (or are close to completion) and the outcomes and learning from these projects will be shared in 2015-16. A further 12 innovation projects were agreed in 2014-15 and will be commencing in 2015-16. Innovation projects range from reducing bureaucracy, promoting self-directed support, service user-led initiatives and improving professional judgement.

Priorities for 2015-16 include Reducing Bureaucracy, Reform in Children's Services, Continuous Improvement and strengthening first line manager capacity and capability.

Family and Children's Policy

Adoption

During 2014-15, the Department continued its work in relation to the development of new adoption legislation for Northern Ireland. The Bill is principally intended to modernise the legal framework for adoption in Northern Ireland and place children's welfare at the centre of the adoption decision-making process. Executive approval to the drafting of a Bill was obtained in January 2013 and the Department's remains committed to delivering adoption reform.

Early Intervention Transformation Programme (EITP)

The Early Intervention Transformation Programme (EITP) is a £30m Delivering Social Change (DSC)/Atlantic Philanthropies Signature Programme. The Programme aims to improve outcomes for children and young people across Northern Ireland through embedding

early intervention approaches. The Programme is funded jointly by 6 government Departments (OFMDFM, DHSSPS, DE, DOJ, DSD and DEL) and Atlantic Philanthropies. DHSSPS leads the implementation of this cross-government initiative

EITP Workstream One aims to equip all parents with the skills needed to give their child the best start in life and will focus on three key parenting stages; Workstream Two aims to support families when problems arise before they need statutory involvement and will focus on the delivery of an integrated regional model of Early Intervention for these families and Workstream Three aims to positively address the impact of adversity on children.

During 2014-2015, the cross departmental Programme Board has been established and meets on a quarterly basis. A number of Projects have been approved by the EITP Programme Board in respect of Workstream Three; including the Home on Time, Edges and 6 in 10 Projects. The Belfast Intensive Family Support Service has also been established. The EITP Programme Board has given its approval to the development of five Early Intervention Services under Workstream Two; delivery of these Services is expected to commence in summer 2015 following a procurement process. In March 2015, the Programme Board gave its approval to spend to the Workstream One *Getting Ready for Baby*, *Getting Ready for Toddler* and *Getting Ready to Learn* Projects. The Programme Board has given approval to a number of contingency projects *DEL Family Support Programme;* a *Joint DoJ/DSD Community Safety Project for Vulnerable Young People;* a *Social Enterprise Project and* a *Joint DHSSPS/DoJ Care Proceedings Pilot.*

During the 2015-16 year, anticipated challenges to the delivery of the Programme will include managing the available funding ; as well as ensuring satisfactory progress is made in relation to each of the Projects, including adherence to delivery timescales.

Adult Safeguarding

During 2014-15 the Department consulted on a Draft Adult Safeguarding Policy, developed in collaboration with the Department of Justice. This contained guidance to those working with adults at risk from harm and on roles and responsibilities in relation to adult safeguarding in terms of both prevention and protection. It also contained an overarching policy framework for adult protection services, including guidance on the process to be followed once a referral is received. The Department intends to publish the finalised policy during the latter months of 2015.

Safeguarding Legislation

The Department continues to implement The Safeguarding Vulnerable Groups (Northern Ireland) Order 2007, which makes provision for Enhanced Disclosure Certificates with Barred List Checks to be carried out on those people seeking to engage in certain paid or voluntary work with children and/or adults known as ‘regulated activity’. During 2014-15 the Department worked closely with the Department of Justice in preparing for the introduction of the AccessNI update service, which will allow disclosure certificates to be portable, removing the need to re-apply for each position held. An element of this preparation involved considering revisions to the definitions of “working with children” and “working with adults”.

Child Protection

The Department is currently revising existing children's safeguarding policy guidance to ensure that it is reflective of changes in legislation, guidance, policies and procedures and changes in service delivery structures since it was published in 2003. It is intended that the revised guidance will provide the overarching policy framework for all relevant Departments, their agencies and other key stakeholders in respect of working together to safeguard children in Northern Ireland. The publication of the children's safeguarding policy guidance is included as a milestone in one of the Programme for Government commitments owned by the Department. It is the Department's intention that this policy will be published in 2015-16 following pubic consultation.

Departmental guidance in relation to sexually active children and young people has been developed, but was unable to be progressed due to other competing work priorities. It is our intention to progress this guidance in 2015.

Looked After Children

The Department has drafted **Foster Placement and Agencies Regulations**, which will subject independent and voluntary fostering agencies in Northern Ireland to a system of regulation and inspection by the Regulation and Quality Improvement Authority (RQIA) for the first time. The Regulations have not yet been made as the RQIA's capacity to take on these new inspection duties is currently being considered.

Work continues on a draft **Looked After Children Strategic Statement**, which will set the Department's strategic priorities for Looked After Children over the next 3- 5 years. The draft statement takes account of the findings of the Marshall Report into Child Sexual Exploitation and will also consider the findings of the SBNI's Thematic Review of Child Sexual Exploitation when published, before it is finalised and subject to a formal public consultation process.

Following a DoJ and DHSSPS joint scoping exercise of the operation of the family justice system, both Ministers agreed to a **care proceedings pilot** to minimise unnecessary delay in children's care proceedings. During 2014-15 funding for the pilot was secured from the Early Intervention Transformation Programme (EITP). Two Health and Social Care Trusts and relevant associated Courts have been identified and a part time Project Manager will be seconded to the Department prior to the planned start date for the pilot in September 2015. The pilot will run for a minimum of 12 months and will be formally evaluated on its completion.

During 2014-15 the Department consulted on a **Minimum Care Standards for Supported Lodgings**. Supported lodgings aim to provide older young people with safe, suitable and supportive places to live within a local familial type environment. Such an environment will offer tailored levels of housing related and social care support to enable young people to develop practical emotional and relationship skills needed for a successful transition to independence and adulthood. Following analysis of the consultation responses, the standards will be published by end June 2015.

Primary Care

In early 2014-15 the Department concluded negotiations with the Northern Ireland General Practitioner (GP) Committee. The negotiations resulted in a range of enhancements to the GP contract for 2014-15 and an agreement to invest an additional £1m in the Quality and Outcomes Framework (QOF). The negotiations also concluded with a reduction in the administrative requirement on GPs.

Secondary Care

Secondary Care primarily includes those services which are delivered in hospitals covering acute, scheduled and unscheduled services (such as emergency care). The Department's strategic priority for these services is to improve the quality of services and outcomes for patients, clients and carers through the provision of safe, resilient and sustainable services. These services are commissioned by the HSCB and delivered by the HSC Trusts. Patients requiring specialist treatment can be transferred to specialist units in Great Britain, Republic of Ireland and further afield if the treatment is not available locally.

The main challenge faced by secondary care during the year was the continuing **pressures on Emergency Departments (EDs)** which resulted in excessive waiting times and in some instances a reduced service being experienced by patients. Although good progress was made in reducing the number of people waiting more than 12 hours to be admitted to hospital or discharged from EDs, the main area of focus was the work of the Regional Task Group, which was established by the Minister in July 2014 to oversee the recommendations arising from the Regulation and Quality Improvement Authority's (RQIA) review of unscheduled care services in the Belfast HSC Trust. The Task Group is chaired by the Chief Medical Officer and the Chief Nursing Officer and has worked on measures that would enable avoidable 12 hour ED waiting time breaches to be eliminated from the winter of 2014 onwards, and within 18 months to ensure that significant progress be made to facilitate achieving the 4 hour waiting time standard. The Task Group has been carrying out its work against a very challenging winter and spring period for EDs, which has meant that progress against reducing waiting times has been slower than originally planned. However, the Task Group has undertaken a considerable body of work, such as better escalation planning for times of acute pressure and further work remains to be completed, such as improving patient flow through hospitals to ease the pressure on EDs.

In March 2015, the Minister confirmed his acceptance of the recommendations of the International Working Group's (IWG) proposed model for an All-island Congenital Heart Disease Network. A Network Board has been established, consisting of clinicians, nurses, commissioners, service managers and family representatives from Northern Ireland and the Republic of Ireland, with responsibility for planning the full implementation of the IWG's recommendations over a phased timetable. Elective paediatric congenital cardiac surgical procedures ended in Belfast in December 2014. Emergency cases continue to be stabilised in the Belfast HSC Trust and are then transferred either to Dublin or to specialist centres in England. Currently all elective surgery takes place in England and catheterisations are performed by Belfast HSC Trust cardiologists in Dublin. The majority of elective procedures

will continue to be carried out by specialist heart centres in England until sufficient capacity has been developed in Dublin to accommodate Northern Ireland patients.

Since September 2014, the **Primary Percutaneous Coronary Intervention (PPCI)** service for patients suffering the most severe form of heart attack is provided to the entire Northern Ireland population from two centres in the Royal Victoria Hospital and Altnagelvin Hospital. PPCI saves lives, reduces complications, speeds recovery and shortens the length of hospital stay. This service has benefited around 1,060 patients in Northern Ireland since its roll-out in September 2013. The introduction of this new service is a commitment in the NI Executive's Programme for Government.

During 2014-15, the Full Business Case, Memorandum of Understanding (MoU) and Service Level Agreement (SLA) for the **Altnagelvin Radiotherapy Unit**, which is due to open in 2016, were finalised and approved by the respective health authorities in Northern Ireland and the Republic of Ireland. The MoU and the SLA are designed to make provision for patients from the Republic of Ireland to use the services provided by the Unit.

In January 2015, the Department completed its public consultation on a **Rare Diseases Implementation Plan for Northern Ireland** containing proposals to further improve services for these patients. There are between 5,000 and 8,000 rare diseases. Each one affects less than 0.1% of the UK's population, but together they affect the lives of three million people. A final implementation plan will be published in the year ahead subject to Ministerial approval and available resources.

During 2014-15 the Department carried out an evaluation of the **Individual Funding Request** (IFR) process for commissioning specialist drugs not yet approved by NICE. The outcome of a public consultation on the following recommendations is currently being considered by the Department.

Oral Health Services

The 2006 Primary Dental Care Strategy recommended a shift in emphasis from repairing the effects of dental disease to disease prevention. The 2007 Oral Health Strategy led to the implementation of a two-pronged preventive approach in promoting evidence-based programmes to improve the oral health of children in Northern Ireland and, in doing so, reducing health inequalities. In one approach the Community Dental Service focuses its services on special needs groups including children from socioeconomically disadvantaged areas; and, along with health promotion colleagues, delivers fluoride toothpaste schemes for young children in those same areas. The other approach provides enhanced capitation payments through the General Dental Services for children from socioeconomically disadvantaged areas to enable high street dentists to provide oral health advice and preventive care; and remuneration for providing protective fissure sealants for children as primary preventive measures.

Data from a number of local sources had indicated improvements in the oral health of our child population since the implementation of the Oral Health Strategy and these have now been validated by results from the 2013 Child Dental Health Survey, which was published in March 2015. This report shows that, whilst the dental health of older children here still lags

behind other UK regions, the findings for younger children are more encouraging showing reduced levels of dental decay at an age when our recent initiatives will have had most effect. Three of the four Child Dental Health Survey related targets from the Oral Health Strategy have been met, and improvements appear to have been achieved against the fourth, though a changed metric means that it progress cannot be directly compared. This complements the majority of the Adult Dental Health Survey related targets being met on the publication of that 2009 survey. Preparation will now begin for the planning and publication of a new Oral Health Strategy, and new targets will be developed. The prevention of dental disease is of ongoing importance and we are encouraged that our evidence-based preventive programmes have been found to have had such a positive effect as we work to promote and improve the health of our population.

The Northern Ireland Caries – Prevention in Practice (NIC-PIP) clinical research trial began in 2012 to investigate the effectiveness and cost-effectiveness, in primary care settings, of the use of fluoride varnish and fluoride toothpastes to prevent decay in young children. The trial has been largely funded by the National Institute of Health Research Health Technology Assessment programme but both DHSSPS and the Northern Ireland Research and Development Office also provided funding. 1,200 children have been followed over a three year period and the clinical phase will conclude at the end of June 2015. Preliminary results are expected to be published in the autumn of 2015, with the final results and full publication in 2016. The results will be very important and will inform the planning for the future delivery of preventive dental care in Northern Ireland, and indeed wider afield.

The final evaluation of the HSCB-led Oral Surgery Pilot, as required under pilot Personal Dental Services legislation, was received by the Department in February 2015. Valuable learning has resulted, including that patient satisfaction levels were high and that 95% of patients were examined and treated within four weeks of their referral. The Department is taking forward the other learning as appropriate.

An HSCB-led General Dental Services pilot commenced during 2014-15 in order to test a potential future capitation-based contract model. The first wave commenced in November 2014, with two practices incorporating a total of nine dentists. The number of practices, and constituent dentists, participating in the second wave will depend on practice profiles and which best meet the inclusion criteria, but potentially up to eighteen practices might be invited. This second wave is scheduled to commence in autumn 2015. Researchers from the University of Manchester are leading the evaluation process for the HSCB through a programme funded by the National Institute of Health Research, which will add both academic rigour and an independent perspective to the process.

Nursing, Midwifery and Allied Health Professions (AHPs)

- **Education and Training:** This remains a high priority for AHPs, nursing and midwifery professions as it is essential to underpin the delivery of evidence based high quality care. Education and Training is also fundamental to the successful delivery of Departmental strategies including Quality 2020, Transforming Your Care and the updated Public Health Strategy. As such the review and development of education commissioning continues to be taken forward through professional education strategy and commissioning groups. A

Nursing and Midwifery Workforce Review has been completed and it predicts the number of nurses required to complete both pre and post registration programmes. The Review is currently being considered by departmental officials. A workforce review for AHPs is currently under consideration with workforce policy directorate.

- **Nursing and Midwifery Strategy:** A new Nursing and Midwifery Strategy (2015-2020) has been developed. A consultation exercise is taking place and will end in May 2015. It is anticipated that the new strategy will be launched in the summer of 2015.

- **Allied Health Professions Strategy**: The current AHP Strategy for 2012-2017 is ongoing and into its third action plan. Plans to review this will commence early 2016 with the proposal to consult and launch the new strategy in the autumn of 2016.

- **Delivering Care - Nurse Staffing in Northern Ireland:** This policy was launched in January 2014 and became operational in April 2014. The aim of the policy 'Delivering Care' is to support safe and effective care in hospital and community settings through the development of a framework to determine staffing ranges for the nursing and midwifery workforce in a range of major specialities.

- **Recording Care:** A regional record keeping project, taken forward in collaboration with the Northern Ireland Practice and Education Council (NIPEC), has progressed the development of a range of resources to improve practice across midwifery and nursing practice. In addition, a record for use within the acute sector, which has been successfully piloted, is ready to be developed into an E nursing record. NIPEC is taking forward work on completing the administration of this project to turn this work into an electronic record. This will help ensure that nursing information sits alongside other electronic tools, such as the electronic care record, with the aim of improving how information is shared and reducing duplication.

- **Patient/Client Experience Standards:** There is now recognition that the patient experience is a reliable indicator of the quality of care received by patients/clients. A programme of work to continue to develop the methodology to support the implementation and monitoring of the patient/client experience standards remains ongoing in collaboration with the Public Health Agency and the Northern Ireland Practice and Education Council (NIPEC). The provision of compassionate, dignified and high quality care delivered across all services will continue to be measured through this work and where deficits are identified; actions will be implemented to address any deficiency. The Chief Nursing Officer is in the early stages of developing a Patient Experience Framework.

- **Key Performance Indicators (KPIs):** The regional project to develop Key Performance Indicators for Nursing is being undertaken in collaboration with the PHA and Northern Ireland Practice and Education Council. A range of Indicators have been identified to measure and demonstrate improvements in quality and safety outcomes for people who use health care. The prevention and management of 'Falls' and 'Pressure Ulcers' have already been identified as a priority for inclusion in the Departmental suite of Indicators of Performance. Baseline data on occurrence is being collated with the aim of setting realistic targets for improvement in performance in these key areas. Work is now

commencing on looking at key indicators around nursing workforce such as absence, vacancy and level of funded posts which will be linked to the implementation of Delivering Care.

- **Introduction of the Family Nurse Partnership Programme to Northern Ireland:** The Family Nurse Partnership model is an intensive preventive programme for vulnerable, first time young parents that begins in early pregnancy and ends when the child reaches 2 years of age. Three sites have now been successfully introduced to Northern Ireland in the Western, Belfast and Southern Trusts. The remaining two Trusts have recruited and trained staff to move forward to full implementation. Full implementation of the Programme is detailed as a target for 2015-16 within the Commissioning Plan Direction.

- **Learning Disability Nursing:** The Northern Ireland Action Plan for local implementation of the recommendations to 'Strengthening the Commitment', the report of the UK Modernising Learning Disabilities Nursing Review' was launched in June 2014. Implementation has been completed and regional collaborative has been established to take forward local actions.

- **District Nursing:** A review of the District Nursing Service has been undertaken and a draft service development framework has been produced "A District Nursing Service for Today and Tomorrow." This has been framed to reflect the vision and principles of Transforming Your Care. An engagement exercise has been undertaken with District Nursing leads and District Nurses and will be launched for implementing in the autumn of 2015.

- **Revalidation for Nurses and Midwives:** Revalidation will be introduced across the UK from April 2016 where registered nurses and midwives will be required to demonstrate 3 yearly to the Nursing and Midwifery Council (NMC) that they remain fit for practise. A programme board and working group have been working during 2014-15 to take forward the implementation of the new regulations.

- **Advanced Nurse Practitioners:** The Northern Ireland Practice and Education Council (NIPEC) have developed an Advanced Nurse Practitioners Framework to ensure robust governance on introducing the role into Northern Ireland. Work has commenced with the universities on developing the programme for delivery within Northern Ireland and it will focus initially on Emergency Departments and Paediatrics.

- **AHP Prescribing:** In May 2014, the Department commissioned training for supplementary prescribing for physiotherapists and podiatrists. Independent Prescribing Legislation for podiatrists and physiotherapists came into operation in January 2015 within Northern Ireland. This work is now in the implementation stage which is being led by the PHA. A proposal to amend the Independent Prescribing Legislation to include an additional four AHP professions (*paramedics, dieticians, radiographers and orthoptists),* has been published by NHS England. The consultation period will end in May 2015. A Northern Ireland engagement event was held in May 2015 to support the national consultation.

Mental Health, Disability and Adult Older People

- **Reform of Adult Care and Support:** The Department is currently taking forward a three-stage process of reform to establish the future direction and funding of care and support in Northern Ireland. Stage two formally commenced in September 2014 with the establishment of a cross-government and cross-sector Project Board. The Project Board will have responsibility for the oversight of the development of both strategic and financial reform proposals. Progress in 2014-15 was constrained by budgetary pressures and consideration is now being given as to how best to move forward with stage two.

- **Independent Living Fund (ILF):** The continued support of ILF users will be devolved to Local Authorities in England and to the Devolved Administrations, in Scotland, Wales and Northern Ireland from 1 July 2015. The responsibility for the administration and payment of the Independent Living Fund (ILF) will transfer from DSD to DHSSPS. Officials are currently considering a proposed way forward for the Independent Living Fund. The Minister has given a commitment that the Department would do all that it can to ensure that ILF users in Northern Ireland would not be disadvantaged by the Department for Work and Pension's decision to close the fund from 30 June 2015.

- **Inter Departmental Review of Housing Adaptations Services:** The Inter- Departmental Review of Housing Adaptations Services Review Final Report 2015 is the culmination of ongoing collaborative work undertaken between officials in DSD and DHSSPS since February 2010, and includes significant input from the Northern Ireland Housing Executive in conjunction with appropriate HSC and housing association organisations. Subject to Executive approval, a public consultation on the review's final report and action plan will be undertaken in 2015-16.

- **Physical and Sensory Disability:** The Department's Physical and Sensory Disability Strategy and Action Plan 2012-15 was published in February 2012 and is currently being implemented by the HSCB in partnership with other Government Departments, HSC Trusts, representatives from the voluntary and community sector and service users. The Strategy and Action Plan aim to improve outcomes, services and support for people in NI who have a physical, communication and/or sensory disability.

  The Regional Strategy Implementation Group continued to take forward the recommendations from the regional strategy to improve services and promote independence for disabled people, their families and carers. In addition the Regional Strategy Implementation Group commissioned a number of regional initiatives to date to support this shift.

  In terms of Joint planning of services for disabled people by the statutory, voluntary and community health and social care providers, and other relevant public services (e.g. housing) to ensure a wide range of services across Northern Ireland, a wraparound project providing multi-agency/multi-disciplinary services for children and young people with disabilities is being rolled out in all Trust areas. This is being taken forward under the Children & Young People's Strategic Partnership.

Liaison with NICS Departments to improve joint working with the aim of ensuring that young people with disabilities are offered the same opportunities for learning and personal development. Implementation of this action is being taken forward under the Children & Young People's Strategic Partnership.

A regional community access pilot is underway across the five HSC Trust areas commissioned by the Regional Strategy Implementation Group. Liaison with other NICS Departments to examine ways of working more closely together and with the voluntary/community bodies to support the development of vocational orientation/rehabilitation services for disabled people. DHSSPS Comment "On 20 April, DEL and DETI jointly launched a new strategy to address economic inactivity in Northern Ireland entitled 'Enabling Success'. The strategic goal is, by 2030, to contribute towards a stable and competitive employment rate in Northern Ireland which exceeds the United Kingdom average, through a reduction in the proportion of the working age population (16-64) classified as economically inactive. The total size of the strategy's main target groups is approximately 64,000 people, equating to 20% of the inactive working age total".

- **Mental Health Policy -** The direction of mental health policy development is largely determined by the findings of the Bamford Review of mental health and learning disability services.

  The Department continued to oversee the implementation of the **Bamford Action Plan 2012-15**, which includes 76 actions - some committed to by individual Departments and others jointly - which are being monitored on a six monthly basis through inter-Departmental Groups at Ministerial and senior official level.

  The **Bamford Action Plan 2012-15** has been extended until March 2016, to allow the Department to conduct an evaluation of the implementation of the plan. The evaluation will assess the impact and effectiveness of the plan on the delivery of mental health and learning disability services.

  In terms of **resettlement,** progress continued on the integration of long-stay patients from mental health and learning disability hospitals into the community. The most recent target was to complete, by 31 March 2015, resettlement of the original cohort of long-stay mental health and learning disability patients (the "Priority Target List" or PTL). The majority of the PTL patients have been resettled into the community, but a comparatively small number of patients remain in hospital settings. On resettlement, many of the remaining resettlements are individuals with more complex conditions and behaviours and additional work is required to establish the most suitable placement coupled with the right level of support to suit their specific needs. The emphasis is on getting it right for the patient and ensuring their safety and care and is a key priority.

  The Stormont House Agreement, published in December 2014, made a commitment to implement the Commission for Victims and Survivors' recommendation for a comprehensive **Mental Trauma Service**. The Department is working with the Office of the First Minister and Deputy First Minister to develop implementation proposals.

- **Mental Capacity Bill -** The Bamford Review recommended that there should be a single, comprehensive legislative framework for reform of mental health legislation and the introduction of capacity legislation. The Mental Capacity Bill will introduce a new statutory framework governing all decision making in relation to the care, treatment or personal welfare of a person aged 16 or over who lacks capacity to make a specific decision for themselves. The Mental Health (NI) Order 1986 will therefore be revoked by the Bill when enacted, in respect of persons aged 16 and over. That Order will be amended to strengthen the protections it already contains for those under 16, pending a proposed review of the Children (NI) Order.

  The Department, along with the Department of Justice, carried out a consultation in 2014 on a draft Bill and criminal justice policy statement. A consultation analysis was published in early 2015. Drafting on the Bill was completed in March 2015. Drafting commenced on a code of practice and a range of subordinate legislation to support the Bill. Consideration has also been given to the costs of the Bill and the training needs of HSC employees, and relevant workers and volunteers in the voluntary and community sector.

  Subject to Executive approval, it is anticipated that the Bill can complete its Assembly stages by March 2016. This is an exceptionally tight, but achievable, timetable. Drafting on codes of practice and subordinate legislation will continue in parallel with the bills progress through the Assembly process. It will also be challenging to provide for the implementation of this complex and groundbreaking legislation in a period of financial pressure, but the Department is committed to doing this in a manner which makes the best use of existing resources where possible.

Prison Healthcare

Responsibility for healthcare services in NI Prisons transferred to Health and Social Care in April 2008. The decision to transfer responsibility was taken on the back of a similar process in England and Wales, concerns over the professional isolation of services in prisons and a recognition that services were not being delivered to the standard experienced by the wider community.

The Owers Report on Prison Reform (2011) contained a series of recommendations for the reform of prisons in Northern Ireland, ten of which specifically relate to prisoner healthcare. A Prison Reform Oversight Group chaired by the Minister for Justice was established to oversee the implementation process. In terms of governance, there continues to be quarterly, joint strategic meetings between the Northern Ireland Prison Service (NIPS) and the South Eastern HSC Trust (SET), the HSCB, PHA and the Department. An operational Board meets bi monthly to discuss operational issues. The Department also attends a monthly Prison Health Service meeting which includes HSCB commissioners and NIPS representatives and SET meets monthly with each of the Governors of the three prisons to discuss issues in a local health forum.

The publication of a Joint Healthcare and Criminal Justice Strategy was originally anticipated by March 2015. However, this will be delayed until the issue of social care has been resolved, due to differing views between key stakeholders on its delivery. Following

discussion, the issue of social care in prison custody has been taken forward as a separate project by DHSSPS, the Department of Justice (DoJ) and NIPS. In parallel with the work on social care, DHSSPS continued to work with DoJ and DoJ Agency staff on other healthcare issues, including the future delivery of services with Youth Justice and Police Service of Northern Ireland custody suites.

DHSSPS is clear that whilst the strategy itself will not have been agreed within the original timeframe, the Department remains committed to working with DoJ to develop better care pathways and healthcare services within Criminal Justice.

The major focus in this area for 2015-16 will therefore be the finalisation of the joint heath care and criminal justice strategy, agreement on the way forward in respect of social care, a continued rolling programme of substance misuse audits and continued work around discharge protocols and guidelines and inter agency protocols.

SECTION 3 – HSC, NIAS AND NIFRS PERFORMANCE

3.1 HSC Performance

Continued progress has been made across a number of areas during 2014-15, including extending bowel cancer screening and the healthy pregnancy programme, in delivering against the hip fractures standard, an increased number of kidney transplants, improved access to NICE approved specialist drug therapies, the Delivery of Monitored Patient Days and Telecare Monitored Patients, an increase in the number of direct payments across all programmes of care and more timely non complex discharges from an acute hospital.

However, notable areas where performance in 2014-15 has not been strong include: Elective Care Waiting Times Standards, Cancer Care Services Standards, Unscheduled Care Standards, referral to commencement of AHP treatment and timeliness of complex discharges from an acute hospital setting.

Outpatients standards

(a) From April 2014, at least 80% of patients wait no longer than 9 weeks for their first outpatient appointment.

- *The latest published information for the quarter ending 31st March 2015 indicates that of all patients waiting, 56.3% (107,957) were waiting longer than 9 weeks for their first outpatient appointment.*

(b) From April 2014, no patient waits longer than 15 weeks for their first outpatient appointment.

- *The latest published information for the quarter ending 31st March 2015 indicates that 82,486 (43%) patients were waiting longer than 15 weeks for their for their first outpatient appointment.*

Diagnostic Tests standards

(a) From April 2014, no patient waits longer than 9 weeks for a diagnostic test.

- *The latest published information for the quarter ending 31st March 2015 indicates that of all patients waiting, 28.5% (23,021) were waiting longer than 9 weeks for a diagnostic test.*

Inpatient / Day case Treatment standards

(a) From April 2014, at least 70% of inpatients and daycases are treated within 13 weeks, increasing to 80% by March 2014.

- *The latest published information for the quarter ending 31st March 2015 indicates that of all patients waiting, 48.0% (27,780) were waiting longer than 13 weeks for their inpatient / daycase treatment.*

(b) From April 2014, no patient waits longer than 26 weeks for inpatient and daycase treatment.

- *The latest published information for the quarter ending 31st March 2015 indicates that 13,622 patients were waiting longer than 26 weeks for their inpatient / daycase treatment.*

Unscheduled Care standards

From April 2014, 95% of patients attending any Type 1, 2 or 3 A&E Department are either treated and discharged home, or admitted, within 4 hours of their arrival in the department; and no patient attending any emergency department should wait longer than 12 hours.

4 Hour Performance:-

- *In Type 1 EDs in March 2015, 69.7% of patients attending were either treated and discharged home, or admitted, within 4 hours of their arrival. This compares to 70.5% in March 2014;*

- *In Type 2 EDs in March 2015, 88.6% of patients attending were either treated and discharged home, or admitted, within 4 hours of their arrival. This compares to 87.0% in March 2014; and*

- *In Type 3 EDs in March 2015, 100.0% of patients attending were either treated and discharged home, or admitted, within 4 hours of their arrival. This is the same as in March 2014.*

12 Hour Performance:-

- *In Type 1 EDs during March 2015, 611 patients attending waited longer than 12 hours before being either treated and discharged home, or admitted. This compares to 408 patients waiting longer than 12 hours during March 2014;*

- *In Type 2 EDs during March 2015, three patients attending waited longer than 12 hours before being either treated and discharged home, or admitted. There were no patients waiting longer than 12 hours during March 2014; and*

- *In Type 3 EDs in March 2015, no patients attending waited longer than 12 hours before being either treated and discharged home, or admitted. This is the same level of performance as March 2014.*

Cancer Services

(a) From April 2014, all urgent breast cancer referrals should be seen within 14 days.

- *The latest published performance information for the quarter ending 31st December 2014 indicates that 96.3% of urgent breast cancer referrals are seen within 14 days.*

(b) From April 2014, at least 98% of patients diagnosed with cancer should receive their first definitive treatment within 31 days of a decision to treat.

- *The latest published performance information for the quarter ending 31st December 2014 indicates that 95.4% of patients, diagnosed with cancer received their first definitive treatment within 31 days of a decision to treat.*

(c) From April 2014, ensure that 95% of patients urgently referred with a suspected cancer begin their first definitive treatment within 62 days.

- *The latest published performance information for the quarter ending 31st December 2014 indicates that 74.7% of patients urgently referred with a suspected cancer began their first definitive treatment within 62 days.*

Hip Fractures Standard

From April 2014, 95% of patients, where clinically appropriate, wait no longer than 48 hours for inpatient treatment for hip fractures.

- *During March 2015, 93.9% of patients, where clinically appropriate, waited no longer than 48 hours for inpatient treatment as compared to 87.4% during March 2014.*

Commencement of Allied Health Professional (AHP) Treatment Standard

From April 2014, no patient waits longer than nine weeks from referral to commencement of AHP treatment.

- *At the end of March 2015, 15,364 patients had been waiting longer than nine weeks from referral to commencement of AHP Treatment.*

Specialist Drugs Standards

(a) From April 2014, no patient should wait longer than 3 months to commence NICE approved specialist therapies for rheumatoid arthritis, psoriatric arthritis or ankylosing sponylitis.

- *Data for March 2015 reports that 84 patients were waiting to commence specialist drug therapy for severe inflammatory arthritis, with one waiting over 3 months. This compares to 136 waiting (none waiting over 3 months) at the end of March 2014.*

(b) From April 2014, no patient should wait longer than 3 months to commence NICE approved specialist therapies for psoriasis.

- *Data for March 2015 reports that 50 patients were waiting to commence specialist drug therapy for psoriasis, with one waiting over 3 months. This compares to 17 waiting (none waiting over 3 month) at the end of March 2014.*

Remote Telemonitoring Services

(a) Provision of remote Telehealth Monitored Patient Days

By March 2015, deliver 500,000 Telehealth Monitored Patient Days (equivalent to approximately 2,800 patients) from the provision of remote telemonitoring services through Telemonitoring NI contract.

- *At the end of March 2015 a total of 489,324 Monitored Patient Days have been delivered to 2,315 patients through the Telemonitoring NI contract. Additionally a total of 16,438 Monitored Patient Days have been delivered to 49 patients through the U-Tell service for Diabetes and INR. Total Monitored Patient Days for the year is 505,762 delivered to 2,364 patients.*

(b) Provision of remote Telecare Monitored Patient Days

By March 2015, deliver 800,000 Telecare Monitored Patient Days (equivalent to approximately 2,300 patients) from the provision of remote telecare services including those provided through the Telemonitoring NI contract**.**

- *HSC Trusts delivered 987,332 monitored patient days over the year exceeding the target by 187,332 (23%) monitored patient days.*

Provision of kidney transplants

By March 2015, ensure delivery of a minimum of 80 kidney transplants in total, to include live, DCD and DBD donors.

- *Against a target of 80, during 2014/15 there were 98 kidney transplants delivered.*

Admissions and Discharges

(a) From April 2014, ensure that 99% of all learning and disability and mental health discharges take place within 7 days of the patient being assessed as medically fit for discharge, with no discharge taking more than 28 days.

- *During March 2015, regionally 95.8% of mental health inpatients were discharged within 7 days of being assessed medically fit for discharge;*
- *During March 2015, regionally 73.7% of learning disability patients were discharged within 7 days of being assessed medically fit for discharge; and*
- *During March 2015, regionally eight mental health and four learning disability patients waited longer than 28 to be discharged.*

(b) From April 2014, 90% of complex discharges from an acute hospital take place within 48 hours.

- *During March 2015, regionally 73.7% of complex discharges took place within 48 hours. This compares to 80% of complex discharges taking place within 48 hours during March 2014.*

(c) From April 2014, no complex discharge from an acute hospital takes more than 7 days.

- *During March 2015, regionally 203 discharges took longer than the 7 days. This compares to 102 discharges taking longer than 7 days during March 2014.*

(d) From April 2014, all non-complex discharges from an acute hospital take place within 6 hours.

- *During March 2015, regionally 95.0% of non-complex discharges took place within 48 hours. This compares to 95.6% of non-complex discharges taking place within 48 hours during March 2014.*

Mental Health Services

(a) From April 2014, no patient waits longer than 9 weeks to access child and adolescent mental health services (CAMHS).

- *At the end of March 2015, 96 patients had been waiting longer than 9 weeks to access CAMHS.*

(b) From April 2014, no patient waits longer than 9 weeks to access adult mental health services.

- *At the end of March 2015, 137 patients had been waiting longer than nine weeks to access adult mental health services.*

(c) From April 2014, no patient waits longer than 9 weeks to access dementia services.

- *At the end of March 2015, 43 patients had been waiting longer than nine weeks to access dementia services.*

(d) From April 2014, no patient waits longer 13 weeks to access psychological therapies.

- *At the end of March 2015, 912 patients had been waiting longer than 13 weeks to access psychological therapies.*

Performance Management going into 2015-16

The priorities and targets detailed in the Commissioning Plan Direction for 2015-16 are complemented by a number of indicators of performance set out in a separate Indicators of Performance Direction for 2015-16.

An annual *Indicators of Performance Direction* was introduced to ensure the Health and Social Care sector has a core set of indicators in place, based on common definitions across the sector, which enable us to track trends and performance. The HSCB, PHA and HSC Trusts monitor the trends in performance against indicators, taking early and appropriate action to address any variations in unit costs or performance or deteriorating trends in order to ensure achievement of the Ministerial targets.

HSCB will continue to implement a comprehensive framework for performance management and service improvement which monitors performance against relevant objectives, targets and standards and provides appropriate assurance to the Department and the Minister about their achievement. Poor performance will be addressed promptly and effectively through intervention and, where necessary, the application of sanctions. An integral part of these arrangements will be the identification and promulgation of best practice to promote consistent service improvement across the HSC.

3.2 Northern Ireland Ambulance Service (NIAS) Performance

NIAS has continued to work hard over the year to improve its response to Category A life-threatening 999 Emergency Calls. Unfortunately, NIAS performance levels have not been maintained in comparison to earlier years.

A Ministerial target for 72.5% of Category A calls to be responded to within 8 minutes by March 2015, with 67.5% in each LCG area, was re-introduced in 2014 to promote improvement. During 2014-15, NIAS responded to 57.7% of Category A calls within 8 minutes (compared to 67.6% in 2013-14) due to continuing pressures on the unscheduled healthcare system in general and ambulance services in particular. In respect of the individual LCG area performance, only Belfast, with a cumulative 2014-15 figure of 68.9% achieved the target.

The number of Category A calls responded to in 2014-15 was 11.8% higher than in 2013-14, which adversely impacted on the 8 minute response time. This needs to be viewed in the context of overall activity, particularly in relation to categorisation of Health Care Professionals (HCP) calls (previously categorised as GP urgent calls) and the introduction of the Card 35 scheme. Changes proposed to the application of the Card 35 scheme, a telephone call triage response methodology due to be implemented early in 2015-16.

Other issues impacting on response times in 2014-15, and which are being addressed by NIAS, include a significant recruitment and training process for operational staff, and a continued focus on absence management. In addition, the HSCB will be working with NIAS to take forward a detailed demand and capacity exercise during 2015-16. NIAS is also continuing to work with the other HSC Trusts to improve ambulance turnaround times,

including the ongoing provision of Hospital Ambulance Liaison Officers in the Royal Victoria, Ulster, Antrim and Craigavon Emergency Departments.

During 2014-15, the Department, working with NIAS and other bodies, finalised and launched a Community Resuscitation Strategy for Northern Ireland. This Ministerial initiative offers significant potential to increase effective intervention by the whole community in the provision of early cardiopulmonary resuscitation (CPR) and defibrillation to increase survival rates for out-of-hospital cardiac arrests. NIAS is leading the implementation of the strategy.

3.3 Northern Ireland Fire & Rescue Service (NIFRS) Performance

During 2014-15, NIFRS received a total of 33,992 emergency calls for help to its Regional Control Centre, which represented a 6.4% reduction in calls received compared to the previous year. Fire crews responded to a total 22,781 emergency incidents across Northern Ireland, representing a 5.3% reduction in mobilisations in year compared with the previous year. NIFRS has a hoax call reduction strategy in place and as a result, the number of hoax calls has been reducing year on year. In 2014-15, the number of hoax calls reduced by a further 15.1% to 1,614 (compared to 1,901 in 2013-14).

Attacks on firefighters decreased by 6.8% (110) in 2014-15 representing 8 less attacks on firefighters than 2013-14. However, one attack is one too many and NIFRS continues to work with the community, with the aim of ensuring that there are no attacks on firefighters.

Fire crews rescued 213 people from major fires during 2014-15. The number of accidental dwelling fires during 2014-15 increased by 2.8% (923) when compared to the previous year. During 2014-15, Firefighters carried out 6,958 free home fire safety checks, fitted 5,146 smoke alarms and distributed 142,736 fire safety leaflets right across Northern Ireland - targeting and prioritising the most vulnerable people in our community. NIFRS will continue to target and monitor those most at risk from fire through ongoing education and media campaigns.

Unfortunately eight people in Northern Ireland lost their lives in accidental house fires during 2014-15, which is the same number of fatalities in 2013-14. It is a tragedy that anyone should lose their life in an accidental house fire, NIFRS is striving to reach a stage with their prevention work where this figure is zero in Northern Ireland.

Over the past year, there has been a 16% decrease in the number of secondary fires (grass, rubbish, wildland, etc) attended by NIFRS: 4,864 in 2014-15 compared to 5,802 in 2013-14 and a 40% decrease over the last five years. NIFRS's community engagement and public awareness campaigns about the consequences of deliberate fire setting is believed to have had a positive impact in this area.

Fire crews attended 720 road traffic collisions (RTCs), a 2% increase in RTCs attended compared to the previous year. In 2014, 79 people tragically lost their lives on Northern Ireland's roads compared to 57 in 2013. With its road safety partners in the Department of the Environment (DOE) Road Safety and the Police and Ambulance Services, NIFRS worked

hard to encourage road users to drive responsibly and to 'Share the Road to Zero' (a campaign aimed towards zero road deaths in Northern Ireland in the year ahead).

Halloween night is traditionally one of the busiest nights of the year for NIFRS. On 31 October 2014, 141 calls were received and 102 incidents attended across Northern Ireland. This is the lowest figure recorded since 1989 and represents a decrease of 18% on incidents attended in the previous year. NIFRS continued to work closely with partner agencies in Health, Police and Justice to raise awareness of the dangers and increase understanding of the legislation around fireworks and sparklers in the run up to Halloween 2014. Eighteen people attended Emergency Departments in 2014 with a firework-related injury, which is 12 more than in 2013.

During 2014-15, NIFRS issued 5 Enforcement Notices and 2 Prohibition Notices and progressed one prosecution to those premises which repeatedly failed to comply with the required fire safety standards and in the most serious cases of failure to comply, exercised its power as the enforcing agency and carried out prosecutions.

Throughout 2014-15, NIFRS participated in numerous live multi-agency emergency training exercises to help to test operational response, procedures and resilience in various emergency scenarios and to validate procedures for working with other partner agencies to enhance fire fighter and public safety.

During 2014-15, NIFRS continued to work with Employers for Disability Northern Ireland (EfDNI) in supporting employees and service users with disabilities. A number of employees participated in the 'WorkHear' Programme facilitated by EfDNI and Action on Hearing Loss. This training involved deaf awareness and sign language skills. NIFRS can now accommodate work experience placements for adults with hearing impairments.

NIFRS continued to progress its Capital Investment Programme and completed work on the new Community Fire Station for Omagh which was officially opened in September 2014. Work has also commenced on the planning stage of a new NIFRS Service Logistics Support Centres. This new facility will provide a state-of-the-art Transport and Equipment Workshop and Stores facility which will support our operational service delivery. Throughout 2014-15, NIFRS remained committed to the development of the Northern Ireland Community Safety College for the provision of education and training for operational and support staff alongside colleagues in the Police and Prison Services. During 2014-15, a procurement setback with the preferred bidder being unable to deliver the project within budget, resulted in a standstill period during which the Programme Board took stock of the current situation with a view to identifying the best way forward for the project. During 2014-15, over £4.5m was invested in the NIFRS fleet, including 16 Pumping Appliances, 6 All-Terrain Pumping Appliances, 2 Water Tankers, 21 rapid response vehicles and 12 ancillary vehicles. NIFRS also invested in specialist fire fighting and rescue equipment and in upgrading its ICT infrastructure.

3.4 Future Performance

Key targets for future performance will be a matter for agreement with the Minister for Health, Social Services and Public Safety. They will be focussed on ensuring achievement of strategic objectives in line with available resources.

SECTION 4 – RESOURCES

4.1 Risks and Uncertainties

The Departmental Board is committed to maintaining a sound system of internal governance including comprehensive and effective risk management systems. The Department works within a comprehensive framework for business planning, risk management and assurance. The Department maintains a Departmental Risk Register to record, monitor and report on the management of risk, and the Departmental Board receives formal quarterly reports on the status of Departmental risks, with individual risks considered on an exception basis where necessary.

Twelve principal risks have been identified in relation to the successful discharge of the Department's statutory obligations. These risks reflect the possible high level threats to which the Department must respond in terms of its own business and the agenda it sets for its Arms Length Bodies. The risk descriptions set out below:

- That the potential impact of poor population health and wellbeing on the demand for health and social care services may be exacerbated by an ineffective contribution by the Department to the cross-government priority on improving health and wellbeing in terms of policy, legislation and standards;
- That the commissioning and delivery of good quality health and social care services may be jeopardised by ineffective policy, legislation and standards for clinical and social care governance;
- That the quality of health and social care services may be adversely affected because patients, clients, carers and communities are not appropriately involved in their design, delivery and evaluation;
- That appropriate standards of probity and governance are not maintained because of ineffective internal control and sponsorship of Arms Length Bodies;
- That the Department's statutory responsibilities for Families in Need, Looked After Children, vulnerable adults and children and young people in NI may not be adequately discharged because of inadequate policy, legislation standards, guidance and resourcing;
- That available resources are not sufficient to deliver the strategic objectives for health, social care and public safety and the necessary quality and productivity improvements may not be delivered because of ineffective planning, prioritization and deployment of resources;
- That the necessary quality and productivity improvements for health and social care services may not be delivered because of a lack of innovation;
- That the Department's response to those emergencies for which it is the Lead Government Department may not be adequate to manage the emergency and maintain essential health and social care services;
- That the health and social care workforce may not meet the future requirements of changing service profiles and patient and client needs;
- That core services may not be safe and effective because buildings, equipment, vehicles and ICT are not maintained, refurbished or replaced in line with prevailing standards;

- That the Department's procurement arrangements may not be carried out in line with EU and national law resulting in legal challenge and/or failure to deliver best value for money; and
- That the benefits of the Business Services Transformation Programme, including savings, may not be realized with an adverse impact on patients, clients and services.

4.2 Corporate Governance

The Code of Good Practice on Corporate Governance in Central Government requires the Department to report on its approach to corporate governance and in particular on the role and operation of the Departmental Board.

Board Membership

In 2014-15, the Departmental Board had eight members; including two Independent Board Members. Board Members are listed within the Directors' Report on pages 3 and 4. Executive membership of the Departmental Board is restricted to holders of those posts in acting or actual capacity. Senior management posts are filled in line with and according to NI Civil Service processes and procedures.

Meetings

The Departmental Board meets monthly. Within the overall policies and priorities established by the Minister, the remit of the Board is to:

- Set the Department's standards and values;
- Agree the Department's strategic aims and objectives as set out in the Corporate Business Plan;
- Oversee sound financial management and corporate governance of the Department in the context of the Corporate Business Plan;
- Oversee the allocation and monitoring of the Department's financial and human resources to achieve aims and objectives set out in the Corporate Business Plan;
- Monitor and manage the Department towards the achievement of agreed performance objectives as set out in the Corporate Business Plan;
- Scrutinise the governance and performance of ALBs; and
- Set the Department's 'risk appetite' and ensure appropriate risk management procedures are in place.

Independent Membership

The Departmental Board has two Independent Non Executive Board Members (IBMs). Dr C King was appointed on 25 September 2010 and her appointment will run to September 2016 taking Dr King to the end of her second and final term. Mr M Little was appointed on 10 February 2014 and his appointment will run to February 2017.

The IBMs, like all Board members, are fully aware of the need to declare any personal or business interests which may, or may be supposed to, influence their judgement in performing their functions.

Departmental Audit and Risk Assurance Committee (DARAC)

The DARAC is a Committee of the Departmental Board, established to support and advise the Board and the Accounting Officer on issues of internal control, governance and assurance. The Committee consists of four members - the Department's two Independent Board Members, (one as Chair), and two external members. These two external audit committee members are employees of other public sector organisations. The Committee met four times in 2014-2015, and the Chair formally reported to the Departmental Board after each meeting.

The composition of the Committee is entirely independent of the Department's senior management team. Under its terms of reference, the Committee gives detailed and explicit attention to, and advises the Board and the Accounting Officer on:

- Internal control i.e. the quality of risk management, corporate governance and internal control within the Department;
- Cross-boundary issues affecting the Accounting Officer e.g. in respect of the adequacy of the accountability and assurance arrangements linking him to the Accounting Officers in subordinate bodies; and
- Systems for responding to recommendations made by authoritative external bodies e.g. PAC, the NIAO, and the RQIA.

Each year DARAC conducts a self-assessment against the guidelines issued by the National Audit Office. The findings of the self-assessment are presented to DARAC for action as appropriate.

Oversight and Relationship with Arm's Length Bodies (ALBs)

The Department has 17 Arm's Length Bodies (ALBs) which collectively comprise the health, social care and public safety system in Northern Ireland. The Department has continued to ensure effective governance procedures are in place with regards to oversight of its ALBs.

The Department's stewardship arrangements for its ALBs are reinforced through biannual oversight and liaison meetings which take place between Departmental and ALB representatives. These meetings cover performance against targets; finance issues; policy issues; and corporate governance issues.

The Department's relationships with its ALBs is explained in Annex A and B on pages 151 and 154.

The Department's Legislative Programme

The Department introduced the Health and Social Care (Amendment) Bill during the 2013-14 Assembly Session and this Bill received Royal Assent in April 2014. The Food Hygiene Rating Bill was introduced in the Assembly in November 2014 and is due to move to its Consideration Stage during 2015-16.

4.3 Environment and Sustainability

During 2014-15, the Department continued to demonstrate progress on its strategic objectives for sustainability as identified in the NI Executive's Sustainable Development Strategy Implementation Plan 'Focus for the Future' 2011- 2014. The key activities, functions and actions that continued to drive sustainable development in 2014-15 included:

- The continued funding of the Carbon Emissions Reduction Initiative (CERI) for 2014-15 as part of the DHSSPS Capital Investment Programme, with an investment of £1m provided to HSC organisations for implementation of energy and carbon efficient projects for 2014-15. These projects will realise recurrent savings from 2015-16;

- The completion of Post Project Evaluations for the CERI initiative for 2011-2013 to aid learning, identify best practice and inform reporting and shared learning as part of cross-departmental working groups actions on climate change mitigation;

- The continued Departmental participation in the Carbon Reduction Commitment (CRC). The Department's returns on CRC for 2014-15 indicated a reduction in carbon emissions of 15% over the previous year reflecting the ongoing work of Departmental staff in managing energy use;

- The Department's ALBs reported details of their work and progress in taking forward sustainable development initiatives in the six priority areas of the Executives strategy in support of the Department's objectives. This is to further inform reporting, identify best practice and share learning across the HSC;

- Maintaining a policy environment for sustainable development with extant guidance and published strategies on Land Management and Biodiversity, and

- The Department continues to participate in working groups for sustainable development and climate change including the health and climate change regional group, the Climate Change Adaption Group including providing input to the UK Climate Change Risk Assessment, the Cross Departmental working group on Climate Change informing of the Departments and its ALBs contribution to the mitigation of climate change and reduction in Green house gas emissions.

In 2015-16 the Department will continue to maintain a policy environment and the functions and activities above in line with the Executive's Sustainable Development Implementation Plan and with regard to its statutory duty for Sustainable Development.

Asset Management

A key requirement for the Department in 2014-15 was to continue to implement the actions contained in the Executive approved Asset Management Strategy, which is aimed at reducing the net cost of service delivery through the efficient use of public assets and to promote effective asset management processes that unlock value. Key initiatives in this area included:

- Continued application of Departmental asset management related policy and guidance;
- Completion of the Department's annual Property Asset Management Plan;
- Completion of the Department's annual State of the Estate report; and
- Population of the NICS wide centralised Property Information Mapping System (e-PIMS).

Continued implementation of asset management processes has delivered savings. For example, there has been a reduction in the number of underperforming property assets in the health estate, the Department's annual disposal target for the HSC has been delivered (circa £7.8m delivered against a target of £5.35m) and associated revenue savings have been achieved. For example, £536k per annum has been saved as a result of leases being either terminated or re-geared during 2014-15.

4.4 Employee and Community Matters

Health and Safety

The Department discharges its responsibilities under the Health and Safety at Work (NI) Order 1978 and other relevant legislation, and works to ensure the health, safety and welfare of its employees. All staff are kept up-to-date with the latest developments in health and safety standards, and compliance with these standards is assessed through an ongoing audit programme. Two health and safety audits were carried out in 2014-15.

Annual refresher training was delivered to the Department's first aiders in October 2013 and 10 new first aiders received full First Aid at Work training in February 2015. In line with the development of a community resuscitation strategy for Northern Ireland, there are plans for the Department to offer AED training to all staff during 2015-16. The Department's revamped H&S Induction Training for new entrants is now well established and 36 staff completed the induction training during 2014-15. Access to an online DSE training package was obtained and was rolled out across the Department in November. The annual Fire Awareness training video was rolled out across the Department in October 2014.

A total of nine staff had an accident at work during 2014-15, which was an increase on the previous year. There were approximately 19 specialist assessments carried out during 2014-15, including: ergonomic assessments; temperature, humidity, CO^2 levels; new and expectant mothers assessments; and lighting surveys.

Training and Development

In line with its Learning and Development Strategy and Plan, the Department provided a wide range of development opportunities for staff during 2014-15. Staff undertook a total of 1,151 days training. This comprised 357 days external training and 289 days provided by the Centre for Applied Learning. E-learning training packages delivered during the year meant that 1,516 staff received training in Display Screen Equipment, Fire Safety and NICS Sick Absence. Other development opportunities available to staff included a Mentoring Programme and the Aids to Study Scheme, under which assistance was granted to seven staff to pursue academic qualifications. During 2014-15, 39 staff participated in employer-supported volunteering programme taking part in three volunteering challenges in the community.

Workplace Health Improvement Programme (WHIP)

During 2014-15 as in previous years the Department offered a range of health improvement initiatives to staff. Recognising the importance of a healthy workforce the Department supported these initiatives financially and with the provision of time concessions for staff.

Staff

The Department directly employs some 486 (WTE) staff as at 31 March 2015. The NI Fire and Rescue Service employs some 2,235 people and around 65,500 people work in the Health and Social Care sector (excluding 'bank/as and when required' staff, career breaks and Board members).

The Department is committed to supporting the development and management of its staff so that they can effectively contribute to the achievement of Departmental and personal objectives.

The table below shows estimated absence figures for 2014-15 and also for 2013-14 for comparison purposes based on whole time equivalent (WTE) staff numbers. This shows a decrease of 878 days lost to the Department and a decrease of 0.8 average working days lost per person. An action plan for 2015-16 aimed at minimising absence levels has been agreed and will be implemented throughout the 2015-16 year.

Financial Year	Average Total number of staff	Total days lost	Average working days lost per person	Absence rate
2014-15	514 WTE	4,184	8.5	3.9%
2013-14	570 WTE	5,062	9.3	4.2%

The following tables detail the breakdown of staff gender within DHSSPS, this analysis is on headcount:

Staff Gender Breakdown within DHSSPS 2014-15 all grades	
Female	283
Male	217

Staff Gender Breakdown within DHSSPS 2014-15 Senior Management (excl. Board Members)	
Female	10
Male	10

Staff Gender Breakdown within DHSSPS 2014-15 Board Members incl. Independent Board Members	
Female	4
Male	4

Equal Opportunities / Disabled Persons

The Department follows the NI Civil Service Equal Opportunity Policy which states that all eligible persons shall have equal opportunity for employment and advancement on the basis of their ability, qualifications and aptitude for the work. The policy aims to foster a culture which encourages every member of staff to develop his or her potential and which rewards achievement.

The Department aims to provide access to the full range of recruitment and career opportunities for all people with disabilities, to establish working conditions which encourage the full participation of disabled people and seek to ensure the retention of existing staff that are affected by disability through rehabilitation, training and reassignment. The Disability Liaison Officer, and the Department's HR Business Partners, work closely with individuals and their line managers to identify and implement appropriate reasonable adjustments.

Employee Involvement

The Department recognises the value of involving staff to assist them in meeting their aspirations and strengthen the organisation's performance. During 2014-15, the Department commenced a programme of work aimed at encouraging and promoting staff engagement. The work is entitled 'Deliver Together' and has identified five key themes that warranted action:

- Leadership;
- Performance Management;
- Change Management;
- Communication, and
- Sharing Best Practice.

Work is currently ongoing to produce a finalised action plan to be taken forward in 2015-16.

All staff have access to welfare services, Carecall and to Trade Union membership. The Department uses the established Whitley process of staff consultation and meets regularly with Trade Unions on matters of interest.

Off Payroll Engagements

The table below represents the number of staff employed by the Department through off payroll mechanisms as at 1 April 2014. The table also highlights subsequent movements during the financial year to March 2015.

	Number of Staff
Off Payroll staff as at 1 April 2014	6
Changes from 1 April 2014 to 31 March 2015:	**Number of Staff**
Transferred to Payroll	0
New Engagements	0
Assignment Completed	5
Assignment Continuing	1

4.5 Complaints

The Department is committed to providing the highest standard of service to all its customers and aims to get things right first time. The Department received one formal complaint during 2014-15. If a complaint against the Department is received, any lessons will be shared with other Directors to increase awareness and improve the standard of service.

If members of the public are not entirely satisfied with any aspect of the Department's service, they are advised to inform the Department and the matter will be addressed as quickly as possible. The Department operates an informal and formal process as follows:

- **Informal Procedure** – The Department's aim is to resolve any complaint quickly and any matter of concern should be brought to the attention of the Departmental official with whom members of the public have been interacting with at the earliest opportunity. However, if they are still dissatisfied after this approach, a formal complaint in writing should be submitted.

- **Formal Procedure** - Full details of any complaint should be submitted in writing. The Department will arrange for the complaint to be investigated and aim to provide a full written reply within 20 working days of receipt. If a full reply cannot be given within this timescale, details will be advised as appropriate.

If these steps do not provide a suitable response to the initial complaint the following procedures apply:

- **Formal Procedures – follow up process** – Any follow up to initial complaints should be in writing to the Department's Complaints Officer, providing full details of any complaint and reasons for continuing dissatisfaction. The Complaints Officer will review the matter and respond within 20 working days of receiving the complaint.

- **Subsequent Actions** – Members of the public also have the right to follow up issues through the NI Ombudsman, with the internal procedures not representing a substitute for their right to complain to the Ombudsman's Office.

4.6 Current (Revenue) Expenditure

2014-15 Performance

The net resource outturn for the year is £4,429m, which is within the voted total Estimate cover by some £237m (5.1%). An analysis of the net resource outturn is as follows;

	£'000
Grant in Aid to HSC Bodies	3,781,847
Family Health Service & Commissioning	853,128
Income (Health Service contributions £465m)	(520,980)
Training, Bursaries and further education	35,294
Staff Costs	72,686
Non Cash	19,000
Other direct expenditure	187,839
Total	**4,428,814**

A detailed analysis of Net Resource Outturn against Estimate by function can be found at Note SoAS2 to the accounts on page 92.

A summary of variances between Net Resource Outturn and Estimate is contained in the following table:

Variances against Estimate

	Variance	Explanation
	£'000	
A1. Policy Development, Hospital, Community Health and Personal Social Services	36,165	Due to a decrease in the HSCB direct expenditure from the position included in the Spring Supplementary Estimate's (SSE's), as funding was direected towards Trusts front line services. the expenditure line relating to the Trust front line services does not appear in the accountsand SSE's, as Trusts are NDPBs. Funding for NDPBs is recongnised in the accounts as Grant in Aid.
A6. Other Centrally Financed Services	1,268	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A7. Training and Further Education	4,491	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A10. Annually Managed Expenditure	15,161	Movement in provisions lower than forecast position used to prepare the SSE's.
A11. Health and Social Care Trusts	170,272	Due to a reduction in the actual cash drawn down by the Trusts for the year from the forecast position. This was as a result of lower than expected payment cycles and increases in creditors.
A13.Business Services Organisation	3,126	Due to a reduction in the actual cash drawn down by the BSO for the year from the forecast position included in the SSE's.
A18. NI Social Care Council	634	Due to a reduction in the actual cash drawn down by NISCC for the year from the forecast position included in the SSE's.
A20. Regional and Quality Improvement Authority	998	Due to a reduction in the actual cash drawn down by RQIA for the year from the forecast position included in the SSE's.
B2. Northern Ireland Fire and Rescue Service	3,100	Due to a reduction in the actual cash drawn down by NIFRS for the year from the forecast position included in the SSE's.

Further analysis can be found on pages 92 and 93.

The financial year 2014-15 was an exceptionally challenging year for DHSSPS. At the outset of the year, it was estimated that additional resources of some £160m were required in order to secure financial breakeven, assuming that the fundamental policies underpinning the HSC system were to be continued. This reflected the ongoing growth in demand for HSC services and was despite £90m of additional resources from the Executive and a commitment to deliver savings of £170m.

Throughout 2014-15, the Department sought to manage these pressures by working closely with all parts of the DHSSPS system in order to secure further opportunities to close the funding gap. In particular, the Trusts were tasked by the Department to develop a range of contingency plan proposals across a broad range of activities, aimed at closing the funding gap. There has also been considerable and ongoing engagement between the Department and senior management at the HSCB and HSC Trusts in order to ensure that all available opportunities for savings were identified.

In addition to the contingency measures at the Trusts, all aspects of the Department's budget were examined in order to secure available savings opportunities. This process was wide-ranging and included: reviewing uncommitted expenditure to identify areas where expenditure could be curtailed/stopped; imposing budget reductions across the Department's Arms Length Bodies; exerting downward pressure and constraining expenditure within the Department's centrally managed programme budgets; imposing strict control on Departmental vacancies in order to manage the Department's running costs; identifying the potential for a delayed investment in services; and seeking to maximise the benefits available from regional opportunities, particularly within Family Health Services.

The Department has also engaged extensively with the Minister and key stakeholders across the HSC and with DFP in seeking to resolve the financial challenges. In addition, the Department fully participated in the Executive's In-Year Monitoring processes and was successful in securing some £80m of additional non-recurrent revenue funding in 2014-15.

As a result of these actions, the Department reported an underspend of £1.6m against the cash element of the 2014-15 Resource Departmental Expenditure Limit budget control total (0.03% of final cash budget). This was partially reduced by a small overspend of £1m on the non-cash budgets (0.9% of final non-cash budget), to give a net underspend of £0.6m (0.01% of final budget). Whilst the majority of the Department's ALBs were successful in securing financial breakeven, the Western HSC Trust reported an overspend of £6.7m against its allocated Revenue Resource Limit.

Future Financing Implications of Current Economic Climate

For 2015-16, a considerable financial challenge remains for DHSSPS, with some £30m-£40m of additional resources estimated to be required in order to secure financial breakeven, even after delivering substantial savings of almost £160m. In addition, the Department's final budget for 2015-16 does not allow for the funding of new service developments, including elective care; unscheduled care; family and childcare; public health initiatives; revenue consequences of opening new capital schemes; NICE drugs and specialist services; mental health and learning disability; and further transitional funding for Transforming Your Care.

In order to achieve a balanced financial position and finance service developments, the Department will be rigorously progressing all available opportunities to secure additional resources throughout 2015-16 and to take any other necessary action in order to break even. The level of all financial risks to both current and capital expenditure plans will be kept under continual review in order to ensure that plans are amended as necessary to protect/maintain the safety of services for patients and clients and to deliver financial breakeven.

4.7 HSC Capital Investment

The current capital budget over the four year period 2011-12 to 2014-15 amounts to £1,007.9m, of which £220.3m was available for 2014-15. In line with Departmental policy, the current investment programme focuses on the enhancement of the estate to support the implementation of Transforming Your Care by:

- Providing more treatment and care closer to where people live and work;
- Major upgrading of acute services to facilitate more effective hospital services;
- Estate upgrading to address key infrastructural risks;
- Investment in mental health and learning disability facilities; and
- Investment in emergency services, ICT and technology.

The following projects were completed in 2014-15:

- Craigavon Area Hospital Theatres
- Bluestone Extension - Craigavon Area Hospital
- Antrim Area Hospital Neo-Natal Unit
- Replacement of Omagh Fire Station
- Cardiac Catheterisation laboratories at Altnagelvin Hospital
- South Tyrone Hospital Remedial Works
- Replacement CT Scanner at Ulster Hospital

The following projects remain ongoing as at 31 March 2015:

- Generic ward block Ulster Phase B
- Banbridge Health & Care Centre
- Craigavon Area Hospital High Voltage Electrical Infrastructure
- Craigavon Area Hospital Replacement MRI
- Ballymena Health & Care Centre
- Ballee Children's Home
- NHSCT Adult Orthodontics
- New Critical Building at RGH
- RVH Maternity New Build
- Mental Health Inpatient Unit
- Children's MRI Scanner
- RVH Catheter Labs
- RVH Children's Hospital
- Omagh Hospital
- Altnagelvin Radiotherapy

- Altnagelvin 5.1 – North Block Ward Accommodation/Treatment Wing
- Ballymena Ambulance Station
- Enniskillen Ambulance Station

In addition, investment was provided for the following key areas:

- £6.2m investment in the Northern Ireland Fire and Rescue Service, including investment in fleet, equipment, mobile data system and estate;
- £5.7m investment in the Northern Ireland Ambulance Service including fleet, estate and equipment; and
- £42.5m investment in information technology.

The level of all financial risks to capital expenditure plans will be kept under continuing review in order to ensure that plans are amended as necessary to best manage these risks.

Deeds of Safeguard

The Department is a party to the Deed of Safeguard for the following PFI/PPP agreements;

- Altnagelvin Laboratories and Pharmacy (April 2005) (Altnagelvin is now within the Western HSC Trust);
- The Royal Group of Hospitals Managed Equipment Service (December 2005) (RGH is now within the Belfast HSC Trust); and
- South Western Hospital at Enniskillen (Western HSC Trust).

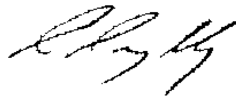
Under the terms of the Deed of Safeguard, the Department will, in the event of Trust insolvency or inability to meet its obligations, excluding succession by another body, is obliged to fulfil the Trust's obligations under the agreement. This falls to be measured following the requirements of IAS 39 and has been measured at zero.

Department Responsibilities

The Stormont House Agreement contains a commitment to reduce the number of NICS Departments from 12 to 9 following the Assembly election in May 2016, which will involve functions transferring from some departments to others. The number, names and high level functions of the new departments are currently being considered by Ministers. It is anticipated that staff working in the affected areas will move with the function. The proposed 9-departmental model outlines a machinery of government change where the functions of DHSSPSNI will transfer to other departments in May 2016.

4.8 Reconciliation of Resource Expenditure between Budgets, Estimates and Accounts

	2014-15	2013-14
	£'000	£'000
Net Resource Requirement	**4,428,814**	**4,282,314**
Adjustments to exclude:		
Consolidated Fund Extra Receipts (CFER's)	(151)	(30)
Net Operating Cost	**4,428,663**	**4,282,284**
Adjustments to remove:		
Capital Grant	(105)	(5,200)
Voted income outside the budget	464,783	467,111
Grants in Aid payable to NDPBs	(3,787,298)	(3,707,941)
Adjustments to include:		
Resource Consumption of NDPBs	3,810,429	3,650,112
Total Budget Outturn	**4,916,472**	**4,686,366**
of which		
Departmental Expenditure Limits (DEL)	4,753,345	4,646,488
Annually Managed Expenditure (AME)	163,127	39,878



Mr R Pengelly
Accounting Officer
25th June 2015

REMUNERATION REPORT

1. Remuneration Policy

The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a restructured SCS pay settlement broadly in line with the Senior Salaries Review Board report, which he commissioned in 2010 and approved during September 2012. The commitment to a Pay and Grading Review for SCS was the second phase of the equal pay settlement approved by the Executive.

2. Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.
Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

Details of the two Non-Executive members of the Board employment contracts are as follows;

- Dr C King was appointed an Independent Non-Executive Director from 25 September 2010, initially for a period 3 years to 24 September 2013, which has been extended to September 2016. Non Executive members of the Board cannot be retained for a period exceeding 6 years.

- Mr M Little was appointed an Independent Non-Executive Director during February 2014 for an initial period of 3 years.

3. Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Ministers and most senior management of the department.

Remuneration (audited)

Ministers	2014-15				2013-14			
	Salary	Benefits in kind	Pension Benefits	Total	Salary	Benefits in kind	Pension Benefits	Total
	£	(to nearest £100)	(to nearest £1000)	(to nearest £1000)	£	(to nearest £100)	(to nearest £1000)	(to nearest £1000)
Mr E Poots (left office on 23 September 2014)	18,261	-	6,000	24,000	38,000	-	22,000	60,000
Mr J Wells (joined office on 24 September 2014)	19,844	-	7,000	27,000	-	-	-	-

***The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.*

Officials	2014-15				2013-14			
	Salary	Benefits in kind	Pension Benefits	Total	Salary	Benefits in kind	Pension Benefits	Total
	Salary £000	(to nearest £100)	(to nearest £1000)	(to nearest £1000)	Salary £000	(to nearest £100)	(to nearest £1000)	(to nearest £1000)
Mr R Pengelly Permanent Secretary (joined the Board in July 2014)	80 to 85 (WTE 110 to 115)	-	28,000	135 to 140	-	-	-	-
Dr A McCormick Permanent Secretary (left the Board in June 2014)	25 to 30 (120 to 125 WTE)	-	27,000	55 to 60	115-120	-	25,000	140-145
Mr J Cole Deputy Secretary, Health Estates Investment Group (left the Board in July 2013)	-	-	-	-	30 to 35 (90 to 95 WTE)	-	(47,000)	(15 to 20)
Mrs C Daly Deputy Secretary, Healthcare Policy Group (left the Board in December 2014)	65 to 70 (WTE 85 to 90)	-	(108,000)	(40 to 45)	80 to 85	-	6,000	85 to 90
Mr S Holland Deputy Secretary, Social Care Policy Group	85 to 90	-	24,000	110 to 115	80 to 85	-	18,000	100 to 105
Mrs. C McArdle Chief Nursing Officer (Note 2)	90 to 95	-	11,000	100 to 105	85 to 90	-	67,000	150 to 155
Dr M McBride Chief Medical Officer (Note 1)	165 to 170 (WTE 210 to 215)	-	-	-	205 to 210	-	21,000	225 to 230

Remuneration (audited) continued

Officials	2014-15				2013-14			
	Salary	Benefits in kind	Pension Benefits	Total	Salary	Benefits in kind	Pension Benefits	Total
	Salary £000	(to nearest £100)	(to nearest £1000)	(to nearest £1000)	Salary £000	(to nearest £100)	(to nearest £1000)	(to nearest £1000)
Mrs D McNeilly Deputy Secretary, Healthcare Policy Group (joined the Board in January 2015)	20 to 25 (WTE 80 to 85)	-	2,000	20 to 25	-	-	-	-
Mr B Smyth Health Estates Investment Group Representative (left Board in September 2014) (Note 3)	65 to 70	-	6,000	70 to 75	60 to 65	-	3,000	65 to 70
Mr M Spence Health Estates Investment Group Representative (August 2013 to October 2013) (Note 3)	-	-	-	-	60 to 65	-	(8,000)	55 to 60
Mr H Thompson Health Estates Investment Group Representative (July 2013 to August 2013) (Note 3)	-	-	-	-	60 to 65	-	(5,000)	55 to 60
Mrs J Thompson Senior Finance Director (Note 6)	95 to 100	-	30,000	125 to 130	95 to 100	-	35,000	165 to 170
Dr C King Independent Non-Executive Board Member (Note 4)	10 to 15	-	-	-	10 to 15	-	-	-
Mr M Little Independent Non-Executive Board Member (Note 5)	10 to 15	-	-	-	0 to 5	-	-	-

***The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.*

Ratio of Highest Paid Director to Median Staff Salary (audited)

	2014-15	2013-14
Band of Highest Paid Director's Total Remuneration (£000)	210 to 215	205 to 210
Median Total Remuneration	£28,792	£28,789
Ratio	**7.4**	**7.2**

Notes to the above table of senior management remuneration

1) Dr M McBride was seconded to the Department from the Belfast HSC Trust (BHSCT) until 8 December 2014. From 9 December 20% of his costs are now being charged to DHSSPS, this is reflected in the accounts. His Full Year CETV costs are disclosed by the Belfast Trust.

2) Mrs C McArdle is seconded to the Department from the South Eastern Trust and took up her post April 2013.

3) Each of Mr B Smyth, Mr M Spence and Mr H Thompson served as part of the senior management team during 2013-14 following the retirement of Mr J Cole. Mr Smyth remained on the team until 30 September 2014 when he transferred over to DFP. His full year costs are disclosed in DHSSPS due to the budget remaining in this Department.

4) Dr C King was appointed as an Independent Non-Executive Director on 25 September 2010. Dr King is not an employee of the Department and her remuneration is non-pensionable.

5) Mr M Little was appointed as an Independent Non-Executive Director during February 2014. Mr M Little is not an employee of the Department and his remuneration is non-pensionable.

6) Mrs J Thompson Pension Benefits figure for 31 March 2014 has changed due to an error occurred last year in the return regarding aggregation of service, classic service was added to premium service without the relevant modification. This has now been corrected.

4. Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any gratia payments.

The Department of Health, Social Services and Public Safety was under the direction and control of NI Assembly Minister Mr. E Poots from 1 April 2014 until 23 September 2014 and Minister Jim Wells from 24 September 2014 until the end of the financial year. Their salaries and allowances were paid by the Northern Ireland Assembly and have been included as a notional cost in this resource account. These amounts do not include costs relating to the Minister's role as MLA's which are disclosed elsewhere.

5. Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue and Customs as a taxable emolument. There were no benefits in kind to Board members during 2014-15.

6. Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonus payments to Board members in 2014-15.

7. Ministers Pension Benefits (audited)

Ministers	Accrued pension at age 65 as at 31/3/15	Real increase in pension at age 65	CETV at 31/3/15	CETV at 31/03/14	Real increase in CETV*
	£'000	£'000	£'000	£'000	£'000
Mr E Poots (left office on 23 September 2014)	5 to 10	0 to 2.5	81	73	3
Mr J Wells (joined office on 24 September 2014)	0 to 5	0 to 2.5	36	-	5

** The Real Increase in CETV compares the actual CETV at the end of the period with what the CETV would have been at the end of the period had the member not accrued any pension in the year. The CETV would have increased during the year due to the member being a year older, and due to the annual pension increase, but these are not included in the "Real Increase" figure. Also, the member's own contributions are deducted, to give the Real Increase funded by the employer.*

8. Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2012 (AMPS). The scheme is made under s48 of the Northern Ireland Act 1998. As Ministers will be Members of the Legislative Assembly they may also accrue an MLA's pension under the AMPS (details of which are not included in this report). The pension arrangements for Ministers provide benefits on a "contribution factor" basis which takes account of service as a Minister. The contribution factor is the relationship between salary as a Minister and salary as a Member for each year of service as a Minister. Pension benefits as a Minister are based on the accrual rate ($1/50^{th}$ or $1/40^{th}$) multiplied by the cumulative contribution factors and the relevant final salary as a Member.

Benefits for Ministers are payable at the same time as MLA's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Ministers pay contributions of either 7% or 12.5% of their Ministerial salary, depending on the accrual rate. There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. This is currently 21.6% of the Ministerial salary.

The accrued pension quoted is the pension the Minister is entitled to receive when they reach 65 or immediately on ceasing to be an active member of the scheme if they are already 65.

9. The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

10. The real increase in the value of the CETV

This is the increase in accrued pension due to the Department's contributions to the AMPS, and excludes increases due to inflation and contributions paid by the Minister and is calculated using common market valuation factors for the start and end of the period.

11. Board Members Pension Benefits (Audited)

Officials	Accrued pension at age 60 as at 31/3/15 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/15	CETV at 31/3/14	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mr R Pengelly *Permanent Secretary (joined the Board in July 2014)*	40 to 45 and lump sum 120 to 125	0 to 2.5 and lump sum 2.5 to 5	644	N/A	17
Dr A McCormick *Permanent Secretary (left the Board in June 2014)*	60 to 65 and lump sum 105 to 110	0 to 2.5 and lump sum 0 to 2.5	1,175	1,135	36
Mr J Cole *Deputy Secretary, Health Estates Investment Group (left the Board in July 2013)*	-	-	-	956	N/A
Mrs C Daly *Deputy Secretary, Healthcare Policy Group (left the Board in December 2014)*	25 to 30 and lump sum 135 to 140	(5 to 7.5) and lump sum 25 to 27.5	682	741	(93)
Mr S Holland *Deputy Secretary, Social Care Policy Group*	10 to 15 and lump sum 0	0 to 2.5 and lump sum 0	233	199	17
Mrs C McArdle *Chief Nursing Officer*	25 to 30 and lump sum 75 to 80	0 to 2.5 and lump sum 2.5 to 5	414	374	16
Dr M McBride *Chief Medical Officer (Note 1)*	-	-	-	1,234	-
Mrs D McNeilly *Deputy Secretary, Healthcare Policy Group (joined the Board in January 2015)*	20 to 25 and lump sum 70 to 75	0 to 2.5 and lump sum 0 to 2.5	411	408	1
Mr B Smyth *Health Estates Investment Group Representative (left Board in September 2014)*	25 to 30 and lump sum 75 to 80	0 to 2.5 and lump sum 0 to 2.5	525	515	9
Mr M Spence *Health Estates Investment Group Representative (August 2013 to October 2013)*	-	-	-	560	N/A
Mr H Thompson *Health Estates Investment Group Representative (July 2013 to August 2013)*	-	-	-	456	N/A
Mrs J Thompson *Deputy Secretary, Resources and Performance Management Group (Note 2)*	25 to 30 and lump sum 0	0 to 2.5 and lump sum 0	397	357	17

Notes:

1. Dr M McBride pension benefits are disclosed by the Belfast Trust.
2. Mrs J Thompson CETV figure for 31 March 2014 has changed due to an error occurred last year in the return regarding aggregation of service, classic service was added to premium service without the relevant modification. This has now been corrected.

Non Executive members pension details

Dr C King and Mr M Little who served during the year as non-executive members of the Board are not employees of the Department and their remuneration is non-pensionable.

12. Employer Contributions to Partnership payment account.

There were no employer contributions to Partnership payment accounts.

13. Northern Ireland Civil Service (NICS) Pension arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium, and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI.

A new pension scheme, alpha, will be introduced for new entrants from 1 April 2015. The majority of existing members of the NICS pension arrangements will move to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age will not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. alpha is also a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate will be 2.32%. CARE pension benefits are increased annually in line with increases in the CPI.

For 2015, public service pensions will be increased by 1.2% for pensions which began before 6 April 2014. Pensions which began after 6 April 2014 will be increased proportionately. Employee contribution rates for all members for the period covering 1 April 2015 – 31 March 2016 are as follows:

Scheme Year 1 April 2015 to 31 March 2016

Pay band – assessed each pay period		**Contribution rates** – Classic members	**Contribution rates** –, classic plus, premium, nuvos and alpha
From	**To**	**From 01 April 2015 to 31 March 2016**	**From 01 April 2015 to 31 March 2016**
£0	£15,000.99	3%	4.6%
£15,001.00	£21,000.99	4.6%	4.6%
£21,001.00	£47,000.99	5.45%	5.45%
£47,001.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic, premium**, and **classic plus** and 65 for members of **nuvos**. Further details about the CSP arrangements can be found at the website www.dfpni.gov.uk/civilservicepensions-ni.

14. Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has

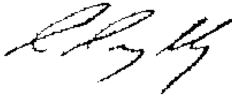
transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

15. Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

16. Compensation for loss of office

None of the Board members received compensation for loss of office in 2014-15.



Mr R Pengelly
Accounting Officer
25th June 2015

STATEMENT OF PRINCIPAL ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Government Resources and Accounts Act (NI) 2001, the Department of Finance and Personnel has directed the Department of Health, Social Services and Public Safety to prepare, for each financial year, consolidated Resource Accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department, Health and Social Care Board and the Public Health Agency during the year.

The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department and the Departmental Group, and of its net resource outturn, resources applied to objectives, changes in taxpayer's equity and cash flows for the financial year.

In preparing the accounts the Principal Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular, to:

- observe the Accounts Direction issued by the Department of Finance and Personnel, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by the Health and Social Care Board and Public Health Agency;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going-concern basis.

The Department of Finance and Personnel has appointed the Permanent Head of the Department as the Accounting Officer of the Department of Health, Social Services and Public Safety.

The Accounting Officer of the department has also appointed the Chief Executives of its sponsored non-departmental and other arms length public bodies as Accounting Officers of those bodies. The Accounting Officer of the department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

The responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the department for which the Accounting Officer is responsible, are set out in are set out in the Accounting Officers' Memorandum issued by the Department of Finance and Personnel and published in Managing Public Money Northern Ireland.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Departmental Resource Accounts for 2014-15. It outlines the Department's governance framework for directing and controlling its functions and how assurance is provided to support me in my role as Accounting Officer for the Department of Health, Social Services and Public Safety (DHSSPS). As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the Department's policies, aims and objectives. I also have responsibility for safeguarding the public funds and Departmental assets in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

The following statement, whilst primarily focusing on the Department, incorporates issues within its Arm's Length Bodies (ALBs) which deliver services directly to the public. The ALBs use their own governance structures developed in line with MPMNI, Departmental and other requirements and guidance. Each ALB publishes its own individual governance statement within their published annual report and accounts. ALB Boards have corporate responsibility for ensuring that their respective organisations fulfil their statutory responsibilities, aims and objectives set by the Minister/Department, including promoting the efficient, economic and effective use of staff and other resources.

As Principal Accounting Officer, I have a duty to satisfy myself that all ALBs have adequate governance systems and procedures in place to promote the effective, efficient conduct of their business and to safeguard financial propriety and regularity.

Corporate Governance in Central Government Departments: Code of Good Practice 2013

The Department applies the principles of good practice outlined in the Code and continues to further strengthen its governance arrangements. The Department does this by undertaking continuous assessment of its compliance in line with the Corporate Governance Code.

Governance Framework

In my role as Accounting Officer, I function with the support of the Departmental Board (the Board). This includes highlighting to the Board specific business implications or risks and, where appropriate, the measures that could be employed to manage these risks or implications. I am also required to combine my Accounting Officer role with my responsibilities to the Minister, which includes providing advice on the allocation of Departmental resources and the setting of appropriate financial and non-financial performance targets for ALBs.

The Departmental Board

The Departmental Board (the Board) represents the collective and strategic leadership within the Department, in conjunction with the experience and contribution of two Independent Board Members. The Board supports me as Accounting Officer in directing the business of the Department as effectively as possible to achieve the objectives and priorities set by the Minister. The Board has a key role in overseeing the sound financial management and corporate governance of the Department and closely monitors the Department's progress in the achievement of key objectives and priorities set out in the Departmental Business Plan, including Programme for Government commitments.

The Board ensures that appropriate risk management procedures are in place within the Department and it scrutinises the governance and performance of ALBs based on an assurance and accountability framework.

The strategic aims, policies and strategies for the Department are set by the Minister. The role of the Departmental Board is to support me, as the Accounting Officer, in establishing the necessary governance and assurance mechanisms to ensure effective and efficient delivery of the Minister's priorities and other statutory functions of the Department. In line with best practice, the operational procedures of the Departmental Board are kept under continuous review and a more detailed evaluation is conducted after two financial years have elapsed. The last review was undertaken in 2013-14 and the next review is therefore due in 2015-16.

Executive Board Members 2014-15	
Mr R Pengelly	Permanent Secretary (joined the Board July 2014)
Dr A McCormick	Permanent Secretary (left the Board June 2014)
Mrs C Daly	Deputy Secretary, Health Care Policy Group (left the Board December 2014)
Mr S Holland	Deputy Secretary, Social Care Policy Group
Mrs C McArdle	Chief Nursing Officer
Dr M McBride	Chief Medical Officer
Mrs D McNeilly	Deputy Secretary, Health Care Policy Group (joined the Board January 2015)
Mr B Smyth	Health Estates (left the Board September 2014)
Mrs J Thompson	Deputy Secretary, Resources and Performance Management Group and Senior Finance Director
Independent Board Members 2014-15	
Dr C King	Independent Board Member
Mr M Little	Independent Board Member

Independent Board Members (IBMs) provide support, guidance and challenge to the Departmental Board. As Accounting Officer, I have regular meetings with the IBMs and carry out annual performance assessments.

Management Information

The Board reviews regular reports from Directorates to challenge performance against Departmental targets. These reports have been the subject of considerable refinement over recent years and are continually revised to allow them to identify and respond to emerging challenges.

In June 2012, the Board agreed a new Framework for Business Planning, Risk Management and Assurance. The Framework provides a clear and common understanding of business planning, risk management and assurance processes in the Department, along with associated guidance.

The performance of ALBs has been subject to a process of continual review. The requirements of ALB Governance within the Department have evolved to ensure that the accountability review process is more balanced in terms of governance and performance. Submission and acceptability of Board level information and reports is subject to challenge.

Quality of Information

The Board receives a range of management information about matters such as Finance, Human Resources, the Departmental Business Plan, the Departmental Risk Register, Governance and Performance of ALBs, to assist it in discharging its role. Regular formal reviews of the operation of the Board include the quality of information provided to it. During 2014-15 this was also reviewed in the context of the '2013 Code of Good Practice for Corporate Governance in Central Government Departments'. In addition, Board members, collectively and individually, keep the quality of reported information under continuous review and seek enhancements as necessary to support the Board and its committees.

Departmental Audit and Risk Assurance Committee (DARAC)

DARAC Members 2014-15	
Dr C King	IBM and Chair of DARAC
Mr M Little	IBM and DARAC Member
Mrs J Pyper	Chief Executive Utility Regulator
Mr T Connolly	Finance Director Department of Education

The DARAC is a Committee of the Departmental Board and meets four times per year, with additional topic focused meetings. The Committee comprises four members, each of whom is independent of Departmental management. Other officials in attendance at DARAC meetings include the Departmental Accounting Officer, the Senior Finance Director, the

Director of Finance, the Head of Internal Audit and officials from the Northern Ireland Audit Office (NIAO).

The DARAC gives detailed attention to internal governance issues, including the quality of risk management and corporate governance within the Department, as well as any HSC-wide issues or any other issues outwith the Department, that affect my role as principal Accounting Officer, for example in respect of the adequacy of the arrangements by which I hold ALB Accounting Officers to account for the performance and governance of their organisations. Systems for responding to recommendations made by authoritative external bodies, including the Public Accounts Committee, NIAO, and the Regulation and Quality Improvement Authority (RQIA), are also examined. The DARAC advises the Board and me as Accounting Officer on its conclusions and recommendations with regard to identified governance weaknesses.

DARAC – Responsibilities and Performance

In line with best practice set out in the HMT Audit and Risk Assurance Committee Handbook, the Chair of DARAC sets an agreed core programme of work for each of its quarterly meetings, which includes:

- Scrutiny of the Departmental accounts;
- Consideration of internal audit strategy;
- Review of internal and external audit findings; and
- Monitoring of residual audit recommendations.

The Department provides regular reports to DARAC on risk management and assurance in the Department and accountability and assurance for its ALBs. In addition, DARAC considers and comments on individual issues of internal governance and their implications for wider governance arrangements.

Each year, the DARAC conducts a self-assessment according to guidelines issued by the National Audit Office. The findings of the self-assessment are presented to DARAC for action as appropriate. The self-assessment for 2014-15 has been completed and the outcome of this will be presented by the Chair of the DARAC in September 2015. In addition, the Chair of the DARAC delivers an annual report to both the Departmental Board and the DARAC and also reports to the Board following each quarterly meeting of the DARAC.

The DARAC has also considered the Departmental Resource Accounts (DRA) for 2014-15 and on the basis of the evidence presented, has recommended the DRA to the Departmental Accounting Officer for approval.

Top Management Group

As Accounting Officer, I am supported by my Top Management Group which comprises the Executive Board Members. It provides a forum for the consideration and endorsement of corporate business and handling of emerging issues.

Departmental Framework for Business Planning, Risk Management and Assurance

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and Ministerial priorities are properly reflected in the management of business at all levels within the Department.

The Framework for Business Planning, Risk Management and Assurance was agreed by the Board in 2012 and provides a clear and common understanding of business planning, risk management and assurance processes in the Department, along with associated guidance. In order to ensure its continued effectiveness, a review of the Framework commenced in 2014-15. The review sought feedback from each business area regarding their application of the Framework, and included engagement with the Departmental Internal Audit Group to consider any emerging issues/lessons learned from its ongoing programme of directorate governance audits. The outcome of the review is still being finalised.

Business Planning

In establishing its strategic objectives, the Department takes its lead from the statutory framework governing the functions of the Department and the specific priorities set by the Minister and the Executive, including those outlined in the Programme for Government. The Departmental Business Plan also takes account of the governance arrangements that the Department must put in place for the proper discharge of its responsibilities as a Government Department and public authority e.g. financial probity, equality, human rights etc. Within a budget period, the existing Departmental Business Plan is rolled forward into a new fiscal year. For a new budget period, a substantive recasting of the plan is required.

The Departmental Board is the custodian of the Departmental Business Plan's affordability and deliverability. Progress against the Departmental Business Plan is addressed at quarterly Board meetings and includes formal quarterly written reports in Red, Amber or Green format against each of the milestones in the fiscal year.

It is the responsibility of Executive Board Members to ensure that the Directorates under their control have appropriate plans in place. It is essential that linkages between plans at Departmental and Directorate level are clearly stated. Similarly, there must be a clear connection at all levels between objectives and associated risks. This is evidenced through the risk management, business planning and assurance processes operated within the Department.

Risk Management

Risk management is an organisation-wide responsibility. In the Department, there are two key levels at which the risk management process is formally documented:

- The Departmental Risk Register focuses on the principal risks to the Department's delivery of its statutory responsibilities and strategic objectives; and
- Directorate risk registers focus primarily on the risks to the achievement of Directorate objectives.

Directorate business plans must be directly linked to the delivery of the Departmental Business Plan. Similarly there must be a clear connection at all levels between objectives and associated risks. Formal processes exist to escalate objectives and associated risks from directorate to departmental level subject to the approval of the Departmental Board.

The Departmental Risk Register is reviewed at the beginning of the financial year to update all risks, controls and actions which are maintained in conjunction with the Departmental Business Plan. It is therefore subject to the same Departmental Board reporting arrangements.

Executive Board Members are responsible for ensuring that the directorates under their control have a business plan and fully-linked risk register. I require bi-annual formal written assurances from Executive Board Members and Directors about the proper operation of business planning and risk management within their business areas. Where a risk identified at directorate level becomes unmanageable within the directorate's resources, or where it threatens to impact on Departmental objectives or across directorates, it must be escalated to the Departmental Board and considered for inclusion on the Departmental Risk Register.

The system of internal governance is designed to help manage risk rather than to eliminate it and controls must at all times be commensurate with the nature of the risk. A set of risk assessment criteria has been developed, agreed and applied by those departmental officials involved in the risk assessment process.

The system of internal governance is based on an on-going process to identify and prioritise the risks to the discharge of the Department's statutory responsibilities including the delivery of its strategic objectives. The system also determines the controls and analyses the risks in terms of their impact and likelihood of realisation in conjunction with the controls.

The system of internal governance has been in place in the Department for the year ending 31 March 2015 and up to the date of approval of the Annual Report and Accounts. This accords with Department of Finance and Personnel guidance.

The system of internal governance entails monitoring and reporting on: a) the delivery of Ministerial/Departmental Policy; b) the use of resources (including financial, human, estate and information); c) compliance with statutory requirements; d) statistical and other performance monitoring reports; e) the content of external and internal audit reports; f) serious adverse incident reporting; g) RQIA and other reports prepared by inspecting/regulatory/licensing bodies; h) inquiry reports; i) compliance with standards and guidance; j) the discharge of statutory functions; k) corporate governance and, l) business planning arrangements. These are with respect to both the Department itself and its ALBs.

The Department operates a robust risk monitoring and management process with respect to internal operations, which are reported within the Information Risk section below.

The DARAC also plays a key role in providing advice on the quality of risk management and assurance within the Department. Additionally, risk monitoring and management processes within the ALBs are monitored by the Department though separate processes, as highlighted in Governance and Accountability within DHSSPS ALB section below.

Information Risk

Safeguarding the Department's information is a critical aspect of supporting the Department in the delivery of its objectives. Central to achieving this is the effective management of information risk. The arrangements in place to manage this risk include:

- The Assistant Departmental Security Officer (ADSO) regularly reviews Departmental information to ensure that it is appropriately protected;
- A Senior Information Risk Owner (SIRO) and Information Asset Owners (IAOs) are in place to reduce the risk to personal information within the Department;
- Regular reviews and updates of the personal information asset register; and
- IAOs are aware of their responsibilities to ensure that information is securely stored, access-controlled and disposed of appropriately.

Regular mandatory awareness training is delivered to Departmental staff, providing them with an up-to-date understanding of information governance issues and risks.

Restrictions exist to protect access to and disposal of electronic and paper records and the Department has an Information and Records Management Policy Statement underpinning its records management arrangements. Appropriate guidance, central controls and a disposal schedule process all govern the retention and disposal of Departmental Records.

The Department had no data loss-related incidents in 2014-15.

Governance and Accountability within DHSSPS ALBs

Governance and Accountability can be considered under the following headings:

- ALB Assurance and Accountability;
- Departmental Assurance;
- Controls Assurance Standards;
- Statutory Duty of Quality; and
- Service Frameworks.

ALB Assurance and Accountability

The Department achieves its corporate objectives through direct Departmental action and through its 17 ALBs. The Chief Executives of ALBs (as ALB Accounting Officers) are directly accountable to me (Permanent Secretary of the Department) as Principal Accounting Officer. ALBs through their Boards are held to account for the delivery of their prescribed functions, Ministerial/Departmental priorities and compliance with other statutory responsibilities. The HSCB also performs a key role, alongside the Department, in relation to the performance and financial management of HSC Trusts.

The Department gains assurance about probity in the use of public funds and governance application in the wider sector through an assurance and accountability framework coupled with associated guidance. The framework applies to the 16 Health and Social Care (HSC)

Bodies and to the Northern Ireland Fire and Rescue Service. The guidance and arrangements described within the Assurance and Accountability Framework Document have been developed to meet the responsibilities placed on the Department, under Managing Public Money NI, for the sponsorship of ALBs operating under the control of DHSSPS.

The Framework enables the Department and Minister to be assured that each of the ALBs is delivering on the Programme for Government, Ministerial and statutory responsibilities and Department policy and strategy. In so doing, the Department is also able to give substantive assurances that public funds allocated to its ALBs are being used to deliver the intended objectives.

The Framework details the roles and responsibilities of all Department staff including Executive Board Members and sponsor branches, in addition to informing the format and structure of the biannual accountability process. Through its sponsor branches, the Department engages directly with each ALB, commensurate with the level of risk the body poses to the Department. ALB risks can either be escalated in the Department, through the ALB accountability review process, or highlighted to the Department through the other formal and informal interactions that the sponsors, Executive Board Members and professional staff maintain with ALBs.

Departmental Assurance

The Department receives much of its assurance through an on-going process of monitoring of each ALB's Corporate Governance, Use of Resources and the Delivery and Quality of Services. In addition to regular monitoring information derived primarily from management information systems, the Department periodically tests the assurance provided by ALBs by initiating external reviews, audits, inquiries, ad-hoc and self-assessment exercises which are designed to sample aspects of the governance arrangements and performance of each ALBs.

This monitoring is based on assessing the operation and performance of ALBs against standards, guidance and targets; statutory and licensing requirements and Departmental policy and strategy. Three important examples of these are Controls Assurance Standards; the statutory Duty of Quality and Service Frameworks.

Controls Assurance Standards (CAS)

Controls Assurance Standards are a central feature of the HSC-wide system of corporate governance and these also apply to the Northern Ireland Fire and Rescue Service (NIFRS). The standards as a whole cover key areas of organisational risk in the HSC and provide a mechanism for Accounting Officers to demonstrate that they are managing risks in order to meet their objectives and to protect users, staff, the public and other stakeholders against risk of all kinds. CAS can be found at http://www.dhsspsni.gov.uk/governance-controls.

For 2014-15, the compliance level for the three core standards of Governance, Risk Management and Financial Management, together with 18 other standards, has been set at 'substantive' for all ALBs, meaning that a compliance rate of at least 75% must be achieved. Substantive compliance within the core standards is particularly important as an underpinning of the individual governance statements. Overall, the ALBs performed well against this target

and a substantive level of compliance across each of the CASs was largely achieved. ALBs are required to have action plans in place to address weaknesses identified at standard and individual criterion level. Assessments and action plans are followed up by policy leads through the formal accountability processes and other means.

Statutory Duty of Quality

The HPSS (Quality, Improvement and Regulation) (NI) Order 2003 places a statutory duty of quality on those organisations for which RQIA has lead responsibility (including HSC organisations).

The RQIA provides independent assurance to the Minister, via the Department, by conducting a rolling programme of planned clinical and social care governance and thematic reviews across a range of subject areas in HSC organisations. The reviews are conducted as part of the RQIA's on-going independent assessment of quality, safety and availability of HSC services or may be commissioned by the Department.

The Department has developed a set of 'Quality Standards for Health and Social Care' which are used as a benchmark by the RQIA in its role in inspecting, assessing and publicly reporting on the quality and accessibility of health and social services in Northern Ireland and in making recommendations for improvements to ensure that services are up to standard.

Care standards for regulated services across the statutory, voluntary and private sectors have also been developed by the Department. These standards focus on the safety, dignity, wellbeing and quality of life of service users. They are designed to address unacceptable service variations in the standards of treatment, care, service provision and to raise the quality of services within the HSC. They are used by the RQIA, alongside the requirements stipulated within regulations in making decisions on the regulation of establishments and agencies.

Service Frameworks

The Department is in the process of developing a set of Service Frameworks for key areas of health and social care which set out, at a high level, the type of service that patients and users should expect, in addition to outlining Northern Ireland standards and supporting actions - linked to recognised good practice guidance. Some Frameworks have been completed while others are still under development.

The Frameworks promote and secure better integration of service delivery along the whole pathway of care from prevention of disease/ill health, diagnosis/treatment, rehabilitation and on to end of life care. These Frameworks are used by HSC organisations in the planning and delivery of services. The completed Frameworks are:

- Cardiovascular Health and Well-being;
- Respiratory Health and Well-being;
- Cancer Prevention, Treatment and Care;
- Mental Health and Well-being;
- Learning Disability; and

- Older People.

Sources of Independent Assurance

The Department obtains independent assurance from the following sources:

- Departmental Internal Audit Group;
- Northern Ireland Audit Office; and
- Business Services Organisation Internal Audit.

Departmental Internal Audit Group (IAG)

The Department's IAG reports directly to the Departmental Accounting Officer and attends and provides reports to the DARAC. It therefore plays a crucial role in the review of the effectiveness of risk management, controls and governance by:

- Focusing audit activity on the key business risks;
- Being available to guide managers and staff through improvements in internal controls;
- Auditing the application of risk management and control as part of Internal Audit reviews of key systems and processes; and
- Providing advice to management on the internal governance implications of proposed and emerging changes.

The IAG operates in accordance with Public Sector Internal Audit Standards. The annual audit plan is derived from an analysis of the Departmental Risk Register. The remit of the IAG includes an assessment of internal financial controls and the wider internal environment which affects the achievement of Departmental objectives. IAG submits regular reports to management and the DARAC, which include the Head of Internal Audit's (HIA) independent opinion on the adequacy and effectiveness of the Department's system of internal control, together with recommendations for improvement.

The HIA has provided an opinion of satisfactory assurance on the Department's management of risk, control and governance for the period 1 April 2014 to 31 March 2015.

Substantial and satisfactory assurance was recorded for all but six audits carried out during the year, as follows:

- The review of the Quality 2020 Programme found weaknesses within the project management of the programme;
- Significant weaknesses were identified in the Department's governance and management of the arrangements for ensuring that the Discharge of Statutory Duties were being effectively executed by the HSCB and Trusts;
- The review of recommendations from RQIA Review Reports identified a number of issues in the following up/implementation of recommendations by policy branches;
- The review of the Human Resources Directorate found inadequate management and control of their financial budget and weaknesses in their risk management procedures;

- Non-compliance by Departmental staff with the NICS absence management processes was identified; and
- The sponsorship branch for one Arms Length Body was unable to provide documentary evidence of compliance with their sponsorship role.

The Departmental IAG will follow up on recommendations from all audits and report to the DARAC on a quarterly basis.

Northern Ireland Audit Office (NIAO)

The NIAO provides reasonable assurance that an organisation's financial statements give a true and fair view, have been prepared in accordance with the relevant accounting standards and are in accordance with the guidance issued by relevant authorities. The results of the NIAO's financial audit work are reported to the Northern Ireland Assembly.

The NIAO also seeks to promote better value for money though highlighting and demonstrating ways in which improvements could be made to realise financial savings or reduce costs; safeguard against the risk of fraud, irregularity and impropriety; attain improvements in service provision; support and enhance management, administrative and organisational processes.

During 2014-15, the NIAO issued two reports that related directly to the Department: 'Safer Births: Using information to improve Quality' was published in April 2014 and 'Primary Care Prescribing' was issued in November 2014. While there were no recommendations for action arising from the report on Safer Births, the report on Primary Care Prescribing was considered by the Public Accounts Committee (PAC) on 3 December 2014. The PAC published its report on 4 March 2015, which contained nine recommendations, of which two have been implemented and the remaining seven will be implemented as appropriate in future periods.

A representative of the NIAO attends the DARAC quarterly meetings at which corporate governance and risk management matters are considered.

Business Services Organisation (BSO) Internal Audit

BSO Internal Audit is a centralised service which provides professional assurance in relation to internal audit and specialist advice and guidance to Boards within HSC organisations and Departmental ALBs, including NIFRS. The Department reviews the mid and end-year Head of Internal Audit's (HIA) independent opinion, on the adequacy and effectiveness of each of the ALBs' system of internal control, together with any recommendations for improvement.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the Department's IAG and the Executive Board Members within the Department, who have responsibility for the development and maintenance of the internal framework. I also consider the comments made by the NIAO in its management letter and

other reports. I have been advised by the DARAC on the implications of my review of the effectiveness of the system of internal control, and a plan to address weaknesses and ensure continuous improvement of the system is in place. This is evidenced through DARAC's review of the Departmental Governance Statement and the DARAC Chair's annual report to me as Accounting Officer.

Internal Governance Divergences

Prior Year Issues

A number of governance matters arising in previous years have now been addressed and no longer represent reportable governance issues for the Department. These include:

Performance within the Northern HSC Trust

In December 2012, the Minister announced to the Assembly the appointment of a Turnaround and Support Team (TAST) to the Northern HSC Trust, in light of concerns about sustained poor performance in relation to waiting times in the Trust's Emergency Departments (EDs). The overall remit of the TAST was to work alongside the support already being provided by the Health and Social Care Board (HSCB) and the Public Health Agency (PHA), to provide an assessment of the changes required to improve performance and to support the management of the Trust in the delivery of services. In May 2013, the Minister announced the appointment of two Senior Directors on a temporary secondment to the Trust i.e. a Senior Director of Turnaround to lead the Improvement Programme at Antrim and Causeway hospitals and the related community services and a Senior Director of Corporate Management to oversee the remaining Service Directorates and the corporate management functions.

Following these appointments and the work of the TAST, Operational Plans for both Antrim & Causeway hospitals were developed that identified new ways of operating to improve performance, particularly in unscheduled care, given the overcrowding at Antrim hospital, poor patient flow, poor patient experience and poor staff experience. Good progress has been made in relation to these plans during 2014-15, with substantial improvements noted in 12 hour breaches and reductions in Length of Stay.

The support of the interim Senior Directors has concluded and a new Chief Executive for the Trust was appointed in August 2014. In addition, the involvement of the external TAST has also concluded and any remaining issues are being taken forward under normal business arrangements.

Protection of Vulnerable Adults

During 2014-15, DHSSPS completed the development of an Adult Safeguarding Policy in collaboration with the Department of Justice (DOJ). The intention of the policy is to improve safeguarding arrangements for adults who are at risk of harm from abuse, exploitation or neglect, thereby reducing the prevalence of harm.

The policy provides a framework to help ensure supports are available to adults at risk, and that effective protective interventions are available for adults in need of protection to achieve the most appropriate and preferred outcome for each individual. It also seeks to ensure that access to justice is available to adults who have been harmed as a result of abuse, exploitation or neglect. The policy raises the need for awareness of the possibility of harm to adults at risk, defines harm, outlines how harm manifests, and identifies those who can assist to combat it. The policy is for all organisations working with, or providing services to, adults across the statutory, voluntary, community, independent and faith sectors. It sets clear and proportionate safeguarding expectations across the full range of organisations.

A public consultation on the policy concluded in January 2015 and responses were broadly supportive of its aims and underpinning principles. Subject to the approvals of the DHSSPS Minister and the DOJ Minister, and the approval of the NI Executive, it is intended to formally publish the policy in summer 2015.

Excess Vote 2013-14

The Department's Resource Accounts for 2013-14 expended more resources than was authorised by the Assembly against one ring-fenced area of the Spring Supplementary Estimates (SSEs). This occurred as the grant-in-aid estimate included by the Department in the SSEs for one of its ALBs was exceeded by £1.161m and there was a further small overspend against the Departmental managed Public Safety budget (£8k). NIAO issued a qualified regularity opinion for the 2013-14 DHSSPS Accounts due to the excess vote. The Department has undertaken all necessary steps to ensure that there is no recurrence of this issue for the 2014-15 DHSSPS Accounts and indeed, an Excess Vote was not reported in 2014-15.

Business Services Transformation Project – Payroll System Issues

The Business Services Transformation Project (BSTP) represents a business critical administrative and shared services project being implemented within the HSC, a key component of which are two new business systems, Finance, Procurement and Logistics (FPL) and Human Resources, Payroll and Travel (HRPTS).

The HRPTS system has been introduced and implemented within HSC Organisations, with all 70,000 employees now being paid through the new payroll system. During the period March – May 2014, a number of issues arose relating to payments and deductions to HSC staff, particularly in relation to enhancements (overtime, travel & subsistence etc) rather than basic pay, incorrect NIC deductions and the application of incorrect tax codes by HMRC. A range of immediate corrective measures were implemented to minimise the impact on staff, including additional pay cycles, the use of emergency payments for hardship cases, implementation of software fixes and engagement with HMRC.

The payroll system has stabilised, with an average error rate of 1% over the last six months of 2014-15, which is typical for a payroll of the complexity (multiple pay cycles) and size (125,000 payments per month) of the HSC.

Senior Executive Staff Appointments

A number of changes took place during the early part of 2014-15 at a senior executive level within the Department, the HSCB and the Belfast and Northern HSC Trusts. New senior staff were appointed in a timely fashion and are now playing key leadership roles within their respective organisations (the Chief Executive of the Belfast HSC Trust has been appointed on a temporary basis). A range of measures were put in place to ensure that the transition took place in a controlled manner and to minimise the impact across the HSC system. The risk associated with these changes was also mitigated through the support provided by the remaining Board Members and senior executive colleagues within the respective organisations.

Procurement – Legislation

The Late Payment of Commercial Debt Regulations 2013 came into force on the 16 March 2013 and requires the Department and all its ALBs to pay suppliers within 30 calendar days of receipt of an undisputed invoice. Failure to do so will result in fines being levied. The Department has kept this area under close review during 2014-15 and there have been no material levels of claims or payments made over this period. This area will continue to be closely monitored by the Department as part of its ongoing routine business.

Oral and Maxillofacial Surgery Service in the Western HSC Trust

An Early Alert was raised by the Western HSC Trust in April 2014 which related to a number of delayed patients at the Oral and Maxillofacial Surgery (OMFS) service and the fact that three SAIs regarding delayed cancer diagnoses had also been raised with the HSCB. A fourth SAI was subsequently raised relating to an administrative issue whereby a number of review patients from the South West Acute Hospital were not accepted onto the Trust's IT system, and their recall dates being generated for an appointment at Altnagelvin Hospital. This contributed to a delay in review appointments being scheduled for 36 patients. The Trust has since assured the HSCB that business continuity arrangements have been implemented to prevent a recurrence.

In response to these issues, the HSCB set up an OMFS Delivery and Development Steering Group to work with the Trust to ensure that the necessary capacity is in place to meet demand, examine options for the OMFS delivery model in the medium to longer term, and provide an assurance on the provision of a safe OMFS service. As such, the Trust now has plans in place to maintain the full complement of four OMFS consultants that are currently in post and also plans to recruit a middle tier of specialist oral surgeons, who will be able to carry out some of the more routine cases. Operational changes have also been introduced to better triage referrals and manage the process for the ongoing review of patients with particular oral conditions. Meetings of the OMFS Delivery and Development Steering Group continue at present.

In terms of the three original SAIs, whilst these are in the process of being formally closed, some of the learning from these incidents has already been included in the work of the OMFS Delivery and Development Group and has been implemented, where possible. Learning from

the fourth SAI has already been applied in the booking office so that review appointments can be relayed from one hospital to another.

A number of the governance matters arising in prior years are still considered to represent internal governance divergences for 2014-15. These include:

Financial Performance

2014-15

2014-15 was an exceptionally challenging year for DHSSPS. At the outset of the year, it was estimated that additional resources of some £160m were required in order to secure financial breakeven, assuming that the fundamental policies underpinning the HSC system were to be continued. This reflected the ongoing growth in demand for HSC services and was despite £90m of additional resources from the Executive and a commitment to deliver savings of £170m.

Throughout 2014-15, the Department sought to manage these pressures by working closely with all parts of the DHSSPS system in order to secure further opportunities to close the funding gap. In particular, the Trusts were tasked by the Department to develop a range of contingency plan proposals across a broad range of activities, aimed at closing the funding gap. There has also been considerable and ongoing engagement between the Department and senior management at the HSCB and HSC Trusts in order to ensure that all available opportunities for savings were identified.

In addition to the contingency measures at the Trusts, all aspects of the Department's budget were examined in order to secure available savings opportunities. This process was wide-ranging and included: reviewing uncommitted expenditure to identify areas where expenditure could be curtailed/stopped; imposing budget reductions across the Department's Arms Length Bodies; exerting downward pressure and constraining expenditure within the Department's centrally managed programme budgets; imposing strict control on Departmental vacancies in order to manage the Department's running costs; identifying the potential for a delayed investment in services; and seeking to maximise the benefits available from regional opportunities, particularly within Family Health Services.

The Department has also engaged extensively with the Minister and key stakeholders across the HSC and with DFP in seeking to resolve the financial challenges. In addition, the Department fully participated in the Executive's In-Year Monitoring processes and was successful in securing some £80m of additional non-recurrent revenue funding in 2014-15.

As a result of these actions, the Department reported an underspend of £1.6m against the cash element of the 2014-15 Resource Departmental Expenditure Limit budget control total (0.03% of final cash budget). This was partially reduced by a small overspend of £1m on the non-cash budgets (0.9% of final non-cash budget), to give a net underspend of £0.6m (0.01% of final budget). Whilst the majority of the Department's ALBs were successful in securing financial breakeven, the Western HSC Trust reported an overspend of £6.7m against its allocated Revenue Resource Limit.

2015-16

For 2015-16, a considerable financial challenge remains for DHSSPS, with some £30m-£40m of additional resources estimated to be required in order to secure financial breakeven, even after delivering substantial savings of almost £160m. In addition, the Department's final budget for 2015-16 does not allow for the funding of new service developments, including elective care; unscheduled care; family and childcare; public health initiatives; revenue consequences of opening new capital schemes; NICE drugs and specialist services; mental health and learning disability; and further transitional funding for Transforming Your Care. In order to achieve a balanced financial position and finance service developments, the Department will be rigorously progressing all available opportunities to secure additional resources throughout 2015-16 and to take any other necessary action in order to break even. The level of all financial risks to both current and capital expenditure plans will be kept under continual review in order to ensure that plans are amended as necessary to protect/maintain the safety of services for patients and clients and to deliver financial breakeven.

Implementation of Transforming Your Care (TYC)

"Transforming Your Care: A Review of Health and Social Care Northern Ireland" (TYC), published in December 2011, outlined a future model of care that places emphasis on the individual rather than the institution. This included seeking to ensure that services are provided in the community and in patient's homes where it is appropriate and safe to do so. Moving services from hospitals into primary care and community settings, and seeking to treat more people in their homes, is often referred to as a "shift left".

Providing the model of care described in TYC involves changes to how services for patients, carers and other service users are delivered. The reform of service delivery is being taken forward by the HSCB, HSC Trusts and other organisations on behalf of the Department. Departmental progress in delivering those elements of the TYC proposals for which it has responsibility is monitored through the Department's business plan, with the Department liaising with HSCB and PHA on progress in pursuing TYC proposals for which they have responsibility. As well as regular oversight meetings, the Department has a place on the Transformation Programme Board which is chaired by the HSCB and which oversees the delivery of service changes to deliver the ambitions set out in TYC. Where the Department completes its work to take forward a proposal in TYC, that proposal is then formally handed over to HSCB or PHA, where changes to service delivery are required, or else it is formally closed.

Overseeing the effective implementation of TYC and securing sufficient transitional funding to deliver the £83m "shift left" continue to present challenges, given the constrained financial circumstances. Monitoring Round bids will continue to be used to seek to increase the scale of transitional funding available to deliver TYC. Regular updates have been provided to the Health Committee on value of the "shift left" that has been achieved.

A Strategic Leadership Group is being created, chaired by the Permanent Secretary of the Department, with membership at Chief Executive level from other key HSC organisations. This group will provide a senior decision making body which will aim to drive reform, build the culture of innovation and address barriers to change. This will support the delivery of

TYC, ensuring barriers to change can be addressed by the strategic leadership of the HSC where this is necessary.

Childcare: Unallocated Cases

Unallocated cases increased from 347 at the end of March 2014 to 399 at the end of March 2015. The increase in unallocated cases correlates with the overall increase in the number of referrals to HSC Trusts throughout 2014-15. HSC Trusts reported that there were no unallocated cases of a child protection nature at the end of March 2015.

Whilst the Department continued to monitor this on a monthly basis, the continued existence of a waiting list of cases requiring assignment to a social worker within the child and family intervention teams has the potential to pose a risk to children, including the potential to compromise the ability of Trusts to discharge their statutory responsibilities. The primary means of minimising this risk is to screen cases to ensure that any child protection risk is immediately addressed, resulting in no cases of a child protection nature being outstanding at the end of the period. The continued roll out of Family Support Hubs will afford greater opportunity for appropriate signposting to support services for all families at an early stage.

The number of unallocated cases continues to represent a significant control issue at a local level, which remains unacceptably high within the context of significant growing demand for child and family services. In that context, the Department, through the Children's Service Improvement Board, has applied significant effort to this area by agreeing and applying a methodology for reducing the number of outstanding cases with individual HSC Trusts, including ensuring that dedicated improvement plans are in place with individual HSC Trusts.

Historic Abuse of Children and Vulnerable Adults: Retrospective Sampling

During 2008-09, at the request of the Department, the HSC Trusts conducted a sampling exercise across adults' and children's files from all Mental Health (MH) and Learning Disability (LD) hospitals across Northern Ireland (covering the period 1985-2005). The aim of this exercise was to seek an assurance that appropriate procedures were in place to prevent the abuse of children and vulnerable adults, and that any such incidents of abuse identified were dealt with properly and effectively. When the professional advisers and policy colleagues examined how this exercise had been carried out, they concluded that Trusts' approaches and coverage had been inconsistent in many ways, and therefore the Department could not have confidence in the outcomes.

At the request of the Chief Social Services Officer, a Strategic Management Group (SMG) co-chaired by the HSCB and the PSNI, was established in March 2012. The remit of the SMG was to review the 2008-09 exercise and identify concerns or issues arising from the reports into Lissue and Forster Green Hospitals and from the wider review of MH and LD hospitals, and consider the action taken at the time. All cases in which abuse was suspected would be referred to PSNI for criminal investigation. The SMG was asked initially to focus on Lissue and Forster Green.

The final SMG report into the review of the retrospective sampling exercise was received by the Department in December 2013. With the exception of one case, the SMG report provided assurance to the Department that, where incidents of alleged abuse were noted in the retrospective sampling reports, any issues or concerns in relation to individuals who were able to be identified through the files had been actioned appropriately. Further, that any criminal concerns or issues had been referred to the PSNI, and any Human Resources and regulatory issues had been taken forward by the appropriate HSC Trust or employer.

Departmental officials have been engaging with the HSCB throughout 2014-15 to develop options for the way forward in light of the SMG report. This has included seeking clarification and assurance from the HSCB on a number of issues, together with confirmation that any concerns identified which were outside the scope of this exercise are being handled properly (including that any patients identified who may pose a risk to others are being managed and cared for appropriately). The Department is currently formulating its advice for the Minister regarding the conclusion to this exercise and anticipates seeking Ministerial approval on the proposed way forward during the summer of 2015.

Regional Oral Medicine Service

In February 2011, the Belfast Trust recalled 117 patients who had attended the regional oral medicine service, due to concerns regarding the diagnosis and treatment of oral cancer. The subsequent Independent Dental Inquiry, chaired by Brian Fee QC, made 45 recommendations in the initial report in 2011, which resulted in the commencement of the Department-led Action Plan in Response to the Dental Hospital Inquiry. This was published, together with the full inquiry report, in July 2013.

The Department, in conjunction with other key stakeholders, the HSCB, PHA, Belfast HSC Trust and Queen's University Belfast, continued to monitor the implementation of the plan and good progress had been made against these actions. To ensure an independent assessment, RQIA was also asked to review the implementation of those recommendations which applied to the Belfast HSC Trust and HSCB in relation to patient safety and governance. The findings of RQIA's initial assessment were published in December 2014 and 15 of the 22 actions were found to have been fully implemented. Progress on the remaining 7 actions will be reviewed in the next phase of the review which will be completed within RQIA's 2015-16 programme.

The post consultation analysis of the Regional Review of Consultant Led Hospital Dental Services has now been completed. The report makes 10 recommendations and proposes future service models. Feedback received in the consultation has been noted and an implementation plan is now being prepared for publication.

Elective Care

Demand for elective care has continued to increase across a number of key areas. The majority of patients during 2014-15 were being seen within the expected waiting times in the first half of the year but this performance has since declined and the Minister's targets have not been met. On a regional basis, the target that no patient should be waiting longer than 15 weeks for a first outpatient and 26 weeks for inpatient/ daycase treatment was not met during

the year. At the end of March 2015, 82,846 patients were waiting longer than 15 weeks for a first outpatient appointment and 13,622 patients were waiting longer than 26 weeks for inpatient/day case treatment.

The increase in waiting times during 2014-15 was due to a combination of under delivery of some commissioned volumes of core activity by Trusts, continuing increases in demand in a number of key areas, and the cessation of additional Waiting List activity due to the constrained financial position. The HSCB continues to monitor demand and capacity in all elective specialties and has provided additional funding to HSC Trusts in the early part of 2014-15 to undertake additional activity. The HSCB has also made targeted recurrent investment to expand health service capacity to meet demand.

The Department continues to look to the HSCB to work with HSC Trusts to deliver on these targets. The HSCB is committed to expanding health service capacity within Northern Ireland to ensure that all patients have timely access to safe and high quality elective care services. However delivery of further improvements is expected to be challenging as given the current financial position there is unlikely to be any significant additional outpatient or inpatient/daycase activity in 2015-16 in specialties where there is a recurrent gap between funded capacity and demand. Trusts will be expected to deliver the commissioned volume of core activity in 2015-16 to minimise the increase in waiting times and continue to target the longest waiting patients to achieve the best possible waiting time outcomes, whilst prioritising clinical need.

Unscheduled Care

The position on HSC Trust performance against the targets and standards for Emergency Departments (EDs) remains a major cause for concern, with a continued incidence of breaches of the 12 hour standard at a number of sites, and all Trusts falling well short of the expectation that 95% of patients should be either discharged or admitted within 4 hours of arrival at an ED.

The Department, through the Northern Ireland Medical and Dental Training Agency, is required to submit a supervisory report to the General Medical Council in relation to training and supervision of junior doctors. Across the UK, a number of general themes have been identified in relation to medical training and supervision. These themes are impacting on the overall provision of appropriately trained and available staff within specific functions within the healthcare sector.

The difficulties of supply have resulted in localised recruitment difficulties affecting middle grade doctors for EDs, resulting in capacity/performance issues which have continued during 2014-15, evidenced through pressures on waiting times in Emergency Departments. There have been particular difficulties in the Lagan Valley and Downe hospitals where a shortage of middle grade doctors resulted in the continued temporary closure of the Emergency Departments at the weekends in both hospitals and restrictions on opening hours.

The underlying problems across all HSC Trusts on this issue has given rise to some concern about the quality of service and the patient experience. ED performance remains an area of serious concern and on 1 July 2014, the Minister announced his decision to establish a

regional task group to take forward the RQIA's recommendations (for improvement of emergency care at the Belfast HSC Trust with regional learning implications) under the joint leadership of the Chief Medical Officer and Chief Nursing Officer. The task group is currently overseeing the implementation of the RQIA's recommendations and has been set the clear aim of eliminating all avoidable 12- hour waiting time breaches from winter 2015 onwards and, over the next 18 months, making significant progress towards achieving the four hours waiting time standard. Progress in eliminating the avoidable 12 hour breaches has not been achieved due to continuing demand pressures on EDs and the complexity of patients presenting. The HSCB is working with the HSC Trusts to address this as a top priority.

Paediatric Congenital Cardiac Surgery (PCCS)

The PCCS service provided on a regional basis by the Belfast HSC Trust continued to be vulnerable during 2014-15. This was due to the low activity levels when compared with the required standards for this speciality.

The International Working Group (IWG) that was commissioned jointly by the Health Ministers in Northern Ireland and the Republic of Ireland to carry out an independent assessment on a potential all-island PCCS model, completed its report and presented its recommendations in September 2014. In overall terms, the IWG concluded that an all-island PCCS model based in Dublin would provide the optimal service for the populations of Northern Ireland and the Republic of Ireland. A public consultation on the IWG's recommendations took place between 3 November 2014 and 23 January 2015 and on 3 March 2015, the Minister announced that, having fully considered the outcome of the public consultation, he accepted all of the IWG's recommendations and reaffirmed his commitment to work with the Minister of Health for the Republic of Ireland on their full implementation. Both Ministers published a further joint statement which set out the governance arrangements for the new clinical network that will be established from 1 April 2015. This comprises a Cross-Jurisdictional Oversight Group and all-island Clinical Network Board.

The Cross-Jurisdictional Oversight Group will have the overarching responsibility for oversight of the implementation of the recommendations of the IWG. In addition to this, the all-island Congenital Heart Disease (CHD) Network Board will work to implement the IWG's recommendations. The initial Action Plan to be implemented by the CHD Network Board shows a phased implementation of the network over the next 15 to 18 months. The phasing reflects the need to build-up capacity and staffing at Our Lady's Children's Hospital Crumlin, to accommodate Northern Ireland's patient demand for these services. In addition to building-up the capacity in Crumlin, the HSC will maintain the existing contingency arrangements with specialist heart centres in England and also take forward the work on developing a specialist Cardiology Centre in Belfast, combined with a strengthened Northern Ireland cardiology network. As it will take 15 to 18 months before the new model is fully in place and operating to capacity, the existing Service Level Agreements will remain in place between service providers in Northern Ireland, the Republic of Ireland and England to ensure the safety and quality of services for patients in Northern Ireland.

Mental Health and Learning Disability: Resettlement from Long Term Institutional Care to Community Settings

During 2014-15, the Department has noted progress against the resettlement targets relating to long-stay Mental Health and Learning Disability patients. In respect of Priority Target List (PTL) long-stay patients, 13 Learning Disability patients were reported as resettled as at 31 March 2015 against the target of 49 patients (one patient was deceased). Regarding Mental Health PTL Patients, 20 patients were reported resettled as at 31 March 2015 against the target of 43 patients. A further three Learning Disability and seven Mental Health patients are in treatment, detained or the subject of legal challenge. This means that a further 32 learning disability and 16 mental health patients remain to be resettled out of an original cohort of 347 learning disability and 472 mental health PTL patients as at 1 April 2007.

The HSCB co-chairs a Steering Group with the Northern Ireland Housing Executive, which continues to oversee the resettlement process and the range of performance management arrangements in place to monitor progress. Many of the Learning Disability patients remaining to be resettled have very complex conditions, requiring bespoke arrangements for their care. Additionally, while detailed assessments and resettlement plans are in place for most patients, delays in planning and construction of new-build accommodation has meant that original target dates have not been met.

It is currently planned to complete the resettlement of the remainder of the two PTL groups by 31 March 2016, although challenges remain in relation to those patients currently described as in treatment/detained/subject of legal challenge. Furthermore, in light of the significant financial challenges facing the Department, the level of resettlement that can be undertaken in 2015-16 will be determined by the amount of available funding.

Community Pharmacy

During 2011-12, Community Pharmacy NI (CPNI) applied to the High Court of Justice in Northern Ireland for a Judicial Review relating to community pharmacy remuneration in respect of the 2011-12 financial year. Whilst the Court found in favour of CPNI, the Department lodged an appeal against the ruling and was scheduled at the High Court during December 2012. Prior to the case being heard, the various contributors reached agreement on a resolution methodology. The agreement specified that all parties would work collaboratively in the development and maintenance of arrangements with respect to the Community Pharmacy Contract and Drug Tariff and that interim payments would be made to pharmacy contractors in relation to the 2011-12 and 2012-13 financial years (subject to progress being made on a number of these matters).

Throughout 2014-15, work has progressed across a number of areas in support of the December 2012 agreement: (i) the margin surveys in respect of 2011-12 and 2012-13 have been completed and work commenced on the margin survey for 2013-14; (ii) Stage 1 of the Needs Assessment process has been progressed to the stage of requiring peer review; and (iii) a Cost of Service Investigation (COSI) is being taken forward by the Department under its statutory powers.

On 13 February 2015, CPNI was granted leave for a judicial review (JR) of the decision of the Department that interim payments would not be made in respect of the 2013-14 and 2014-15 financial years. The hearing is scheduled for 23-24 June. In that context, funding is likely to continue to be an issue until the COSI exercise has concluded, the ongoing JR process has completed and agreement is reached with the CPNI on what constitutes fair and reasonable remuneration levels for community pharmacy contractors in Northern Ireland.

Procurement – Whistleblowing

The Department has played an oversight role into the ongoing investigations regarding the instances of poor procurement and contract management that were identified though whistleblowing procedures in the Estates department of the Northern HSC Trust during 2012-13. A joint report from the BSO's Internal Audit Team and the Department's Health Estates Investment Group Policy and Procurement Compliance Unit was issued in January 2014. The report made 72 recommendations, all of which have been accepted by the Trust's management, and the majority of these have been implemented. A further independent review investigated the root causes of the lack of control over procurement and contract management and was completed in June 2014. The resulting disciplinary procedures have been actioned.

BSO Internal Audit has placed an increased focus on its review of procurement of controls within the estates functions in all HSC Trusts. Where limited assurance or less was provided through its audits in 2013-14 (Belfast HSC Trust, NIAS and Southern HSC Trust), a further estates review was conducted in 2014-15 specifically to review the implementation of recommendations. An additional BSO investigation was also carried out during summer 2014 into concerns received regarding procurement issues within the estates function in Southern HSC Trust. Progress on the implementation of the internal audit recommendations from these reports is ongoing and will be kept under review by the Trust and the DARAC.

HSC Data Centres

During 2011-12 and 2012-13, the BSO advised the Department of increasing numbers of service interruptions and resilience issues with the Data Centre (Electronic records and software storage facility) and network provision to the HSC. This was discussed as a component of the Departmental Governance arrangements. Subsequent actions taken in response to these incidents included an overarching network review by Gartner, a technology research and advisory company. The external review highlighted a number of areas for improvement, including some strategic recommendations for data-centres and technology alignment.

In addition to a number of technological upgrades in 2013-14, the BSO has undertaken a range of measures to the HSC Data Centres during 2014-15 as an interim measure to minimise immediate risks to the operational capabilities, including enhancing the management and automation of the facilities (power and cooling) within the legacy data centres in order to improve the resilience of the data centre during the period of transition to new arrangements.

BSO has also prepared and now retains a periodic archive copy of the data outside the two data centres. This replicates the overnight backup process off site from the data centres and provides a further assurance for disaster situations. These measures are to facilitate the longer term strategy of joining the Shared Public Data Centre project, which is planned to be available from June 2016. This issue will continue to represent a governance issue for the Department and HSC until a final solution has been implemented.

Openness, Transparency, Safety and Quality

The Donaldson Report ("The Right Time, The Right Place")

The report of the Mid Staffordshire NHS Foundation Trust Public Inquiry, chaired by Robert Francis QC (The Francis Report), combined with a number of high profile concerns which arose throughout 2013-14 regarding the quality of some HSC services and the openness/transparency within the HSC (including areas such as ED performance, especially in the Belfast HSC Trust, and the concern about the approach to handling Serious Adverse Incidents (SAIs) in the Northern HSC Trust), led the Minister to commission a review in April 2014 that would examine the HSC in its entirety in respect of its: openness and transparency; appetite for enquiry and learning; and approach to redress and making amends.

This work was led by the former Chief Medical Officer for England, Sir Liam Donaldson, whose report, "The Right Time, The Right Place", was published by the Minister on 27 January 2015 in conjunction with an Oral Statement to the Assembly. The report made 10 recommendations which cover a range of areas and themes across the health and social care service in Northern Ireland. In his statement, the Minister outlined a number of actions which would be taken forward in light of Sir Liam's recommendations. These included: the creation of a statutory duty of candour: instructing the HSCB and PHA to prioritise changes to the SAI system; seeking to speed up the roll out of unannounced inspections of acute hospitals; a review the operation of whistleblowing in HSC bodies; and a review of the existing commissioning arrangements.

A public consultation on the recommendations was launched on 24 February 2015 and closed on 22 May 2015. A fuller Departmental response to The Donaldson Report will be published following consideration of the consultation responses. In conjunction with this, the Department is also conducting preliminary work to assess the implications of, and the case for, a statutory duty of candour and how this might be implemented.

In terms of the issues highlighted in The Francis Report, these are being taken forward by the Department under its programme of work on the 10-year Strategy for Health and Social Care (Quality 2020). A number of issues are also being addressed as part of the Department's response to The Donaldson Report.

Serious Adverse Incidents (SAIs)

The SAI system was first introduced in Northern Ireland in 2004 and has been revised and improved over the years. Its purpose is to ensure an agreed approach to reporting, managing, analysing and learning from adverse incidents and to prevent reoccurrence.

On 8 April 2014, the Minister commissioned a number of actions to be taken to improve the learning outcomes from the reporting and review of SAIs. This included asking all Trusts to undertake a comprehensive review of the content of all SAI reports between 2009 and 2013 and the associated actions taken. In addition, and as part of a planned review of SAI management, the RQIA was asked to quality assure the work each Trust has taken as part of this exercise. The outcome of this review will be published during the summer of 2015 and the Department will consider and take forward the recommendations in this review as appropriate.

The Minister also requested that Trusts should fully engage with families as part of the SAI review process. The HSCB has therefore written to all HSC organisations requesting that they include more specific details and dates of contact with families and their involvement in the process in SAI reports, including confirmation that the final report has been shared with families. Furthermore, detailed guidance on patient/family engagement was issued by the HSCB in February 2015 in relation to a new compliance model.

The requirement to report all child deaths as an SAI from 1 October 2013 has significantly increased the number of SAIs reported. In his report, Sir Liam Donaldson recommended that this criteria be removed due to the unnecessary stress it causes for families. The Department, in liaison with the HSCB/PHA, is therefore currently exploring other avenues to capture information on child deaths and is also exploring how the process can be strengthened to the benefit of the delivery of safe and effective care to all.

Inquiry into Hyponatraemia-related Deaths

The Inquiry into Hyponatraemia-related Deaths was established under the Health and Personal Social Services (Northern Ireland) Order 1972, by virtue of the powers conferred on the Department by Article 54 and Schedule 8 and it has continued pursuant to the Inquiries Act 2005. The Inquiry was established in November 2004 against the background of concern and publicity about the treatment in local hospitals of three children who had died in circumstances where Hyponatraemia had caused or was a major factor in their deaths. The investigation of the deaths of a further two children were included into the Inquiry's work in 2005. The Inquiry completed its public hearings during 2013-14 and the Chair, Mr Justice O'Hara, is planning to issue his final report to the Department during the autumn of 2015.

Any recommendations within this report will be considered and taken forward as appropriate by the Department.

Historical Institutional Abuse Inquiry (HIAI)

The HIAI has continued to place significant demands on the Department throughout 2014-15, primarily as a result of the need to respond to a large volume of requests for relevant documentation, including copies of guidance, procedures and Departmental witness statements. The Department has complied with all such requests. However, timescales for response have been shortened by the HIAI and there has been increased emphasis on providing oral evidence to the Inquiry, all of which is placing considerable demands on the Department. The duration of the HIAI has been extended for a further year and is now due to complete in 2017, which means that these demands will continue throughout 2015-16.

Child Sexual Exploitation (CSE)

In September 2013, representatives of a number of agencies and organisations attended a Ministerial Summit on the theme of Child Sexual Exploitation in Northern Ireland. At this summit, the Police Service of Northern Ireland (PSNI) outlined its 'Operation Owl' – an investigation of allegations of child sexual exploitation in Northern Ireland which had resulted in a number of adults being interviewed and some having been arrested on related charges. Following this, the Minister made a statement to the Assembly in September 2013 in which he outlined a range of actions that had been taken by the Department to strengthen the protection of children and young people in Northern Ireland.

In September 2013, the Minister also jointly commissioned an independent expert-led inquiry into child sexual exploitation in Northern Ireland in conjunction with the Ministers for Justice and Education. The Inquiry was led by Professor Kathleen Marshall and focused on both children and young people living at home, in the community and those living in care. The Inquiry concluded and reported in November 2014 and made 15 key and 60 supporting recommendations aimed, among other things, at preventing CSE, dealing with contributory factors or strengthening supports for victims. All recommendations relevant to the HSC have been accepted, an implementation plan has been developed and a range of implementation structures have been put in place. It is intended to implement all recommendations on a phased basis over three years ending in November 2017.

In addition to the Inquiry, the Minister also directed the Safeguarding Board Northern Ireland to carry out a thematic review of the cases that triggered the PSNI investigation. This review, which commenced in December 2013, is nearing completion and is due to report its findings in summer 2015. Any recommendations within this report will be considered and taken forward as appropriate by the Department.

Safeguarding Client Monies

During 2013-14, the Regulation and Quality Improvement Authority (RQIA) undertook a review into the Oversight of Service Users Finances in Residential and Supported Living Settings, as part of its Three Year Review Programme (2012-15). This review placed emphasis on the organisational governance arrangements in place in HSC Trusts relating to the management of the finances of service users/residents in residential and supported living settings.

The RQIA made seven recommendations regarding the controls and processes that should be in place to safeguard residents' finances. The primary areas of concern related to individual residents financial governance and approval arrangements including powers of appointees. Financial controls and record keeping relating to the retention of individual's bank account balances was noted as a point requiring review and consideration. The transparency of charging for transport schemes was found to be of some concern with emphasis on approvals and levels of charging applied for individual journeys.

The Department has led a Working Group throughout 2014-15, comprising key staff from the HSC Trusts and other statutory authorities as appropriate to address the issues identified in the

RQIA report. The Working Group has made good progress and is anticipated to complete its work by autumn 2015.

New Issues for 2014-15

There were no new issues identified during the 2014-15 period that need to be disclosed in this Statement.

Ministerial Directions

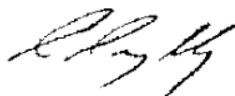
Ministerial Directions were issued on 1 July 2014 and 26 January 2015, and were approved by DFP, to facilitate the provision of funding for a specific community and voluntary purpose – Integrated Services for Children and Young People (ISCYP). The Directions sought to provide funding of £266,000 in July 2014 and £270,000 in January 2015. The purpose of the funding was to provide for continuity in care arrangements whilst allowing new family support arrangements to become established or fully embedded. The necessity for the directions arose because of value for money considerations and the requirement to maintain the service in the interim period.

During 2014-15, no other Ministerial Directions were sought or given.

Conclusion

The DHSSPS has a rigorous system of accountability upon which I can rely on as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI. The system operates on a principle of devolved authority and the accountability framework structure across the Department's operating base.

Further to considering the accountability framework within the Department, including its ALBs, and in conjunction with assurances given to me by the DARAC, I am content that the Department has operated a sound system of internal governance during the period 2014-15.



Mr R Pengelly
Accounting Officer
25th June 2015

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

I certify that I have audited the financial statements of the Department of Health, Social Services and Public Safety and its Group for the year ended 31 March 2015 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Consolidated Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals and that those totals have not been exceeded. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2015 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

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

- the financial statements give a true and fair view of the state of the Group's and the Department's affairs as at 31 March 2015 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.

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

30 June 2015

Statement of Assembly Supply

Summary of Resource Outturn 2014-15

		2014-15							2013-14
		Estimate			Outturn				Outturn
		Gross Expenditure	Accruing Resources	Net Total	Gross Expenditure	Accruing Resources	Net Total	Net Total Outturn compared with Estimate: saving/ (excess)	Total
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Request for Resources									
Request for Resources A	**SoAS 2**	5,095,471	521,060	4,574,411	4,861,850	520,980	4,340,870	233,541	4,194,094
Request for Resources B	**SoAS 2**	91,115	-	91,115	87,944	-	87,944	3,171	88,220
Total resources	**SoAS 3**	**5,186,586**	**521,060**	**4,665,526**	**4,949,794**	**520,980**	**4,428,814**	**236,712**	4,282,314
Non-Operating Cost Accruing Resources							**288**		

Request for Resources A
Providing high quality health and social care services and promoting good health and well being.

Request for Resources B
Creating a safer environment for the community by providing an effective fire fighting, rescue and fire safety service.

Explanations of variances between Estimate and outturn are given in Note SoAS 2 and in the Strategic Report.

Net Cash Requirement 2014-15

		2014-15			2013-14
		Estimate	Outturn	Net Total Outturn compared with Estimate: saving/ (excess)	Outturn
	Note	£000	£000	£000	£000
Net Cash Requirement	**SoAS 4**	**4,664,695**	**4,403,599**	**261,096**	4,328,750

Summary of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics).

		Forecast 2014-15		Outturn 2014-15	
	Note	Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Total	**SoAS 5**	**-**	**-**	**151**	**178**

Explanations of variances between Estimate and outturn are given in SoAS 2 and in the Strategic Report.

The notes on pages 104 to 150 form part of these accounts.

Notes to the Departmental Resource Accounts (Statement of Assembly Supply)

SoAS1. Statement of Accounting Policies

The Statement of Assembly Supply and supporting notes have been prepared in accordance with the 2014-15 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The Statement of Assembly Supply accounting policies contained in the FReM are consistent with those set out in the 2014-15 Consolidated Budgeting Guidance and Supply Estimates in Northern Ireland Guidance Manual.

SoAS1.1 Accounting convention

The Statement of Assembly Supply and related notes are presented consistently with Treasury budget control and Supply Estimates in Northern Ireland. The aggregates across government are measured using National Accounts, prepared in accordance with the internationally agreed framework 'European System of Accounts' (ESA95). ESA95 is in turn consistent with the System of National Accounts (SNA93), which is prepared under the auspices of the United Nations.

The budgeting system and the consequential presentation of Supply Estimates and the Statement of Assembly Supply and related notes have different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant Assembly authority, in support of the Government's fiscal framework. The system provides incentives to departments to manage spending well so as to provide high quality public services that offer value for money to the taxpayer.

The Government's objectives for fiscal policy are set out in the Charter for Budget Responsibility. These are to:

- ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider government policy; and
- support and improve the effectiveness of monetary policy in stabilising economic fluctuations.

SoAS1.2 PFI

The Department, HSC Board and PHA had no PFI transactions during the year.

SoAS1.3 Service Concession Arrangements

The Department, HSC Board and PHA have no arrangements that are required to be accounted for in accordance with IFRIC 12 where the body controls the use of the asset and the residual interest in the asset at the end of the arrangement.

SoAS1.3 Prior Period Adjustments (PPAs)

There were no material prior period adjustments.

SoAS 2. Analysis of net resource outturn by function

	2014-15									2013-14
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Request for Resources A: Departmental expenditure in DEL										
1.Hospital and Community Health Care Services	24,164	220,026	170	244,360	(34,072)	210,288	250,681	40,393	36,165	192,512
2. Family Health Service - General Medical Services	379	238,597	-	238,976	-	238,976	238,134	(842)	23	234,484
3. Family Health Service - Pharmaceutical Services	177	466,546	-	466,723	-	466,723	464,793	(1,930)	11	424,936
4. Family Health Service - Dental Services	90	125,559	-	125,649	(20,961)	104,688	103,510	(1,178)	6	104,039
5. Family Health Service - Ophthalmic Services	90	22,424	-	22,514	-	22,514	22,282	(232)	6	22,190
6. Other Centrally Financed Services	1,996	5,065	-	7,061	-	7,061	8,329	1,268	1,268	9,518
7. Training and Further Education	1,754	31,449	2,091	35,294	(2)	35,292	39,783	4,491	4,491	35,856
8. Grants to Voluntary bodies	236	-	6,064	6,300	-	6,300	6,473	173	173	11,731
9. EU Community Initiatives	-	-	1,549	1,549	(1,162)	387	387	-	-	783
Special Initiatives	-	-	-	-	-	-	-	-	-	-
Social Protection Fund	-	-	-	-	-	-	-	-	-	-
Annually Managed Expenditure (AME)	-	-	-	-	-		-		-	-
10.Hospital and Community Health Care Services	-	13,549	-	13,549	-	13,549	28,710	15,161	15,161	4,836
Non-budget	-	-	-	-	-	-	-		-	-
11. Health and Social Care Trusts	-	-	3,624,745	3,624,745	-	3,624,745	3,795,017	170,272	170,272	3,534,841

SoAS 2. Analysis of net resource outturn by function (cont'd)

	2014-15									2013-14
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Health and Social Care Trusts - Childcare Strategy Fund	-	-	-	-	-	-	-	-	-	-
12. Health Service Contributions	-	-	-	-	(464,783)	(464,783)	(464,783)	-	-	(467,111)
13. Business Service Organisation	-	-	35,150	35,150	-	35,150	38,276	3,126	3,126	45,000
Business Service Organisation - Social Protection Fund	-	-	-	-	-	-	-	-	-	-
14. NI Blood Transfusion Service	-	-	132	132	-	132	145	13	13	310
15. NI Guardian ad Litem Agency	-	-	4,261	4,261	-	4,261	4,727	466	466	4,020
16. NI Medical and Dental Training Agency	-	-	14,746	14,746	-	14,746	14,746	-	-	14,600
17. Northern Ireland Practice and Education Council	-	-	1,301	1,301	-	1,301	1,472	171	171	1,147
18. NI Social Care Council	-	-	2,769	2,769	-	2,769	3,403	634	634	3,150
19. Patient Client Council	-	-	1,851	1,851	-	1,851	1,944	93	93	1,781
20. Regulation and Quality Improvement Authority	-	-	7,040	7,040	-	7,040	8,038	998	998	7,675
21. Food Safety Promotion Board	-	-	2,105	2,105	-	2,105	2,105	-	-	2,091
22. Institute of Public Health in Ireland	-	-	324	324	-	324	332	8	8	332
23. Notional charges	5,451	-	-	5,451	-	5,451	5,907	456	457	5,373
Total Request for Resources A	**34,337**	**1,123,215**	**3,704,298**	**4,861,850**	**(520,980)**	**4,340,870**	**4,574,411**	**233,541**	**233,542**	**4,194,094**
Request for Resources B: Expenditure in DEL										
1. Fire Services	171	351	-	522	-	522	592	70	70	600
Non-budget										
2. Northern Ireland Fire and Rescue Service	-	-	87,422	87,422	-	87,422	90,523	3,101	3,100	87,620
Total Request for Resources B	**171**	**351**	**87,422**	**87,944**	**-**	**87,944**	**91,115**	**3,171**	**3,170**	**88,220**
Resource Outturn	**34,508**	**1,123,566**	**3,791,720**	**4,949,794**	**(520,980)**	**4,428,814**	**4,665,526**	**236,712**	**236,712**	**4,282,314**

Detailed explanations of the variances are also given in the Annual Report.

Explanation of variation between Estimate and Outturn (note SoAS 2)

	Variance £'000	Explanation
A1. Policy Development, Hospital, Community Health and Personal Social Services	36,165	Due to a decrease in the direct expenditure incurred by the HSCB from the position used to manage the department budget (Spring Supplementary Estimates stage (SSEs)) with the Department of Finance and Personnel.
A6. Other Centrally Financed Services	1,268	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to update the department budget.
A7. Training and Further Education	4,491	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to update the department budget.
A10. Annually Managed Expenditure	15,161	Movement in provisions were lower than the forecast position used to update the department budget.
A11. Health and Social Care Trusts	170,272	Due to a reduction in the actual cash drawn down by the Trusts for the year from the position included within the department budget.
A13.Business Services Organisation	3,126	Due to a reduction in the actual cash drawn down by the BSO for the year from the forecast position included in the department budget.
A18. NI Social Care Council	634	Due to a reduction in the actual cash drawn down by NISCC for the year from the forecast position included in the department budget.
A20. Regional and Quality Improvement Authority	998	Due to a reduction in the actual cash drawn down by RQIA for the year from the forecast position included in the department budget.
B2. Northern Ireland Fire and Rescue Service	3,100	Due to a reduction in the actual cash drawn down by NIFRS for the year from the forecast position included in the department budget.

SoAS 3. Reconciliation of outturn to net operating cost and against Administration Budget

SoAS 3.1 Reconciliation of net resource outturn to net operating cost

		2014-15			2013-14
	Note	Outturn	Supply Estimate	Outturn compared with Estimate	Outturn
		£000	£000	£000	£000
Net resource outturn	SoAS 2	4,428,814	4,665,526	236,712	4,282,314
Changes in accounting policy		-	-	-	-
Other Adjustments		-	-	-	-
Non-supply income (CFERs)	SoAS 5	(151)	-	151	(30)
Non-supply income (Other)		-	-	-	-
EU Receivables written off		-	-	-	-
Non-supply expenditure		-	-	-	-
Net operating Cost		**4,428,663**	**4,665,526**	**236,863**	4,282,284

SoAS 3.2 Outturn against final Administration Budget

	2014-15		2013-14
	Budget	Outturn	Outturn
	£000	£000	£000
Gross Administration Budget	30,846	29,057	29,993
Income allowable against the Administration Budget	(272)	(292)	(276)
Net outturn against final Administration Budget	**30,574**	**28,765**	29,717

SoAS 4. Reconciliation of net resource outturn to net cash requirement

	Note	2014-15		
		Estimate	Outturn	Net total outturn compared with estimate: saving/(excess)
		£000	£000	£000
Resource Outturn	SoAS 2	4,665,526	4,428,814	236,712
Capital				
Acquisition of property, plant and equipment	7	3,341	2,723	618
Acquisition of intangibles	8	-	338	(338)
Non-Operating Accruing resources				
Proceeds of property, plant and equipment disposals		(438)	(288)	(150)
Proceeds of intangible disposals		-	-	-
Accruals Adjustments				
Depreciation	4,5	(25,737)	(3,030)	(22,707)
Amortisation		-	(425)	425
Loss on disposal of property, plant and equipment		-	(3)	3
Provision provided for in year	17	(8,443)	(12,824)	4,381
Permanent diminution in value		-	(2,338)	2,338
Other non-cash items		(5,907)	(5,518)	(389)
Changes in working capital other than cash	SoAS 4.1	30,000	(14,284)	44,284
Changes in payables falling due after more than one year	16	-	-	-
Use of provision	17	6,353	10,434	(4,081)
Excess cash receipts surrenderable to the Consolidated Fund	SoAS 5	-	-	-
Net cash requirement		**4,664,695**	**4,403,599**	**261,096**

SoAS 4.1 Changes in Working Capital other than Cash

	Note	2014-15	2013-14
		£000	£000
(Increase)/Decrease in Inventories	13	0	1
(Increase)/Decrease in Trade Receivables	15	10,601	8,174
(Decrease)/Increase in Trade Payables (adjusted for bank overdraft)	16	2,115	(48,092)
Movement in CFERs included in trade receivables	15	(27)	(109)
Movement in amounts due from the Consolidated Fund in respect of supply	15	-	(267)
Movement in HSC Superannuation Scheme Payable/Receivable	15,16	-	0
Movement in Payables for amounts issued from the Consolidated Fund for supply but not spent at year end	16	(217)	(1,578)
Movement in Payables for Consolidated Fund Extra receipts due to be paid to the Consolidated Fund:		-	-
received	16	1,785	(110)
receivable	16	27	109
Total changes in working capital other than cash		**14,284**	(41,872)

Explanation of variation between Estimate and Outturn (net cash requirement)

Item	Variance £'000	Explanation
Acquisition of Fixed Assets	618	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Acquisition of intangibles	(338)	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Proceeds of property, plant and equipment disposals	(150)	Proceeds from disposals were lower than departmental forecasts.
Depreciation	(22,707)	Departmental forecasts were based on the asset register before a revaluation exercise was undertaken in January 2015 resulting in a revised depreciation charge and variance.
Amortisation	425	End of year results were higher than forecast amortisation charge.
Provision provided for in year	4,381	The department has provided for a specific theme resulting in higher than forecast movement in provisions provided in the current year.
Permanent diminution in value	2,338	A higher than forecast impairment charge was recognised by the department in the reporting period as a result of an asset revaluation exercise.
Other non-cash items	(389)	Lower than forecast notional cost charge for services received by the department.
Changes in working capital other than cash	44,284	This variance was primarily due to a movement in working capital accounts with an emphasis on a decrease in receivables and an increase in payables during the reporting period.
Use of provision	(4,081)	Attributable to higher than forecast utilisation of provisions during the reporting period.

SoAS 5. Analysis of Income Payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics).

	Note	Forecast 2014-15		Outturn 2014-15	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Operating income and receipts - excess Accruing Resources		-	-	-	-
Other operating income and receipts not classified as Accruing Resources		-	-	151	178
EU Receivables written off		-	-	-	-
		-	-	151	178
Non-Operating income & receipts - excess Accruing Resources	SoAS 7	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund		-	-	-	-
Excess cash surrenderable to the Consolidated Fund	SoAS 4	-	-	-	-
Total income payable to the Consolidated Fund		**-**	**-**	**151**	**178**

NB excess income is determined on a Request for Resource basis and it is not simply the difference between total income and the income approved by the Assembly.

SoAS 6. Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to Consolidated Fund

	Note	2014-15	2013-14
		£000	£000
Operating income	6	521,131	521,001
Income netted off in gross sub head grossed up in Statement of Comprehensive Net Expenditure		-	-
Adjustments for transactions between RfRs		-	-
Gross income		521,131	521,001
Non-supply income (other than CFER's)		-	-
Changes in accounting policy		-	-
Other Adjustments		-	(95)
Income authorised as Accruing Resources		(520,980)	(520,876)
Operating income payable to the Consolidated Fund	SoAS 5	151	30

SoAS 7. Non-operating income - Excess Accruing Resources

	2014-15	2013-14
	£000	£000
Principal repayments of voted loans	-	-
Proceeds on disposal of property, plant & equipment	-	80
Proceeds on disposal of intangibles	-	-
Other (analysed as appropriate)	-	-
Non operating income - excess accruing resources	**-**	80

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2015

		2014-15			2014-15			2013-14	
		Core Department			Consolidated			Core Department	Consolidated
		Staff Costs	Other Costs	Income	Staff Costs	Other Costs	Income	Total	Total
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Administration costs									
Staff costs	3	25,235			25,235			27,327	27,327
Other administration costs	4		9,273			9,273		8,039	8,039
Operating income	6			(499)			(501)	(297)	(297)
Programme costs									
Request for Resources A									
Staff costs	3	843			47,451			485	43,003
Programme costs	5		3,750,122			4,780,062		3,676,914	4,636,870
Income	6			(468,754)			(520,630)	(469,588)	(520,704)
Request for Resources B									
Staff costs	3	-			-			-	-
Programme costs	5		87,773			87,773		88,046	88,046
Income	6			-			-	-	-
Totals		**26,078**	**3,847,168**	**(469,253)**	**72,686**	**4,877,108**	**(521,131)**	3,330,926	4,282,284
Net operating cost for the year ended 31 March 2015	SoAS 3			**3,403,993**			**4,428,663**	3,330,926	4,282,284
Other Comprehensive Expenditure									
Items that will not be reclassified to net operating costs:									
Net (gain)/loss on revaluation of Property, Plant and Equipment	7			8,086			6,976	(303)	(343)
Net (gain)/loss on revaluation of Intangibles				-			-	-	-
Items that may subsequently be reclassified to net operating costs:									
Net (gain)/loss on revaluation of available for sales financial assets				-			-	-	-
Total Comprehensive Expenditure for the year ended 31 March 2015				**3,412,079**			**4,435,639**	3,330,623	4,281,941

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

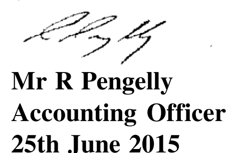
The notes on pages 104 to 150 form part of these accounts.

Consolidated Statement of Financial Position
as at 31 March 2015

		31 March 2015		31 March 2014	
		Core Department	Consolidated	Core Department	Consolidated
	Note	£000	£000	£000	£000
Non-current assets:					
Property, plant and equipment	7	52,171	68,438	61,215	77,010
Intangible assets	8	0	1,046	0	1,132
Financial Assets	12	2,009,000	2,009,000	2,009,000	2,009,000
Non Current trade and other receivables	15	-	-	-	-
Other non current assets	15	-	-	-	-
Total non-current assets		**2,061,171**	**2,078,484**	2,070,215	2,087,142
Current Assets					
Assets classified as held for sale	7.4	6,061	6,061	6,920	6,920
Inventories	13	-	-	-	-
Current Trade and other receivables	15	12,595	18,840	21,328	28,799
Other current assets	15	477	755	981	1,397
Financial assets	12	-	-	-	-
Cash and Cash Equivalents	14	-	2,591	-	3,619
Total current assets		**19,133**	**28,247**	29,229	40,735
Total assets		**2,080,304**	**2,106,731**	2,099,444	2,127,877
Current liabilities					
Current Trade and other payables	16	12,540	169,313	12,480	166,659
Other Current liabilities	16	-	-	-	-
Provisions	17	819	8,136	118	6,662
Financial Liabilities	12	-	-	-	-
Total current liabilities		**13,359**	**177,449**	12,598	173,321
Non-current assets plus/less net current assets/liabilities		**2,066,945**	**1,929,282**	2,086,846	1,954,556
Non-current liabilities					
Provisions	17	2,632	38,931	293	38,015
Other Non Current liabilities	16	-	-	-	-
Financial Liabilities	12	-	-	-	-
Total non-current liabilities		**2,632**	**38,931**	293	38,015
Assets less liabilities		**2,064,313**	**1,890,351**	2,086,553	1,916,541
Taxpayers' equity					
General Fund		2,046,207	1,864,204	2,059,527	1,882,583
Revaluation Reserve		18,106	26,147	27,026	33,957
Total taxpayers' equity		**2,064,313**	**1,890,351**	2,086,553	1,916,540

This statement presents the financial position of the Department of Health, Social Services and Public Safety. It comprises three main components: Assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

The notes on pages 104 to 150 form part of these accounts.



Mr R Pengelly
Accounting Officer
25th June 2015

Consolidated Statement of Cash Flows for the year ended 31 March 2015

	Note	2014-15 £000	2013-14 £000
Cash flows from operating activities			
Net Operating Cost		(4,428,663)	(4,282,284)
Adjustments for non cash transactions	3,4,5,6	24,138	14,499
(Increase)/decrease in trade & other receivables	15	10,601	8,174
less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Supply amounts due from the consolidated fund	15	-	-
Movements in receivables relating to the sale of property, plant & equipment	15	-	-
Movements in receivables relating to the sale of intangibles	15	-	-
Movements in receivables relating to PFI and other service concession arrangement contracts	15	-	-
(Increase)/Decrease in Inventories	13	-	1
(Decrease)/Increase in trade & other payables (adjusted for bank overdraft)	16	2,115	(48,092)
less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Movements in payables relating to the purchase of property, plant & equipment	16	631	(68)
Movements in payables relating to purchase of intangibles	16	48	(192)
Movements in payables relating to finance leases	16	-	-
Movements in payables relating to PFI and other service concession arrangement contracts	16	-	-
Supply amounts due to the consolidated fund	16	(1,795)	(1,578)
Movements in payables relating to CFER items	16	1,812	(110)
Use of provisions	17	(10,434)	(14,439)
Impairment of investments	12	-	-
Net Cash outflow from operating activities		**(4,401,547)**	(4,324,089)
Cash flows from investing activities			
Purchase of property, plant & equipment	7,16	(3,354)	(4,005)
Purchase of intangible assets	8,16	(386)	(299)
Proceeds of disposal of property, plant and equipment		288	61
Proceeds of disposal of intangibles		-	-
Loans to other bodies	12	-	-
(Repayments) from other bodies	12	-	-
Net cash outflow from investing activities		**(3,452)**	(4,243)
Cash flows from financing activities			
From Consolidated Fund (Supply) - current year	CSCTE	4,403,820	4,330,590
From Consolidated Fund (Supply) - prior year	CSCTE	1,574	(267)
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI and other service concession arrangement contracts		-	-
Net financing		**4,405,394**	4,330,323
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund.		**395**	1,991
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(1,963)	-
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund.		**(1,568)**	1,991
Cash and cash equivalents at the beginning of the period	14	**3,592**	1,601
Cash and cash equivalents at the end of the period	14	**2,024**	3,592

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

The notes on pages 104 to 150 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2015

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balances at 31 March 2013		1,830,583	33,832	1,864,415
Changes in accounting policy		-	-	-
Other Adjustments		-	-	-
Restated balances at 1 April 2013		1,830,583	33,832	1,864,415
Changes in taxpayers' equity for 2013-14				
Net assembly funding - drawdown for current year		4,330,590	-	4,330,590
Net assembly funding - drawdown for prior year		(267)	-	(267)
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment (note 1)		(1,578)	-	(1,578)
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(110)	-	(110)
Comprehensive Expenditure for the Year		(4,282,284)	343	(4,281,941)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	194	-	194
Non-cash charges - other	3,4	5,268	-	5,268
Movements in Reserves:				
Transfer of asset ownership		(31)	-	(31)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		218	(218)	0
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2014		1,882,583	33,957	1,916,540
Changes in taxpayers' equity for 2014-15				
Net assembly funding - drawdown for current year		4,403,820	-	4,403,820
Net assembly funding - drawdown for prior year (note 1)		1,574	-	1,574
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(1,795)	-	(1,795)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(151)	-	(151)
Comprehensive Expenditure for the Year		(4,428,663)	(6,976)	(4,435,639)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	174	-	174
Non-cash charges - other	3,4	5,344	-	5,344
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		485	-	485
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		834	(834)	-
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2015		**1,864,204**	**26,147**	**1,890,351**

Note 1. Difference due to a minor prior year adjustment.

This statement shows the movement in the year on the different reserves held by the Department of Health, Social Services and Public Safety, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). Financing and the balance from the provision of services are recorded here. The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. Other earmarked reserves are shown separately where there are statutory restrictions of their use.

The notes on pages 104 to 150 form part of these accounts.

Core Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2015

	Note	General Fund	Revaluation Reserve	Total Reserves
		£000	£000	£000
Balances at 31 March 2013		2,059,972	26,941	2,086,913
Changes in accounting policy		-	-	-
Other Adjustments		-	-	-
Restated balances at 1 April 2013		2,059,972	26,941	2,086,913
Changes in taxpayers' equity for 2013-14				
Net assembly funding - drawdown for current year		3,326,875	-	3,326,875
Net assembly funding - drawdown for prior year		(267)	-	(267)
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(1,578)	-	(1,578)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(110)	-	(110)
Comprehensive Expenditure for the Year		(3,330,926)	303	(3,330,623)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	106	-	106
Non-cash charges - other	3,4	5,268	-	5,268
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		(31)	-	(31)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		218	(218)	0
Balances at 31 March 2014		2,059,527	27,026	2,086,553
Changes in taxpayers' equity for 2014-15				
Net assembly funding - drawdown for current year		3,384,275	-	3,384,275
Net assembly funding - drawdown for prior year		1,574	-	1,574
Settlement of prior year trade payable/(trade receivable)		-	-	
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(1,795)	-	(1,795)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(151)	-	(151)
Comprehensive Expenditure for the Year		(3,403,993)	(8,086)	(3,412,079)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	107	-	107
Non-cash charges - other	3,4	5,344	-	5,344
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		485	-	485
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		834	(834)	-
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2015		**2,046,207**	**18,106**	**2,064,313**

This statement shows the movement in the year on the different reserves held by the Department of Health, Social Services and Public Safety, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated
Fund). Financing and the balance from the provision of services are recorded here. The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure.
Other earmarked reserves are shown separately where there are statutory restrictions of their use.

The notes on pages 104 to 150 form part of these accounts.

Notes to the Departmental Resource Accounts

1. Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The accounting policies contained in FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

Where FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Department for the purpose of giving a true and fair view has been selected. The Department's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The FReM requires the following primary statements:
- Statement of Assembly Supply;
- Statement of Comprehensive Net Expenditure;
- Statement of Financial Position;
- Consolidated Statement of Cash Flows;
- Consolidated Statement of Changes in Taxpayers Equity; and
- Core Statement of Changes in Taxpayers Equity.

The Statement of Assembly Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement. The Consolidated Statement of Changes in Taxpayer's Equity and supporting notes analyses movement in the General Fund and Revaluation Reserve.

1.1. Accounting Convention

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

1.2. Currency and Rounding

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

1.3. Basis of Consolidation

These accounts (and accounting policies) comprise a consolidation of the Core Department, the Health and Social Care (HSC) Board and the Public Health Agency (PHA). Transactions between entities included in the consolidation are eliminated.

1.4. Health and Social Care Board & Public Health Agency

The accounts of the HSC Board and Public Health Agency have been prepared in accordance with the accounting standards and policies directed by the Department of Health, Social Services and Public Safety (the Department) as being relevant to Health and Social Care (HSC) bodies in Northern Ireland.

The accounting policies adopted follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful to HSC bodies in Northern Ireland, and, where possible, are selected in accordance with the principles set out in International Accounting Standard (IAS) 8 "Accounting Policies" as the most appropriate for giving a true and fair view in this context.

1.5. Property, Plant and Equipment and Intangibles

Property, plant and equipment assets comprise Land, Buildings, Dwellings, Transport and Equipment, Plant & Machinery, Information Technology, Furniture & Fittings, and Assets under construction. (There are currently no assets under construction).

Recognition

Property, Plant and Equipment must be capitalised if:

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

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

Emergency planning stockpiles are included within plant and machinery and are capitalised in accordance with FREM.

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately for the rest of the business or which arise for contractual or other legal rights. Intangible assets are considered to have a finite life. Intangible assets includes any of the following held – software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible assets under construction. Intangible non-current assets in use within the Department, Board and PHA comprise software and websites. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible non-current asset. There is no difference between the requirements for (a) intangible assets that are acquired externally and (b) internally generated intangible non-current assets, whether they arise from development activities or other types of activities.

The capitalisation threshold for intangible assets is the same as for tangible assets.

Valuation

All Property, Plant and Equipment and Intangible non-current assets are carried at fair value.

Fair value for property is estimated as the latest professional valuation revised annually by reference to indices supplied by Land and Property Services.

Fair value for Plant, Equipment and Intangibles is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics (ONS), except for assets under construction which are carried at cost. This year, indices at the end of December 2014 were used.

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

A formal revaluation of the Retained Estate and the HSC Estate was last carried out as at 31 January 2015, by Land and Property Services of Upper Queen's Street, Belfast, with the next review due by 31 January 2020.

Properties are valued on the basis of open market value for existing use, unless they are specialised, in which case they are valued on the basis of depreciated replacement cost. Properties surplus to requirements are valued on the basis of open market value less any material directly attributable selling costs.

1.6. Depreciation

Property, plant and equipment and intangible non-current assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is charged in the month of acquisition.

No depreciation is provided on freehold land since land has unlimited or a very long established useful life. Items under construction are not depreciated until they are commissioned. Properties that are surplus to requirements and not in use are not depreciated. Capital expenditure on leasehold improvements is depreciated over the shorter of the life of the asset or the remaining term of the lease.

Depreciation is charged on short life assets (up to 5 years) based on the historic cost without indexation being applied.

Depreciable assets normally have useful lives in the following ranges:

Asset Type	Asset Life
Freehold Buildings – Core	25 – 60 years
Freehold Buildings – HSC Board	15 – 80 years
Leasehold property	Remaining period of lease
IT Assets	3 – 10 years
Software /Licences	3 – 10 years
Other Equipment	3 – 15 years

The majority of furniture and fittings are rented from the Department of Finance and Personnel and have not been capitalised. Instead this forms part of the notional accommodation costs included in the Statement of Comprehensive Net Expenditure.

Most of the buildings used by the core Department are part of the government estate. As rents are not paid for these properties, notional accommodation costs are based on a capital charge for the properties. These costs have been charged to the Statement of Comprehensive Net Expenditure.

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

1.7. Subsequent Expenditure

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

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

1.8. Impairments

At each reporting period end, the Department checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

If there has been an impairment loss due to price change, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the Statement of Comprehensive Net Expenditure.

DFP/HM Treasury has directed that economic impairments be treated in a different way from that shown in IAS 36 for 2010-11 and future periods. As a result where the loss arises from an economic impairment the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and there is a corresponding movement from the revaluation reserve to the Statement of Comprehensive Net Expenditure reserve up to the amount of the economic impairment which is in the Revaluation Reserve.

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

1.9. Profit/Loss on sale of non current Assets

The profit from sale of land which is a non depreciating asset is recognised within Income. The profit from sale of any depreciating assets is shown as a reduction in the expense within the Statement of Comprehensive Net Expenditure The loss from sale of land or loss from the sale of any depreciating assets is show as an increased expense.

1.10. Non Current Assets Held for Sale

The Department classifies a non-current asset as held for sale where its value is expected to be realised principally through a sale transaction rather than through continuing use. In order to meet this definition IFRS 5 requires that the asset must be immediately available for sale in its current condition and that its sale is highly probable. A sale is regarded as highly probable where an active plan is in place to find a buyer for the asset through appropriate marketing at a reasonable price and the sale is considered likely to be concluded within one year. Non-current assets held for sale are valued on the basis of open market value where one is available or at carrying amount if an open market value is not available less any material directly attributable selling costs.

1.11. Stockpile Goods

The Department has acquired equipment and stock for use in the event of a national emergency.

These stocks consist mainly of drugs and protective clothing and are regarded as the minimum levels necessary to provide an emergency response. In accordance with FReM, these minimum levels are treated as Property, Plant and Equipment (PPE). The goods are recorded at the lower of cost price and net realisable value. It is considered that depreciation is not applicable for the majority of emergency stock items held. An Impairment charge is recognised for any stockpile goods which are disposed of e.g. because they are past their 'use by' date. The Department also considers that due to the unique nature of stockpile goods it is inappropriate to apply a capitalisation threshold. The Emergency Planning Branch of the Department is responsible for managing these items.

1.12. Investments

The only Interest Bearing Debt (IBD) remaining in Trusts is held by the Northern Ireland Ambulance Service as the IBD in the legacy Trusts was cancelled and replaced by Public Dividend Capital (PDC) when the new Trusts were established on 1 April 2007. The IBD held by the NIAS has no fixed repayment terms and the Trust is not required to make a dividend payment in respect of Public Dividend Capital.

PDC has no fixed repayment terms and Trusts are not required to make a dividend payment in respect of Public Dividend Capital.

The PDC of the Trusts is held in the name of the Secretary of State. These bodies are managed independently from the Department and their accounts are not consolidated with those of the Department.

The Department's investment in these bodies is shown in the Statement of Financial Position at historical cost.

1.13. Inventories and Work in Progress

Within the Core Department and PHA, inventories consist only of consumable items and are therefore expensed in the year of purchase.

In the accounts of the HSC Board, inventories are included exclusive of VAT. Inventories are valued at the lower of cost and Net Realisable Value (NRV).

1.14. Research and Development

Research and Development expenditure is expensed in the year it is incurred in accordance with IAS 38.

1.15. Operating Income

Operating income is income which relates directly to the operating activities of the business. It comprises principally, fees and charges or income generated from managing its affairs (rents, investments etc), on a full cost basis. It includes both income classified as accruing resources and income due to the Consolidated Fund which in accordance with FREM is treated as operating income. Receipts under the EU Peace and Reconciliation Programme or

other EU initiatives are also treated as operating income. Revenue is stated net of VAT. Operating income is split between Administration Income and Programme Income within the Statement of Comprehensive Net Expenditure.

1.16. Leases

Department, HSC Board and PHA as lessee

Where substantially all the benefits of control of a leased asset are borne by the business, it is recognised as a finance lease and the asset is recorded as property, plant and equipment, with a corresponding liability to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the Statement of Comprehensive Net Expenditure over the period of the lease at a constant rate in relation to the balance outstanding.

Where a lease is for land and buildings, the land and building components are separated where the amounts are material. Leased land is treated as an operating lease. Leased buildings are assessed as to whether they are operating or finance leases. The Department does not currently hold any finance leases.

Other leases are regarded as operating leases and the rentals are charged to the Consolidated Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease.

Department HSC Board and PHA as a lessor

The Department leases a number of land and building assets to voluntary bodies for which it receives small sums of money know as peppercorn rent. These land and buildings assets are included within the Department's Property, Plant and Equipment asset register.

1.17. Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Department, HSC Board and PHA has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

Financial assets

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

Financial assets are initially recognised at fair value and subsequently on an amortised cost basis.

Financial assets are classified into the following categories:

- financial assets at fair value through Statement of Comprehensive Net Expenditure;
- held to maturity investments;
- available for sale financial assets; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities

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

Financial liabilities are initially recognised at fair value.

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets and liabilities and held at fair value. The Department, HSC Board and PHA do not have any embedded derivatives.

Financial Risk Management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the manner in which they are funded, financial instruments play a more limited role in creating risk than would apply to a non public sector body of a similar size, therefore the Department, HSCB and PHA are not exposed to the degree of financial risk faced by business entities. There are limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing its activities. Therefore the Department, HSC Board and PHA are exposed to limited credit, liquidity or market risk.

Currency Risk

The Department, HSC Board and PHA are principally domestic organisations with the great majority of transactions, assets and liabilities being in the UK and sterling based. There is therefore low exposure to currency rate fluctuations.

Interest Rate Risk

The Department, HSC Board and PHA have limited powers to borrow or invest and therefore there is low exposure to interest rate fluctuations.

Credit and Liquidity risk

As the Department, HSC Board and PHA are funded largely with government funding there is low exposure to credit risk and to significant liquidity risks.

1.18. Cash and cash equivalents

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

1.19. Grants Payable

Grants payable are recorded as expenditure in the period that the underlying event or activity giving entitlement to the grant occurs.

1.20. Provisions

The Department provides for legal or constructive obligations which are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation where this can be determined. Where the effect of the time value of money is significant the estimated risk-adjusted cash flows are discounted using the Treasury Discount Rate.

At 31 March 2015 the Treasury Discount rate for use in General Provisions were

years 1 – 5	minus 1.5% (negative real rate)
years 6 – 10	minus 1.05% (negative real rate)
years 11 – 20	plus 2.2%

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

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

The Department no longer reflects the HSC Trust clinical negligence provision as a core provision, rather the cash funding issued to HSC Trusts in respect of clinical negligence is accounted for as grant in aid.

1.21. Contingent Assets / Liabilities

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

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

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

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

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

1.22. Change to Estimation Technique

There were no changes to estimation techniques during the year.

1.23. Value Added Tax

Most of the activities of the Department, HSC Board and PHA are outside the scope of VAT and in general output tax does not apply. Input VAT on purchases is generally recoverable.

1.24. Third Party Assets

The Department, HSC Board and PHA had no third party assets during the year.

1.25. Losses and Special Payments

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

way that individual cases are handled.

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

1.26. Administration and Programme Expenditure

The Consolidated Statement of Comprehensive Net Expenditure is analysed between administration and programme revenue and expenditure. The classification of expenditure and revenue as administration or as programme follows the definition of administration costs as set out in Managing Public Money Northern Ireland (MPMNI), issued by the Department of Finance and Personnel.

Administration costs reflect the costs of running the Core Department and associated operating income. Revenue is analysed in the notes between that which is allowed to be offset against gross administrative costs in determining the outturn against the administrative cost limit, and that revenue which is not.

Core programme costs reflect non-administration costs and mainly consist of expenditure in health and social services. This includes payments of capital and current grants and other disbursements by the Department.

The costs of the HSC Board and Public Health Agency which are consolidated into the Departmental account are both treated as programme costs.

1.27. Employee Benefits including pensions

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

Past and present employees of the Department are covered by the Principal Civil Service Pension Scheme (PCSPS) (NI). The defined benefit schemes are unfunded and are non-contributory except in respect of dependant’s benefits. The Department recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Department recognizes the contributions payable during the year.

The HSC Board and PHA participate in the HSC Superannuation Scheme, which is administered by the Department. Under this defined benefit scheme both the HSC Board and the PHA employees pay specified percentages of pay into the scheme and the liability to pay

benefit falls to the Department.

The cost of early retirements are met by and charged to the SoCNE at the time a commitment is made to fund the early retirement.

As per the requirements of IAS 19 and IAS26, as amended by FReM, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions.

1.28. Transfer of Functions to Other Departments

The accounting treatment for transfers of function is in accordance with the merger accounting principles set out in the FReM. The Department, HSC Board or PHA did not have any transfers of function during 2014-15**.**

1.29. Changes in Accounting Policy

There were no changes in Accounting Policy during 2014-15.

1.30. Reserves

Statement of Comprehensive Net Expenditure

Accumulated taxpayer funding movements are accounted within the Statement of Comprehensive Net Expenditure Reserve.

Revaluation Reserve

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

1.31. Standards Issued by IASB not included in 2014-15 FReM

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted.

The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards are effective from January 2013, with EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on departments is expected to focus around the disclosure requirements under IFRS 12. The impact on the consolidation boundary of NDPB's and trading funds will be

subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

2. Statement of Operating Costs by Operating Segment.

The Operating segments are:

The following are separate identifiable units of business which have their own set of activities which contribute to the Department's objectives. The funding for all reportable segments is shown in the table below. No material transactions occurred between the segments.

	2014-15		
	Gross Expenditure £000	Income £000	Net Expenditure £000
Funded Bodies			
Health & Social Care Board	1,009,052	(50,945)	958,107
Public Health Agency	64,581	(930)	63,651
Business Services Organisation	35,150	-	35,150
Patient Client Council	1,850	-	1,850
NI Practice & Education Council for Nursing & Midwifery	1,301	-	1,301
NI Social Care Council	2,769	-	2,769
Regulation & Quality Improvement Authority	7,040	-	7,040
NI Medical & Dental Training Agency	14,746	-	14,746
NI Guardian ad Litem Agency	4,261	-	4,261
NI Fire & Rescue Service	87,423	-	87,423
Health and Social Care Trusts	3,624,745	-	3,624,745
Centrally Managed			
Administration	34,494	(501)	33,993
Programme	56,589	(468,755)	(412,166)
Depreciation / Impairments	5,793	-	5,793
Total	**4,949,794**	**(521,131)**	**4,428,663**

NI Blood Transfusion Service expenditure is included within Centrally Managed Programme Expenditure.

2. Statement of Operating Costs by Operating Segment (cont'd)

	2013-14		
	Gross Expenditure £000	Income £000	Net Expenditure £000
Funded Bodies			
Health & Social Care Board	938,869	(50,308)	888,561
Public Health Agency	60,717	(808)	59,909
Business Services Organisation	45,000	-	45,000
Patient Client Council	1,781	-	1,781
NI Practice & Education Council for Nursing & Midwifery	1,147	-	1,147
NI Social Care Council	3,150	-	3,150
Regulation & Quality Improvement Authority	7,675	-	7,675
NI Medical & Dental Training Agency	14,600	-	14,600
NI Guardian ad Litem Agency	4,020	-	4,020
NI Fire & Rescue Service	87,620	-	87,620
Health and Social Care Trusts	3,534,841	-	3,534,841
Centrally Managed			
Administration	35,253	(297)	34,956
Programme	63,620	(469,588)	(405,968)
Depreciation / Impairments	4,992	-	4,992
Total	4,803,285	(521,001)	4,282,284

The operating segments in this note are those reported to the Department of Health and Social Services Departmental Board for financial management purposes. The operating segments are:

2. Statement of Operating Costs by Operating Segment (cont'd)

Health and Social Care Board (HSCB)
The HSCB is responsible for commissioning the provision of health and social care, monitoring health and social care performance and ensuring the best possible use of the resources of the health and social care system.

Public Health Agency (PHA)
The PHA is responsible for improvements in health and social well-being , health protection and service development.

Business Services Organisation (BSO)
The BSO is responsible for the provision of a range of business support and specialist professional services to other health and social care bodies.

Patient Client Council (PCC)
The PCC is responsible for ensuring a strong patient and client voice at both regional and local level, and strengthening public involvement in decisions about health and social care services.

NI Practice and Education Council for Nursing and Midwifery (NIPEC)
NIPEC provides advice and guidance on best practice and matters relating to nursing and midwifery.

NI Social Care Council (NISCC)
NISCC registers and regulates the social care workforce, setting and monitoring the standards for professional social work training and promoting training within the broader social care workforce.

Regulation and Quality Improvement Authority (RQIA)
The RQIA registers and inspects a wide range of HSC services and has a role in assuring the quality of services provided by a number of HSC bodies.

NI Medical and Dental Training Agency (NIMDTA)
NIMDTA ensures that doctors and dentists are effectively trained to provide the highest standards of patient care and to fund, manage and support postgraduate medical and dental education.

NI Guardian ad Litem Agency (NIGALA)
NIGALA is responsible for maintaining a register of Guardians ad Litem who are independent officers of the Court experienced in working with children and families.

NI Fire and Rescue Service (NIFRS)
NIFRS is responsible for delivering Fire and Rescue Services.

Health and Social Care Trusts
The six HSC Trusts are responsible for providing goods and services for the purpose of health and social care work and, with the exception of the Ambulance Service Trust, are also responsible for exercising on behalf of the Health and Social Care Board certain statutory functions.
The Ambulance Service Trust provides emergency response to patients with sudden illness and injury and non-emergency patient care and transportation.

2.1 Reconciliation between Operating Segments and CSoFP

	2014-15		
	Total assets £000	**Total liabilities £000**	**Net assets less liabilities £000**
Funded Bodies			
Health & Social Care Board	25,848	(194,543)	(168,695)
Public Health Agency	1,756	(7,024)	(5,268)
Business Services Organisation	-	-	-
Patient Client Council	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-
NI Social Care Council	-	-	-
Regulation & Quality Improvement Authority	-	-	-
NI Medical & Dental Training Agency	-	-	-
NI Guardian ad Litem Agency	-	-	-
NI Fire & Rescue Service	-	-	-
Health and Social Care Trusts	-	-	-
Centrally Managed	2,079,126	(14,813)	2,064,313
Total	**2,106,730**	**(216,380)**	**1,890,350**

	2013-14		
	Total assets £000	**Total liabilities £000**	**Net assets less liabilities £000**
Funded Bodies			
Health & Social Care Board	27,397	(189,747)	(162,350)
Public Health Agency	1,823	(9,486)	(7,663)
Business Services Organisation	-	-	-
Patient Client Council	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-
NI Social Care Council	-	-	-
Regulation & Quality Improvement Authority	-	-	-
NI Medical & Dental Training Agency	-	-	-
NI Guardian ad Litem Agency	-	-	-
NI Fire & Rescue Service	-	-	-
Health and Social Care Trusts	-	-	-
Centrally Managed	2,098,656	(12,103)	2,086,553
Total	2,127,876	(211,336)	1,916,540

3. Staff numbers and related costs

Staff costs comprise:

	2014-15				2013-14
	Permanently employed staff	Others	Ministers	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	54,680	4,356	38	59,074	56,899
Social security costs	4,661	338	4	5,003	4,919
Other pension costs	8,057	544	8	8,609	8,512
Subtotal	**67,398**	**5,238**	**50**	**72,686**	70,330
Less recoveries iro outward secondments	(1,142)	231	-	(911)	(1,032)
Total net costs*	**66,256**	**5,469**	**50**	**71,775**	69,298
Of which: **Core Department**	**22,938**	**3,090**	**50**	**26,078**	27,812
Less recoveries iro outward secondments	(295)	-	-	**(295)**	(276)
Net Core Department	**22,643**	**3,090**	**50**	**25,783**	27,536

* No staff costs have been charged to capital. Permanently employed staff include the cost of the Department's Special Adviser, who was paid within the pay band £59,037 - £91,809 during 2014-15 (2013-14: £58,452 - £91,809).

Net Staff costs

	2014-15	2013-14
	£000	£000
Of which:		
Core Department		
Administration	24,943	27,051
Programme	840	485
Total	**25,783**	27,536
Agencies		
Administration	-	-
Programme	45,992	41,762
Total	**45,992**	41,762
Consolidated		
Administration	24,943	27,051
Programme	46,832	42,247
Total net costs	**71,775**	69,298

The figures in the Statement of Comprehensive Net Expenditure (SCNE) consist of gross staff costs.
Amounts recovered in respect of secondments are seperately disclosed in the SCNE.
The above costs are gross staff costs netted off against secondee income.

‘The Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)] is an unfunded multi-employer defined benefit scheme but DHSSPS is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2010 and details of this valuation are available in the PCSPS(NI) resource accounts.

For 2014-15, employers’ contributions of £3.6m were payable to the PCSPS(NI) (2013-14: £3.9m) at one of four rates in the range 18% to 25% of pensionable pay, (2013-14: 18% to 25%) based on salary bands. The scheme’s Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2015-16, the new rates will range from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2014-15 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. There were no employer's contributions in 2014-15 (2013-14: £nil).

Contributions due to the partnership pension providers at the balance sheet date were £nil. Contributions prepaid at that date were also £nil.

Six persons (2013-14: Six persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £19k (2013-14 : £15k).

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows. These figures include those working in the Department as well as other bodies included within the consolidated Departmental Resource Accounts.

	2014-15 Number				2013-14 Number
Departmental Strategic Objective	Permanently employed staff	Others	Ministers	Total	Total
Health & Social Care Board	552	40	-	592	555
Public Health Agency	318	22	-	340	329
Business Services Organisation	-	-	-	-	-
Patient Client Council	-	-	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-	-	-
NI Social Care Council	-	-	-	-	-
Regulation & Quality Improvement Authority	-	-	-	-	-
NI Medical & Dental Training Agency	-	-	-	-	-
NI Guardian ad Litem Agency	-	-	-	-	-
NI Fire & Rescue Service	-	-	-	-	-
Health and Social Care Trusts	-	-	-	-	-
Administration	509	62	-	571	626
Programme	5	5	-	10	11
less staff engaged on capital projects	-	-	-	-	-
less outward seconded staff	(18)	-	-	(18)	(15)
Total	**1,366**	**129**	**-**	**1,495**	1,506
Of which:					
Core Department	509	67	-	**576**	632
Agencies	857	62	-	**919**	874

Core Staff numbers include 67 Whole Time Equivalent (WTE) staff seconded in to the Department and 5 (WTE) staff seconded out from the Department to other bodies.

3.1 Reporting of Civil Service and other compensation schemes - exit packages

	Core Department						Consolidated					
	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band		*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<£10,000	-	-	-	2	-	2	-	-	-	2	-	2
£10,001 - £25,000	-	-	2	1	2	1	-	-	2	1	2	1
£25,001 - £50,000	-	-	-	-	-	-	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-	-	-	-	-
£100,001- £150,000	-	-	-	-	-	-	-	-	-	-	-	-
£150,001- £200,000	-	-	-	-	-	-	-	-	-	-	-	-
£200,001- £250,000	-	-	-	-	-	-	-	-	-	-	-	-
£250,001- £300,000	-	-	-	-	-	-	-	-	-	-	-	-
£300,001- £350,000	-	-	-	-	-	-	-	-	-	-	-	-
£350,001- £400,000	-	-	-	-	-	-	-	-	-	-	-	-
Total number of exit packages by type	-	-	2	3	2	3	-	-	2	3	2	3
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Total resource cost	-	-	32	35	32	35	-	-	32	35	32	35

The table above shows Redundancy and other departure costs in respect of the Core Department in 2014-15: 2 cases totalling £32k (2013-14 3 cases totalling £35k); the HSCB had nil cases in 2014-15 (2013-14 Nil cases); and the PHA, nil cases in 2014-15 (2013-14 nil cases).

Core Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Similarly, HSCB and PHA costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations.

Exit costs can be accounted for in full in the year of departure. Where the Department has agreed early retirements or other agreed departures, the additional costs are met by the employing authority and not by the pension schemes. Ill-health retirement costs met by the pension schemes are not included in the table.

4. Other Administration Costs

	Note	2014-15		2013-14	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Rentals under operating leases		12	12	19	19
Interest charges		-	-	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		-	-	-	-
Staff related costs		538	538	687	687
Accommodation Costs		32	32	24	24
Office Services		496	496	683	683
Contracted Services		528	528	476	476
Professional Costs		915	915	551	551
Other Admin Expenditure		1,338	1,338	263	263
		3,859	**3,859**	2,703	2,703
Non-Cash Items					
Depreciation		13	13	13	13
Amortisation		-	-	-	-
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		-	-	-	-
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses*		107	107	106	106
Provision provided for in year	17	-	-	-	-
Borrowing costs (unwinding of discount) on provisions	17	-	-	-	-
Permanent diminution in value		-	-	-	-
Accommodation costs		2,830	2,830	2,773	2,773
Other indirect charges and services		2,464	2,464	2,444	2,444
Total Non-Cash Items		**5,414**	**5,414**	5,336	5,336
Total		**9,273**	**9,273**	8,039	8,039

*During the year, the Department purchased no non-audit services from its auditor (NIAO).

5. Programme Costs

	Note	2014-15		2013-14	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Request for Resources A					
Rentals under operating leases		693	848	928	1,057
Interest charges		-	-	-	-
Research and development expenditure		240	9,035	258	6,646
EU Grants		1,549	1,549	3,131	3,131
Other Grants and Disbursements		3,741,841	4,749,957	3,670,093	4,616,923
		3,744,323	**4,761,389**	3,674,410	4,627,757
Non Cash Items					
Depreciation		284	3,016	279	2,874
Amortisation		-	425	13	447
Profit on disposal of property, plant and equipment		(56)	-	-	-
Loss on disposal of property, plant and equipment		-	3	36	60
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses		-	67	-	88
Other indirect charges and services		-	-	-	-
Provision provided for in year	17	3,233	12,723	518	3,752
Borrowing costs (unwinding of discount) on provisions	17	-	101	-	234
Permanent diminution in value		2,338	2,338	1,658	1,658
Total Non-Cash Items		**5,799**	**18,673**	2,504	9,113
Total for Request for Resources A		**3,750,122**	**4,780,062**	3,676,914	4,636,870
Request for Resources B					
NI Fire & Rescue Service		87,773	87,773	88,046	88,046
Total for Request for Resources B		**87,773**	**87,773**	88,046	88,046
Total		**3,837,895**	**4,867,835**	3,764,960	4,724,916

6. Income

An analysis of income recorded in the **Core Department** Statement of Comprehensive Net Expenditure is as follows:

Core Department	2014-15			2013-14
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	194	-	194	-
Fees and charges to other departments	292	-	292	276
Central administration and miscellaneous services	13	-	13	21
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**499**	**-**	**499**	297
Programme income:				
Fees and charges to external customers	-	-	-	-
EU Income	1,162	-	1,162	2,348
Miscellaneous Grants and Disbursements	-	-	-	-
Health & Social Services Grants and Disbursements	467,592	-	467,592	467,240
Family Health Services receipts	-	-	-	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total programme income	**468,754**	**-**	**468,754**	469,588
Total	**469,253**	**-**	**469,253**	469,885

Health & Social Services Grants and Disbursements include National Insurance contributions received of 2014-15 £465m. (2013-14: £467m).

EU Income has decreased due to the Interreg IV Program coming to a close.

6. Income

An analysis of income recorded in the **Consolidated Department** Statement of Comprehensive Net Expenditure is as follows:

Consolidated	2014-15			2013-14
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	195	-	195	-
Fees and charges to other departments	292	-	292	276
Central administration and miscellaneous services	14	-	14	21
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**501**	**-**	**501**	297
Programme income:				
Fees and charges to external customers	-	-	-	-
EU Income	1,162	-	1,162	2,348
Miscellaneous Grants and Disbursements	27,057	-	27,057	25,426
Health & Social Services Grants and Disbursements	471,380	-	471,380	472,731
Family Health Services receipts	21,031	-	21,031	20,199
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total programme income	**520,630**	**-**	**520,630**	520,704
Total	**521,131**	**-**	**521,131**	521,001

Miscellaneous Grants & Disbursements includes income from Department of Education payable to HSCB for Surestart and Early Years (2014-15: £26,509k, 2013-14: £25,116k).

6.1 Fees and charges information

The following information is required for fees and charges purposes, not for IFRS 8 purposes.

Core	2014-15			2013-14		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	295	295	-	276	276	-
Other	-	-	-	-	-	-
Total	**295**	**295**	**-**	276	276	-

Consolidated	2014-15			2013-14		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	911	911	-	1,032	1,032	-
Other	-	-	-	-	-	-
Total	**911**	**911**	**-**	1,032	1,032	-

7. Property, plant and equipment 2014-15

7.1 Consolidated Property, plant and equipment 2014-15

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation								
At 01 April 2014	40,769	11,868	379	19,145	19,802	18	270	92,251
Restatement of Opening Balance	-	-	-	-	-	-	-	-
Opening balances at 01 April 2014	40,769	11,868	379	19,145	19,802	18	270	92,251
Additions	-	53	-	2,104	567	-	-	2,723
Donations / Government grant / Lottery funding	-	-	-	-	-	-	-	-
Disposals	(15)	(89)	-	(3,020)	(24)	-	(4)	(3,152)
Transfers	-	485	-	-	-	-	-	485
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	221	-	-	-	(744)	-	-	(523)
Reclassifications	-	-	-	(2)	-	-	-	(2)
Indexation	-	-	-	-	12	-	-	12
Revaluations	2,647	(430)	-	-	-	-	-	2,217
At 31 March 2015	**43,622**	**11,887**	**379**	**18,227**	**19,613**	**18**	**266**	**94,011**
Depreciation								
At 01 April 2014	-	2,354	51	12,414	209	11	203	15,242
Charged in year	-	546	12	2,450	10	4	8	3,030
Disposals	-	(80)	-	(2,961)	(25)	-	(4)	(3,070)
Transfers	-	-	-	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	994	171	-	-	-	-	-	1,165
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	-	-	-	3	-	-	3
Revaluations	10,277	(1,131)	57	-	-	-	-	9,203
At 31 March 2015	**11,271**	**1,860**	**120**	**11,903**	**197**	**15**	**207**	**25,573**
Carrying amount at 31 March 2015	**32,351**	**10,027**	**259**	**6,324**	**19,416**	**2**	**59**	**68,438**
Carrying amount at 31 March 2014	40,769	9,514	328	6,731	19,593	7	67	77,009
Asset financing:								
Owned	32,351	10,027	259	6,324	19,416	2	59	68,438
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2015	**32,351**	**10,027**	**259**	**6,324**	**19,416**	**2**	**59**	**68,438**

7.2 Consolidated Property, plant and equipment 2013-14

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation								
At 01 April 2013	40,769	11,332	349	17,320	19,799	18	268	89,855
Additions	-	175	-	2,262	1,636	-	-	4,073
Disposals	-	-	-	(267)	-	-	-	(267)
Transfers	-	(37)	-	(170)	-	-	-	(207)
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	4	-	-	(1,661)	-	-	(1,657)
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	394	30	-	28	-	2	454
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2014	40,769	11,868	379	19,145	19,802	18	270	92,251
Depreciation								
At 01 April 2013	-	1,759	35	10,305	194	7	191	12,491
Charged in year	-	499	12	2,351	9	4	12	2,887
Disposals	-	-	-	(242)	-	-	-	(242)
Transfers	-	(5)	-	-	-	-	-	(5)
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-	-	-	0
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	101	4	-	6	-	-	111
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2014	-	2,354	51	12,414	209	11	203	15,242
Carrying amount at 31 March 2014	40,769	9,514	328	6,731	19,593	7	67	77,009
Carrying amount at 31 March 2013	40,769	9,573	314	7,015	19,605	11	77	77,364
Asset financing:								
Owned	40,769	9,514	328	6,731	19,593	7	67	77,009
Finance leased	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2014	40,769	9,514	328	6,731	19,593	7	67	77,009
Asset financing:								
Owned	40,769	9,573	314	7,015	19,605	11	77	77,364
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 01 April 2013	40,769	9,573	314	7,015	19,605	11	77	77,364

7.3 Analysis of property, plant and equipment

The carrying amount of property, plant and equipment comprises:

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Core Department at 31 March 2015	29,201	3,294	259	-	19,416	2	-	52,171
Public Health Agency at 31 March 2015	-	-	-	318	-	-	59	377
Health & Social Care Board at 31 March 2015	3,150	6,733	-	6,006	-	-	-	15,889
	32,351	**10,027**	**259**	**6,324**	**19,416**	**2**	**59**	**68,438**
Core Department at 31 March 2014	38,047	3,239	328	-	19,593	8	-	61,215
Public Health Agency at 31 March 2014	-	-	-	393	-	-	67	460
Health & Social Care Board at 31 March 2014	2,722	6,274	-	6,338	-	-	-	15,334
	40,769	9,513	328	6,731	19,593	8	67	77,009
Core Department at 31 March 2013	38,047	3,280	314	-	19,605	12	-	61,258
Public Health Agency at 31 March 2013	-	-	-	303	-	-	74	377
Health & Social Care Board at 31 March 2013	2,722	6,293	-	6,712	-	-	3	15,730
	40,769	9,573	314	7,015	19,605	12	77	77,365

Valuation of Land and Buildings

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

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

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

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

7.4 Assets Classified as Held for Sale

	Land		Buildings		Total	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	£000	£000	£000	£000	£000	£000
Opening Balance at 1 April	1,832	1,852	5,088	5,163	6,920	7,015
Transfer in from Non Current Assets	-	-	-	-	-	-
Transfer out to Non Current Assets	-	-	-	-	-	-
Disposals of Carrying Value	(97)	(20)	(113)	(75)	(210)	(95)
Impairments	(534)	-	(115)	-	(649)	-
Closing Balance at 31 March	**1,201**	1,832	**4,860**	5,088	**6,061**	6,920

Non-current assets held for sale comprise non-current assets that are held for resale rather than for continuing use within the business. The carrying value represents estimated sales proceeds.

At 31 March 2015, there were 14 land and buildings assets, (2013-14: 16) held by Core Department which were classified as held for resale with a fair value of £6,061k (2013-14: £6,920k).

8. Intangible Assets

8.1 Consolidated Intangible Assets 2014-15

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Cost or Valuation				
At 01 April 2014	3,783	1,553	44	5,380
Additions	264	74	-	338
Disposals	-	(4)	-	(4)
Transfers	(47)	48	-	1
Indexation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2015	**4,000**	**1,671**	**44**	**5,715**
Amortisation				
At 01 April 2014	3,153	1,052	44	4,249
Charged in year	227	198	-	425
Disposals	-	(5)	-	(5)
Transfers	-	-	-	-
Backlog depreciation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2015	**3,380**	**1,245**	**44**	**4,669**
Carrying amount at 31 March 2015	**620**	**426**	**-**	**1,046**
Carrying amount at 31 March 2014	630	502	-	1,132
Asset financing:				
Owned	620	426	-	1,046
Finance leased	-	-	-	-
Carrying amount at 31 March 2015	**620**	**426**	**-**	**1,046**

8. Intangible Assets

8.2 Consolidated Intangible Assets 2013-14

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Cost or Valuation				
At 01 April 2013	3,270	1,404	45	4,719
Additions	374	117	-	491
Disposals	-	-	-	-
Transfers	139	32	-	171
Indexation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2014	3,783	1,554	44	5,381
Amortisation				
At 01 April 2013	2,887	884	30	3,801
Charged in year	266	168	13	447
Disposals	-	-	-	-
Transfers	-	1	-	1
Backlog depreciation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2014	3,153	1,052	44	4,249
Carrying amount at 31 March 2014	630	502	-	1,132
Carrying amount at 31 March 2013 1 March 2011	383	521	14	918
Asset financing:				
Owned	630	502	-	1,132
Finance leased	-	-	-	-
Carrying amount at 31 March 2014	630	502	-	1,132
Asset financing:				
Owned	383	521	14	918
Finance leased	-	-	-	-
Carrying amount at 31 March 2013	383	521	14	918

8.3 Analysis of intangible assets

The carrying amount of intangible assets comprises:

	Information Technology	Software Licences	Websites	Development expenditure	Total
	£000	£000	£000	£000	£000
Core Department at 31 March 2015	-	-	-	-	-
Public Health Agency at 31 March 2015	94	47	-	-	141
Health & Social Care Board at 31 March 2015	526	379	-	-	905
	620	426	-	-	1,046
Core Department at 31 March 2014	-	0	-	-	0
Public Health Agency at 31 March 2014	48	12	-	-	60
Health & Social Care Board at 31 March 2014	582	490	-	-	1,072
	630	502	-	-	1,132

9. Impairments

	2014-15	2013-14
	£000	£000
Impairment charged to Statement of Comprehensive Net Expenditure within Net Expenditure	2,338	1,658
Impairment charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure.	8,086	-
Total Impairment	10,424	1,658

10. Capital and Other Commitments

10.1 Capital commitments

The Core Department, HSC Board and Public Health Agency have no Capital Commitments.

10.2 Commitments under leases

10.2.1 Operating leases

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

	31 March 2015		31 March 2014	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Land				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-
Buildings				
Not later than one year	916	1,045	1,153	1,282
Later than one year and not later than five years	3,213	3,486	1,321	1,599
Later than five years	607	607	-	-
	4,736	**5,138**	**2,474**	**2,881**
Other				
Not later than one year	-	-	10	10
Later than one year and not later than five years	-	-	7	7
Later than five years	-	-	-	-
	-	-	**17**	17

10.2.2 Finance Leases

The Department, HSC Board and PHA have no finance leases.

10.3 Commitments under PFI contracts and other service concession arrangements

The Department, HSC Board and PHA do not have any commitments under PFI contracts, or other service concession arrangements.

10.4 Other Financial commitments

This note discloses commitments to future expenditure, not otherwise disclosed elsewhere in the financial statements. Included within other financial commitments are non cancellable contracts and purchase orders which commit the Department to revenue expenditure in a future period. Commitments to expenditure under other forms of agreement such as Memorandums of Understanding may be considered as commitments if they, in exceptional circumstances, effectively commit the Department to the expenditure as it would be reputationally or politically damaging for the Department to withdraw from the agreement. Any future funding within the Department's accounting boundary does not represent a financial commitment.

At 31 March 2015 the Department has entered into various contracts to manage and maintain its Health countermeasures stockpile which, if delivered according to the terms of those contracts would result in financial commitments as shown in the table below having to be met in future years. These contracts provide help in meeting emergency situations which may arise such as a National Pandemic flu outbreak. There are no major financial commitments outside of these contracts.

The amounts committed are analysed by the period during which the commitment expires are as follows.

	2014-15		2013-14	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Not Later than one year	1,062	1,062	1,062	1,062
Later than one year and not later than five years	508	508	2,125	2,125
Later than five years	-	-	-	
Total	**1,570**	**1,570**	**3,187**	**3,187**

11. Financial Instruments

As the cash requirements of the Department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk.

12. Investments in other public sector bodies

	31 March 2015			31 March 2014		
	Investments	Assets	Liabilities	Investments	Assets	Liabilities
	£000	£000	£000	£000	£000	£000
Balance at 1 April	2,009,000	-	-	2,009,000	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	-	-	-	-	-
Interest capitalised	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Balance at 31 March	**2,009,000**	**-**	**-**	2,009,000	-	-

The above investments are held by the Core Department and represent the Department's investment in the 6 Health and Social Care Trusts.

13. Inventories

	31 March 2015		31 March 2014	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Inventories	-	-	-	-

14. Cash and cash equivalents

	2014-15		2013-14	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Balance at 1 April	(27)	3,592	(2,527)	1,601
Net change in cash and cash equivalent balances	(540)	(1,568)	2,500	1,991
Balance at 31 March	**(567)**	**2,024**	(27)	3,592

	2014-15		2013-14	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
The following balances at 31 March are held at:				
Government Banking Service	-	-	-	-
Commercial banks and cash in hand	(567)	2,024	(27)	3,592
Short term investments	-	-	-	-
Balance at 31 March	**(567)**	**2,024**	(27)	3,592

The consolidated 'Cash and Cash Equivalent' balance in the Statement of Financial Position reflects the HSCB and PHA bank balances of £2,591k (2013-14: £3,619k). As the Core bank balance at 31 March 2015 was overdrawn by £567k, (2013-14: £27k) this has been reflected in Trade Payables in the Statement of Financial Position.

15. Trade receivables and other current assets

	2014-15		2013-14	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
VAT	328	1,426	535	1,281
Trade receivables	452	5,165	195	6,581
Other receivables	11,815	12,249	20,598	20,937
Amounts due from the Consolidated Fund in respect of supply	-	-	-	-
Current Trade and Other Receivables	**12,595**	**18,840**	21,328	28,799
Deposits and advances	-	-	-	-
Prepayments and accrued income	477	755	981	1,397
Other Current Assets	**477**	**755**	981	1,397
Amounts falling due after more than one year:				
Trade receivables	-	-	-	-
Other receivables	-	-	-	-
Non Current Trade and Other Receivables	**-**	**-**	-	-
Deposits and advances	-	-	-	-
Prepayments and accrued income	-	-	-	-
Other Non Current Assets	-	-	-	-
Total amounts falling due within one year	**13,072**	**19,595**	22,309	30,196
Total amounts falling due after more than one year	**-**	**-**	-	-
Total Receivables and Other Assets	**13,072**	**19,595**	22,309	30,196
Included within Other Receivables is that which will be due to the Consolidated fund once the debts are collected	**-**	**-**	27	27

15.1 Intra-Government Balances

	Amounts falling due within one year		Amounts falling due after more than one year	
	2014-15	2013-14	2014-15	2013-14
	£000	£000	£000	£000
Balances with other central government bodies	11,219	19,054	0	0
Balances with local authorities	42	1,732	-	-
Balances with NHS Trusts	2,158	736	-	-
Balances with public corporations and trading funds	-	1	-	-
Sub total: intra-government balances	**13,419**	21,523	**0**	0
Balances with bodies external to government	6,176	8,673	-	-
Total Trade Receivables and Other Current Assets at 31 March	**19,595**	30,196	**0**	0

16. Trade payables and other current liabilities

	2014-15		2013-14	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
Bank overdraft	567	567	27	27
VAT	-	-	-	-
Other taxation and social security	0	724	3	947
Trade revenue payables	525	55,480	311	50,881
Trade capital payables	-	472	-	1,151
Other payables	30	11,690	7	15,274
Government grants payable	256	256	2,438	2,438
Accruals and deferred income	9,136	98,098	6,073	92,320
Clinical Negligence	-	-	-	-
Amounts issued from the Consolidated Fund for supply but not spent at year end	1,795	1,795	1,578	1,578
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:				
received	231	231	2,016	2,016
receivable	-	-	27	27
Current Trade and Other Payables	**12,540**	**169,313**	12,480	166,659
Total Payables falling due within one year	**12,540**	**169,313**	12,480	166,659
Total Payables falling due after more than one year	**-**	**-**	-	-
Total Trade Payables and Other Current Liabilities	**12,540**	**169,313**	12,480	166,659

16.1 Intra-Government Balances

	Amounts falling due within one year		Amounts falling due after more than one year	
	2014-15	2013-14	2014-15	2013-14
	£000	£000	£000	£000
Balances with other central government bodies	5,053	11,322	-	-
Balances with local authorities	669	142	-	-
Balances with NHS Trusts	29,322	21,144	-	-
Balances with public corporations and trading funds	31	1	-	-
Sub total: intra-government balances	**35,075**	32,609	**-**	-
Balances with bodies external to government	134,238	134,050	-	-
Total Trade Payables and Other Liabilities at 31 March	**169,313**	166,659	**-**	-

17. Provisions for Liabilities and Charges

17.1 Core Provisions for liabilities and charges 2014-15

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2014	-	-	-	411	411
Provided in the year	-	-	-	3,350	3,350
Provisions not required written back	-	-	-	(117)	(117)
Provisions utilised in the year	-	-	-	(193)	(193)
Borrowing costs (unwinding of discounts)	-	-	-	-	-
As at 31 March 2015	**-**	**-**	**-**	**3,451**	**3,451**

Analysis of expected timing of discounted flows

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	-	-	819	819
Later than one year and not later than five years	-	-	-	2,492	2,492
Later than five years	-	-	-	140	140
As at 31 March 2015	**-**	**-**	**-**	**3,451**	**3,451**

17.2 Core Provisions for liabilities and charges 2013-14

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2013	-	-	-	274	274
Provided in the year	-	-	-	518	518
Provisions not required written back	-	-	-	-	-
Provisions utilised in the year	-	-	-	(381)	(381)
Borrowing costs (unwinding of discounts)	-	-	-	-	-
Balance at 31 March 2014	-	-	-	411	411

Analysis of expected timing of discounted flows

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	-	-	118	118
Later than one year and not later than five years	-	-	-	131	131
Later than five years	-	-	-	162	162
As at 31 March 2014	**-**	**-**	**-**	**411**	**411**

17.3 Consolidated Provisions for liabilities and charges 2014-15

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2014	16,721	18,657	-	9,299	44,677
Provided in the year	1,274	8,697	-	5,230	15,201
Provisions not required written back	(1,957)	(343)	-	(178)	(2,478)
Provisions utilised in the year	(629)	(9,111)	-	(694)	(10,434)
Borrowing costs (unwinding of discounts)	301	(354)	-	154	101
As at 31 March 2015	**15,710**	**17,546**	**-**	**13,811**	**47,067**

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	629	5,742	-	1,765	8,136
Later than one year and not later than five years	2,600	4,257	-	4,234	11,091
Later than five years	12,481	7,547	-	7,812	27,840
As at 31 March 2015	**15,710**	**17,546**	**-**	**13,811**	**47,067**

17.4 Consolidated Provisions for liabilities and charges 2013-14

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2013	17,584	28,491	-	9,055	55,130
Provided in the year	341	6,904	-	979	8,224
Provisions not required written back	(468)	(3,982)	-	(22)	(4,472)
Provisions utilised in the year	(1,170)	(12,353)	-	(916)	(14,439)
Borrowing costs (unwinding of discounts)	434	(403)	-	203	234
Balance at 31 March 2014	16,721	18,657	-	9,299	44,677

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	1,192	4,787	-	683	6,662
Later than one year and not later than five years	4,985	5,386	-	1,870	12,241
Later than five years	10,544	8,484	-	6,746	25,774
As at 31 March 2014	**16,721**	**18,657**	**-**	**9,299**	**44,677**

Early Departure Costs

The Department meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) and benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The provision in respect of the HSCB and PHA which is reflected within the consolidated position represents payments made by HSCB and PHA beyond the Health & Social Care Pension Scheme (HSCPS.) At 31 March 2015 the provision for the Core Department has been fully utilised and the provision for HSCB and PHA is £15.7m (2013-14 £16.7m).

Clinical Negligence

Provision is made for HSCB clinical negligence claims only where it is more probable that a settlement will be required. Contingent liabilities for clinical negligence are given in Note 18. The DHSSPS accounts show the clinical negligence provision for the HSCB because the HSCB is within the DHSSPS accounting boundary and fully consolidated into the DHSSPS accounts, whereas the HSC Trusts are outside the accounting boundary and HSC Trust expenditure is reflected as Grant in Aid.

Other -Legal

There are two material legal claims against the Department in 2014-15.
A new provision has been set up in respect of potential legal and compensatory claims arising from a DH led initiative. £3m represents Northern Irelands share under the Barnett formula. £100k has been provided in respect of legal fees for an asbestos claim. The material limit is set at £100k.
The Department has provided for a lifetime personal injury award of £185k. The full amount of this provision is shared jointly with the Department for Social Development.

Other - Hepatitis C Compensation Scheme

This provision was set up in 2004 when in 2003 the Secretary of State for Health and Health Ministers of the Devolved Administrations announced that a UK-wide scheme would be set up to make ex-gratia payments to certain persons who had been infected with the hepatitis C virus by blood products received through NHS treatment. This became known as the Skipton Fund. Provision was made for first and second stage lump sum payments and also from March 2011 for the additional financial measures introduced across the UK following a DH(L)-led expert team review for patients infected with contaminated blood. Eligible patients are still coming forward to claim under the scheme and as a result the provision had to be increased further in . 2014-15.

18. Contingent liabilities

The Department, HSC Board and PHA have the following contingent liabilities.

Special European Union Programme Branch (SEUPB) Funding

It was discovered by the Special EU Programmes Body (SEUPB) that some documentation relating to recruitment and salaries for staff employed by project groups which DHSSPS supports under Interreg IVA had been destroyed. While all recruitment exercises have been shown to be fully open and transparent, SEUPB has not yet been able to confirm whether the remaining documentation is sufficient for compliance with EC regulations. The matter is currently being investigated by SEUPB and considered by sponsor Departments, and may result in a financial penalty of approx £86k. However, it is not possible to determine the likelihood of a penalty being applied until investigations and considerations are complete.

Clinical Negligence Claims

The HSC Board has contingent liabilities of £0.21m (2013-14: £0.8m) representing clinical negligence incidents. Other clinical negligence claims could arise in the future due to incidents which have already occurred. The expenditure which may arise from these claims cannot be determined as yet. In addition to the above contingent liability, the provision for HSC Board clinical negligence is given in note 17.

Voluntary Exit Scheme

The Northern Ireland Civil Service launched a Voluntary Exit Scheme (VES) across all departments on 2 March 2015. The closing date for applications was 27 March 2015. Since 31 March 2015, applications for the Voluntary Exit Scheme have been processed, communicated and agreement to exit sought from interested staff by 30 June 2015. This may result in an obligation arising on the department, since the balance sheet date. The value of this liability is approximately £1.7m. This is a non-adjusting event and consequently, the 2014-15 accounts have not been adjusted. It is expected that payments to settle this liability will be made during the 2015-16 financial year.

Contingent liabilities held by the HSC Trusts, in respect of clinical negligence incidents, is £12m (2013-14 £11.5m).

18.1 Financial Guarantees, Indemnities and Letter of Comfort

The Department has entered into the following quantifiable guarantees, indemnities or provided letters of comfort.

Guarantees

- Altnagelvin Laboratories and Pharmacy - April 2005 (Altnagelvin is now within the Western HSC Trust).
- The Royal Group of Hospitals managed equipment service - December 2005 (RGH is now within the Belfast HSC Trust)
- South Western Hospital at Enniskillen (within Western HSC Trust) – May 2009

There were no new Guarantees, Indemnities or Letters of comfort issued during 2014-15.

Under the terms of the Deeds of Safeguard the Department will in the event of Trust insolvency or inability to meet its obligations, excluding succession by another body, be obliged to fulfil the Trust's obligations under the agreement. This is not a contingent liability within the meaning of IAS 37 since the likelihood of a transfer of economic benefit in settlement is too remote. This falls to be measured under the requirements of IAS 39 and has been measured at zero.

Public Inquiry panel membership

It is normal practice for a Department commissioning a public enquiry to provide to each member of the Inquiry panel an indemnity whereby the panel member, if he or she has acted honestly and in good faith, will not have to meet out of his or her personal resources any personal civil liability incurred in the execution or purported execution of his or her functions as a member of the inquiry panel, save where the panel member has acted recklessly.

An indemnity was provided to each individual member of the Hyponatraemia-Related Deaths Inquiry Team in January 2005.

It is believed that the possibility of any payments being made under these indemnities are remote and the potential liability has been assessed as zero.

19. Losses and Special Payments

19.1 Losses Statement for Core Department, HSC Board and PHA

Each year, significant amounts of waivers and remissions of National Insurance contributions are written off. Most are reported in the NI Fund account but, a small proportion is attributed to the health programme and reported in the Resource Accounts. The figure for 2014-15 (referred to as administrative write-offs) was £1,854k based on data for 2013-14 (2013-14: £2,771k).

19.2 Losses Statement for Core Department, HSC Board and PHA (Continued)

	2014-15				2013-14			
	Core Department		Consolidated		Core Department		Consolidated	
	No. of cases	£000	No. of cases	£000	No. of cases	£000	No. of cases	£000
Cash losses - Theft, fraud etc.	-	-	1	1	-	-	2	-
Claims abandoned - Waived or abandoned claims	-	-	1	-	-	-	2	9
Administrative write-offs* Bad debts	-	1,854	-	1,854	-	2,711	-	2,711
Fruitless payments -								
• Late Payments of commercial debt.	-	-	2	-	20	3	21	3
• Other fruitless payments.	19	2	19	2	-	-	-	-
• Constructive losses	-	-	-	-	-	-	-	-
Store losses	-	-	1	-	-	-	1	-
Special Payments -								
Compensation payments -	-	-	-	-	-	-	-	-
• Clinical negligence	-	-	17	6,320	-	-	7	10,492
• Public liability	-	-	-	-	-	-	-	-
• Employers liability	-	-	3	25	6	198	6	198
Ex Gratia Payments	-	-	-	-	-	-	-	-
Total*	**19**	**1,856**	**44**	**8,202**	**26**	**2,912**	**39**	**13,413**

*Excludes the number of cases of NI Fund Losses (Administrative write off). NAO made a recommendation for HMRC to work to ensure consistency between the contribution losses figures reported in the NI White Paper Accounts and the HMRC Trust Statement. As a result, the method of collection and calculation of the losses figures has been changed, so that case numbers are now no longer available for reporting.

19.3 Special Payments made by Core Department, HSC Board and PHA

	2014-15				2013-14			
	Core Department		Consolidated		Core Department		Consolidated	
	No of cases	£000	No of cases	£000	No of cases	£000	No of cases	£000
Details of cases over £250,000								
Birth complications			3	5,014			5	8,228
Delay in diagnosis and treatment for heart condition			1	770			2	2,264
Cases below £250,000			16	561			12	623
Total of all cases			20	6,345			19	11,115

20. Related-party transactions

The Department of Health, Social Services and Public Safety is the parent of Health and Social Services bodies, listed at Annex A and sponsors those bodies listed at Annex B. These bodies are regarded as related parties with which the Department has had various material transactions during the year. In addition, the Department has had a small number of transactions with other government departments and other central government bodies. Most of these transactions have been with the Department of Finance and Personnel.

Richard Pengelly (Permanent Secretary) was a board member of the European Connected Healthcare Alliance during 2014-15 and payments of approximately £8k were made by DHSSPS to the European Connected Healthcare Alliance.

Mr S Holland (Deputy Secretary, Social Care Policy Group) serves on the Departmental Board is a director of Northern Ireland Cooperation Overseas (NICO) a not-for-profit public body, which is a wholly owned subsidiary of Invest NI. Mr Holland supported NICOs involvement in twinning projects undertaken on behalf of the Foreign and Commonwealth Office in EU Candidate Countries and other ENPI countries. There was no cost to the Department as Mr Holland carried out this work in his own time. There was some cost to the

Department in the hosting of Study Tours from these countries to Northern Ireland but this cost was minimal. There were no payments made by DHSSPS to NICO for 2014-15.

There were no other board members, key managers or other related parties who have undertaken any material transactions with the Department during the 2014/15 year.

21. Third-party assets

The Department has no third party assets.

22. Events after the Reporting Period

The Northern Ireland Civil Service launched a Voluntary Exit Scheme (VES) across all departments on 2 March 2015. The closing date for applications was 27 March 2015. Since 31 March 2015, applications for the Voluntary Exit Scheme have been processed and communications have issued to staff. Exits through the Scheme will be dependent on confirmation of funding and staff interested in the scheme accepting the terms of exit. This is a non adjusting event and consequently, the 2014-15 accounts have not been adjusted.

There are no other post balance sheet events affecting these accounts.

Date of authorisation for issue

The Accounting Officer has authorised the issue of these financial statements on 30th June 2015.

ANNEX A

BODIES WITHIN THE DEPARTMENTAL BOUNDARY

The accounts of the following bodies have been consolidated in the group accounts of the Department:

- Health and Social Care Board
- Public Health Agency

Health and Social Care (HSC) Bodies- General
A framework document is currently the subject of consultation within the HSC. It sets out the main priorities and objectives of each health and social care body. Each HSC body also has an individual management statement and financial memorandum (MSFM). This sets out the arrangements for operations, financing, accountability and control of the body and the conditions under which government funds are provided to it. HSC bodies are furthermore subject to the principles of the guidance in *Managing Public Money Northern Ireland* and circulars issued by the Department. Further details on the individual health and social care bodies are given below.

The Health and Social Care Board (HSCB)

The **Health and Social Care (HSC) Board**, as agent of the Department, commissions health and personal social services for the Northern Ireland population from a range of providers, including HSC Trusts and voluntary and private sector bodies.

The Board was established by the Health and Social Care (Reform) Act (Northern Ireland) 2009. In addition to statute, it is governed by the strategic documents mentioned above, standing orders, standing financial instructions, circulars from the Department and the need to seek approval for any expenditure which exceeds certain limits set by the Department.

The Health and Social Care Board has a Board of Directors including Executives and Non-Executives. The Chief Executive is appointed by the Department as Accounting Officer and is personally accountable to the Departmental Accounting Officer (DAO) and through the DAO to the NI Assembly and Parliament for the stewardship of resources supplied to the Board. It also holds the budget for five Local Commissioning Groups, (LCGs), which, in collaboration with the Public Health Agency, provide information on the health and wellbeing needs for their local area and feed into an overall commissioning plan for the region.

The Board submits the commissioning plan, known as a Health and Wellbeing Investment Plan (HWIP), to the Department containing a draft financial plan, Priorities for Action, investment proposals and reform and modernisation proposals. In addition, the HSC Board reports monthly to the Department on financial performance, quarterly on progress against Priorities for Action targets and annually on actual and planned spend on programmes of care and key services. These in turn feed into the Department's Estimates process, informing bids for resources.

The Public Health Agency (PHA)

The Public Health Agency has a health improvement, health promotion and health protection role. This entails developing and providing or securing provision of programmes and initiatives designed to improve the Northern Ireland population's health and wellbeing and to reduce health inequalities. The Agency also has a role in the prevention and control of communicable disease and other dangers to health and wellbeing, including those arising out of environmental or public health grounds or arising out of emergencies.

The Agency liaises with the HSC Board and the Local Commissioning Groups in devising the commissioning plan for health and wellbeing services in Northern Ireland and to this end it may engage in or commission research, obtain and analyse data, provide laboratory and other technical and clinical services and provide training, information, advice and assistance as appropriate.

The Safeguarding Board for Northern Ireland (SBNI)

A Regional Safeguarding Board for NI (SBNI) was established on 17 September 2012 under the Safeguarding Board (Northern Ireland) Act 2011 (The Act) by the Department as an unincorporated statutory body. It is sponsored by the Department.

The SBNI is a multi-disciplinary interagency body and its objective is to coordinate and ensure the effectiveness of activities undertaken by its members to safeguard and promote the welfare of children in Northern Ireland.

The Department will exercise oversight of the SBNI on an ongoing basis throughout the year. SBNI must provide regular performance reports and documentation demonstrating progress against Departmental priorities and provide assurance as to the ongoing effectiveness of their systems. This will include twice yearly Department Accounting Officer sponsored assurance and accountability meetings between the Department and the SBNI Chair which will be timed and conducted in line with the arrangements for the equivalent meetings with DHSSPS sponsored Arms Length Bodies (ALBs).

Non-Executive Non-Departmental Public Bodies

These small bodies have specialist functions with either few or no permanent staff. They are classed as inside the boundary as any expenditure is managed by sponsor branches within the Department.

- Clinical and Excellence Awards Committee – this committee has a complement of 9 members drawn from medical and lay backgrounds and the chair is publicly appointed. It meets two to three times a year to score self-nominations from medical and dental consultants for centrally funded awards. The members' expenses and secretariat are provided by the Department's Pay and Employment Unit.

- Poisons Board- this body was set up in 1976 to advise the Department on substances to be treated as non-medical poisons and matters concerning their sale, supply and storage. The Board is currently in abeyance, but its existence in principle allows the Department access to expert advice. Membership would be drawn from environmental health officers and pharmaceutical and medical representatives in the event of an adverse poisoning incident necessitating the Board to convene.

- Tribunal under Schedule 11 to the HPSS (NI) Order 1972 – This tribunal meets on an ad hoc basis upon request of the Health and Social Care Board to the Department to consider requests to remove family practitioners from public service because of fraud or improper conduct. The Chair and Chief Executive are appointed by the Lord Chief Justice. The tribunal has not met for the past eighteen years as there have been no such requests and there are currently no staff or members.

ANNEX B

BODIES OUTSIDE THE BOUNDARY

DHSSPS has operational relationships with a number of bodies outside the Departmental boundary for which the Minister has some degree of responsibility.

These include 6 Health and Social Care Trusts, 3 Health and Social Care Agencies, 2 Health and Social Care bodies, 4 NDPBs and 2 North- South bodies.

Health and Social Care Trusts

- Northern HSC Trust
- Southern HSC Trust
- Belfast HSC Trust
- South Eastern HSC Trust
- Western HSC Trust
- Northern Ireland Ambulance Service HSC Trust

The Health and Social Care Trusts are the main providers of health and social care services and work within the commissioning arrangements agreed with the HSC Board. They have responsibility for the management of staff and services of hospitals and other health and social care establishments. Although managerially independent, Trusts are accountable to the Minister. There are 6 Trusts in Northern Ireland. One Trust, the NI Ambulance Service HSC Trust, provides ambulance services for the whole of Northern Ireland.

Trust Chief Executives are appointed as Accounting Officers by the DHSSPS Accounting Officer and each Trust has a Board of Directors with both Executive and Non-Executive members. The Board operates subject to standing financial instructions, standing orders, delegated limits set by the Department and financial guidance issued by the Department as well as the principles of the guidance in *Managing Public Money Northern Ireland*. Their reporting relationships and the respective responsibilities of each trust and the Department are summarised in individual MSFMs.

Trusts are required to meet certain financial targets which are enshrined in legislation. The Trusts prepare Delivery Plans (TDPs) which report on priorities for action, resource utilization, reform, modernization and efficiency. These are submitted to the Department and the Trusts report quarterly on TDP performance.

The Trusts also submit monthly monitoring returns to the HSC Board which provide an overall assessment of their financial position at the end of each month detailing actual and planned spend and a forecast of their position to the end of the year. The HSC Board then sends a return to the Department which summarises the trusts' financial positions and also includes individual trust tables covering non-cash, provisions and capital spend.. This information assists the Department in assessing its performance in achieving its objectives, planning for future healthcare services and bidding for resources.

Health and Social Care Agencies and Other HSC Bodies

- **Northern Ireland Blood Transfusion Service** (Special Agency) - supplies blood and blood products and related clinical services to all hospitals and clinical units.
- **Northern Ireland Guardian ad Litem Agency** (Special Agency) - establishes and maintains a panel of guardians who are appointed by the courts to safeguard the interests of children in proceedings specified under the Children (NI) Order 1995 and the Adoption (NI) Order 1987.
- **Northern Ireland Medical and Dental Training Agency** - oversees the postgraduate education and training of doctors and dentists. It is also responsible for the development and delivery of vocational training and continuing medical education for General Practitioners and General Dental Practitioners.
- **Business Services Organisation** - established under the Health and Social Care (Reform) Act (Northern Ireland) 2009, as a shared services organisation to provide or secure provision of a range of services in the most economic, efficient and effective way possible. It provides a wide range of support services to other health and social care bodies, including financial, personnel, legal, information technology, procurement, internal audit and fraud prevention services. The other HSC bodies are charged for these services.
- **Patient Client Council** - established under the Health and Social Care (Reform) Act (Northern Ireland) 2009, this body has the role of representing the interests of the public, promoting involvement of the public, providing assistance to individuals making a complaint about a health and social care body and promoting the provision of advice and information to the public about the design, commissioning and delivery of health and social care.

The bodies' relationships with the Department are governed through an individual Management Statement and Financial Memorandum (MSFM) and circulars issued by the Department. The MSFM is a relationship document which sets out management (including board composition), reporting and monitoring arrangements, delegated limits and the respective responsibilities of each body and the Department through its particular nominated sponsoring team. The sponsor team, a branch within the Department, has responsibility for liaison on budgetary and performance matters and is the main point of contact for each body in obtaining approval for its corporate and business plans, securing resources and in resolving any issues with the Department.

Performance of each body is monitored quarterly by the department. Financial monitoring returns are submitted monthly. In addition, regular (at least biannual) review meetings are held between the bodies and their sponsor team to discuss financial and performance issues and progress against the objectives set out in their 3 year corporate plan, as augmented by their annual business plan.

The Chief Executive of each body is designated as an Accounting Officer by the Departmental Accounting Officer. The Accounting Officer is personally accountable to the Departmental Accounting Officer (DAO) and through the DAO to the NI Assembly and Parliament for the stewardship of resources supplied.

Executive Non-Departmental Public Bodies

- **Regulation and Quality Improvement Authority (RQIA) -** has two main functions: inspection of the services provided by the HSC system in Northern Ireland and regulation of specified health and social care services provided by the HSC and independent sector. This includes, since dissolution of the Mental Health Commission for Northern Ireland under the Health and Social Care (Reform) Act (Northern Ireland) 2009, the duty of keeping under review the care and treatment of persons suffering from mental disorder.

- **Northern Ireland Social Care Council** - is responsible for developing, promoting and regulating social work and social care education and training. It is also responsible for regulating the social care workforce.

- **Northern Ireland Practice and Education Council for Nursing and Midwifery** - seeks to support the best performance of nurses and midwives in all contexts, through developing their practice and enhancing their education.

- **Northern Ireland Fire and Rescue Service** - is responsible for providing regional fire and rescue services efficiently mobilized to emergencies and for keeping the public safe from fires and other dangers. It is charged with extinguishing fires while saving lives, protecting the environment and property and responding effectively to all emergency situations in Northern Ireland including road traffic collisions, collapsed buildings and specialist rescues.

These bodies are chiefly funded by grant-in-aid, which is a provision voted by the Assembly and recorded as a grant in the Department's resource accounts. The Department remains answerable for the general manner in which a NDPB discharges its functions and the bodies therefore operate within guidelines issued by the Department.

Accountability arrangements are generally similar to those for agencies. Governing guidelines for NDPBs are principally contained within a management statement and financial memorandum issued by the Department. In addition, NDPBs are subject to the rules in *Managing Public Money Northern Ireland*, relevant Departmental circulars and guidance issued by the Department of Finance and Personnel. Each NDPB has a Board of Directors with both executive and non-executive members and the Chief Executive is appointed as the Accounting Officer for the organisation by the Departmental Accounting Officer.

Each NDPB has a sponsor branch to which corporate medium-term plans and annual business plans are submitted for approval. Progress meetings are held during the year and expenditure is monitored monthly.

North- South Bodies

The Department has relationships with 2 North- South bodies: The Institute of Public Health in Ireland (IPHI) and the Food Safety Promotion Board (now known as *Safefood*).

Institute of Public Health in Ireland (IPHI)

The IPHI is a charitable limited company and is funded by both the Department, which meets one third of its costs and the Department of Health and Children in the Republic of Ireland (RoI), which funds the other two thirds expenditure. As the RoI is the main funder, the accounts of the Institute are audited by its Comptroller and Auditor General. The Department is represented on the IPHI Board of Directors and also on its finance sub-committee, both of which meet regularly during the year.

Safefood (Food Safety Promotion Board)

Safefood was established under the Good Friday Agreement and is funded 30% by the Department and 70% by the RoI Department of Health and Children. It is therefore required to prepare a corporate plan on a triannual basis for the North South Ministerial Council, which is augmented by an annual business plan. These are also approved by the respective departmental ministers. The Department's relationship with the body is set out in a financial memorandum and, as for NDPBs, a sponsor branch (the Health Protection Team) liaises with the body throughout the year on progress against financial and performance targets.

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