



Department of
**Health, Social Services
and Public Safety**

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RESOURCE ACCOUNTS

For the year ended 31 March 2011

**Department of Health, Social Services
and Public Safety**

Resource Accounts

For the year ended 31 March 2011

*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*

1 July 2011

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Any enquiries regarding this document/publication should be sent to us at paula.shearer@dhsspsni.gov.uk

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ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2011

DIRECTORS' REPORT

The Department of Health, Social Services and Public Safety (DHSSPS) presents its Annual Report and Accounts for the financial year ended 31 March 2011.

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

Michael McGimpsey MLA was the Minister responsible for the Department of Health, Social Services and Public Safety throughout 2010/11 (appointed on 8 May 2007). Following Assembly elections in May 2011 he was replaced by Edwin Poots MLA.

Permanent Head of the Department

Dr. Andrew McCormick has been Permanent Secretary for the Department of Health, Social Services and Public Safety since 1 August 2005.

Management Board

Membership of the Departmental Management Board during 2010/2011 is outlined below:

Dr. A McCormick	Permanent Secretary
Dr. M McBride	Chief Medical Officer (seconded to the Department from the Belfast HSC Trust)
Mr. S Donaghy	Senior Finance Director, (left on 17 September 2010)
Mrs Catherine Daly	Acting Senior Finance Director (from 1 October 2010)
Mrs. L Brown	Deputy Secretary, Social Policy Group (retired on 31 January 2011)
Dr. M McCarthy	Acting Deputy Secretary, Healthcare Policy Group (left the Board on 31 January 2011)
Mr. J Cole	Deputy Secretary, Health Estates Investment Group
Mr. M Bradley	Chief Nursing Officer

Mr. D O'Carolan	Chief Dental Officer
Mr. S Holland	Chief Social Services Officer
Dr. N C Morrow	Chief Pharmaceutical Officer
Ms Diane Taylor	Director of Human Resources (appointed to the Board on 20 August 2010)
Ms. H Roulston	Independent Non-Executive Director
Dr. D McCaughan	Independent Non-Executive Director (appointment ended on 24 September 2010)
Dr Catriona King	Independent Non-Executive Director (appointed on 25 September 2010)

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)
- 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 2010-11 Estimates were based primarily on the public expenditure plans as set out in the NI Executive's Budget 2008-2011, as approved by the NI Assembly in January 2008, together with a number of changes to the 2010-11 budget, as approved by the Executive during 2009-10. Account has also been taken of Executive-approved changes to the 2010-11 budget, as agreed during 2009-10.

Supplementary Estimates were produced in January 2011 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 HMSO.

In Northern Ireland, each allocated budget has an associated outcome as set out in the Public Service Agreement (PSA). Progress against all targets in the Public Service

Agreement is regularly monitored and the Office of the First Minister and Deputy First Minister (OFMDFM) and the Department of Finance and Personnel (DFP) publish an annual report. In addition the HSC is expected to work to meet those priorities set by the Minister for Health, Social Services and Public Safety. Performance against Executive and Ministerial priorities and targets is subject to routine monitoring and reporting to the Departmental Board.

FINANCIAL REVIEW

Overall total expenditure by the Department on all services amounted to £3,883m (£4,483m in 2009-10) against Estimate cover of £4,057m (£4,592m in 2009-10). For detailed review see annual report pages 7 to 47. The financial results of the Department are set out on pages 71 - 125

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 2010-11 accounts.

Contingent Liabilities disclosed under Parliamentary reporting requirements

The Department does not have any Contingent Liabilities disclosed under Parliamentary reporting requirements for 2010-11.

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 the Better Payments Practice Code, as set out in Managing Public Money NI and is also bound by the Late Payment of Commercial Debts (Interest) Act 1998 (as amended by the Late Payment of Commercial Debt Regulations 2002 (SI 1674)). 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 2010-11 year have found that on average over 89% were paid on time (In 2009-10 - 84%).

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 2010-11 an average of 69.4 % of the Core Department DHSSPS invoices were paid within 10 days, which represents an improvement of 14% 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 2011-12 financial year, the Department will build upon the performance achieved in 2010-11.

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 1.25) 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 29 of the financial statements.

Audit

The accounts and supporting notes relating to the Department's activities for the year ended 31 March 2011 have been audited by the Northern Ireland Audit Office. The Certificate and Report of the Comptroller and Auditor General is included on pages 68 – 70. The notional cost of the audit for the year ended 31 March 2011, which pertained solely to audit services, was £101k; this includes the audit fee for the Superannuation Scheme Resource Account. An additional hard charge amount of £3k was paid to the NI Audit Office in respect of work carried out on the National Fraud Initiative.

Statement on disclosure of audit information

I can confirm that there is no relevant audit information of which the auditors are unaware and also, confirm 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 2011 by the Departmental Accounting Officer, Dr. A McCormick.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The following contains a review of the activities of the DHSSPS during 2010/11 and provides narrative on planned future developments. The information is set out under the following headings:

- Section A - Strategy and Policy;
- Section B – Performance
- Section C - Resources; and
- Section D – Finance.

SECTION A - STRATEGY AND POLICY

A1 Strategic Vision for DHSSPS

It is the Department's mission to improve the health and social well-being of the people of Northern Ireland, and to promote public safety. It endeavours to do so by:

- leading a major programme of cross-government action to improve the health and well-being of the population and reduce health inequalities. This includes interventions involving health promotion and education to encourage people to adopt activities, behaviours and attitudes which lead to better health and well-being. The aim is a population which is much more engaged in ensuring its own health and well-being;
- ensuring the provision of appropriate health and social care services, both in clinical settings such as hospitals and GPs' surgeries, and in the community through nursing, social work and other professional services; and
- ensuring the delivery of an effective fire and rescue service across Northern Ireland, contributing to the safety and well-being of the community.

A2 Key Aims and Objectives

The key objectives of the Department, as set out in the Estimates and for which resources were provided, are to:

- Ensure the delivery of effective, high quality health and social care and to develop and promote policies and strategies which will lead to good health and well-being, a reduction in preventable disease and ill health, and greater social justice; and
- to create a safer environment for the community by providing an effective fire-fighting, rescue and fire safety service.

For 2010-11, these objectives were supported by a number of Public Service Agreement (PSA) commitments set out in the Programme for Government (PfG) 2008-2011, which in turn were supported by the key Ministerial priorities as set out in the annual Priorities for Action (PfA). These are measured on an ongoing basis and are delivered by the organisations within the Health and Social Care (HSC) system.

The main business aims of HSC organisations were established in the Priorities for Action 2010-11, and in associated planning documents. Much of the Department's work is concerned with the setting of standards for acceptable levels of performance and, in conjunction with the HSC Board and the Public Health Agency, with the steps needed to monitor, maintain and improve them.

Partnership with local and voluntary groups, the independent sector, and private sector also plays a critical part in achieving the Department's aims. In fostering that cross-sectoral relationship, the Department is alive to the opportunities for removing superfluous or ill-designed regulatory burdens.

A3 Departmental Strategy

In recent years, a series of major policy initiatives has been undertaken by DHSSPS with a view to reforming major elements of the HSC system and tackling the long-term determinants of health and well-being. These include specific proposals and actions for improving access and delivery of acute, primary and community care, together with *Investing for Health* which addresses the broader public health agenda.

DHSSPS has been engaged, under PfG 2008-2011, in a major programme of reform in primary, community and secondary care. This encompasses:

- improving access to elective and emergency care, with implementation of the configuration of hospital services and other changes set out in *Developing Better Services*;
- improving responsiveness in primary and community care to provide a wider range of services and reduce avoidable or inappropriate reliance on hospital services;
- improving quality and safety in the HSC through e.g. the setting of service standards, emphasis on evidence-based interventions, development of service frameworks, strengthening the system of clinical and social care governance, and enhanced monitoring through the activities of the Regulation & Quality Improvement Authority (RQIA);
- promoting the health status of the population and reducing inequalities in health as set out in *Investing for Health*;
- harnessing new technology under the *HPSS Information and Communication Technologies Strategy*; and
- modernising Northern Ireland's Fire and Rescue Service.

Examples of progress on some of these strategies are listed below:

Public Health

- **Investing for Health (IFH)** - The Investing for Health Strategy is the overarching cross-cutting strategy for improving the health and well-being of the population and for tackling health inequalities. A key objective is to reduce inequalities in health between geographic areas, and between socio-economic and minority groups. A review of the strategy concluded in 2010 and has informed work being taken forward during 2010/11 to develop longer term strategic direction for public health. This work is likely to continue into 2012. During 2010/11, work has continued on implementing and reviewing health promotion strategies derived from IFH. These include work on the development of a new mental health and well-being promotion strategy, development of a new ten-year tobacco control strategy, the teenage pregnancy and parenthood strategy, the ongoing development of an obesity prevention strategic framework which will include adult obesity, the refresh of the suicide prevention strategy, the implementation and further development of the New Strategic Direction for Alcohol and Drugs and the home accident prevention strategy review.
- **Healthcare-associated infections** – In 2010/11 the HSC Trusts achieved the Northern Ireland target of a reduction of 18% in hospital-acquired *C. difficile* episodes in patients aged 2 years and over, and MRSA bloodstream infections.

The Public Inquiry into the Outbreak of *C. difficile* in Northern Trust Hospitals, chaired by Dame Deirdre Hine, published its report on 21 March 2011. The Minister made a statement to the Assembly on the day of publication announcing the conclusion of the Inquiry and accepting the Inquiry's finding and its 12 recommendations.

Work has continued on the implementation of *Changing the Culture 2010*, the strategic regional action plan for the prevention and control of healthcare-associated infections.

- **Establishment of the Bowel Cancer Screening Programme** – In April 2010 the Minister launched the Northern Ireland Bowel Cancer Screening Programme. Bowel cancer kills over 400 people in Northern Ireland each year and there are 1,000 new cases annually. The aim of the programme is to decrease mortality from colorectal cancer in the general population by inviting all eligible men and women to complete a Faecal Occult Blood Test (FOBT) kit at home every two years. Approximately 2% of those screened will require a colonoscopy, and 10% of these will have bowel cancer. Bowel screening in the first instance is being offered to men and women aged between 60 and 69. This is the first new cancer screening programme in Northern Ireland in twenty years, and is the first cancer screening programme to include men. In line with the rest of the UK, the programme is being rolled out on a phased basis according to the state of readiness of each Trust to provide appropriate follow-up assessment services for people with a positive screening result. The programme has been introduced in the Northern, Western and South Eastern Trust areas. The Belfast Trust and Southern Trust, supported by the Public Health Agency and Health and Social Care Board, are working towards achieving external

accreditation of their endoscopy service to allow screening to commence in those areas and complete the roll-out of the screening programme across Northern Ireland.

- **Changes to the Cervical Cancer Screening Programme** – As of January 2011 the age at which cervical screening is first offered to women in Northern Ireland has changed from age 20 to 25. This followed a recommendation from the Regional Advisory Group on Cervical Screening, which considered the current research evidence base. In addition, also from January 2011, the screening interval has been reduced, with women aged 25 to 49 being offered cervical screening every 3 years and those aged 50 to 64 every 5 years.

Quality, Safety and Standards

- The Department's framework to improve quality and safety places emphasis on regional standards, patient/client experience, improvements in service delivery, and the monitoring and regulation of HSC services. A statutory duty for the quality of services was introduced by the HPSS (Quality, Improvement and Regulation) (NI) Order 2003 and this has strengthened the system of clinical and social care governance in HSC organisations. The Order also provides for the regulation of HSC services by the Regulation and Quality Improvement Authority (RQIA).
- The RQIA is responsible for keeping the Department informed about the provision of, and the availability and quality of, health and social care services in Northern Ireland, and for encouraging improvement in the quality of these services. The RQIA may also give the Department advice on any changes to published minimum care standards and any other matter connected with the provision of services. To this end RQIA conducts a rolling programme of thematic reviews as identified in its annual business plan and makes reports as commissioned by the Department. During 2010/11 the RQIA completed reports on dental sedation, the ambulance service, the revalidation of doctors, and child and adolescent mental health services. They were also commissioned by the Department to conduct an independent review of the McDermott brothers' case and on reporting arrangements for radiological investigations.
- Minimum Care Standards for Residential Family Centres were published in March 2011. Additionally, much progress has been made on finalising Standards for Childminding & Day Care for Children under Aged 12 and Adult Day Care settings. Work has also been taken forward to update the qualifications requirements for registered managers of regulated services for adults to reflect the phasing out of the NVQ accreditation framework. During 2010/11, 31 appraisals/guidelines from the National Institute for Health and Clinical Effectiveness (NICE) were endorsed for use in Northern Ireland.
- The Social Care Institute for Excellence (SCIE) produces good practice guides on social care. Specific projects are developed for Northern Ireland, along with continuing work to support user involvement in the social care sector. Dr Shirley Ewart-Boyle has continued her work as the SCIE Practice Development Manager for Northern Ireland, to promote the effective use of SCIE guidance. The Department has also worked with SCIE to consider the implications of the forthcoming Health Bill for the Department's agreement with

SCIE.

- In addition, the Guidelines and Audit Implementation Network (GAIN) commissioned and delivered a range of regional audits and guidelines and continues to make an important contribution to quality improvement across the HSC service. GAIN has also promoted good practice through organising training events, an annual conference and publishing the 'Gleanings' magazine.
- Responsibility for managing Serious Adverse Incidents (SAIs) transferred from the Department to the HSC Board and the PHA on 1 May 2010. The arrangements for learning from SAIs in the HSC have been reviewed and a revised model for learning from serious adverse incidents (the Regional Adverse Incident and Learning system) is being developed. Interim reporting measures to the HSC Board are in place until the new RAIL system is fully implemented. A new Early Alert reporting system has been established to ensure that the Minister is kept informed of any significant events occurring within the HSC.
- The Department participated in an Inter-Departmental review Working Group of the death certification process in Northern Ireland culminating in the production of the Working Group's Recommendations Paper at the end of 2009. The Paper outlined proposals for future death certification arrangements in Northern Ireland and made recommendations on the way forward including a transitional option for immediate implementation and a more comprehensive option for implementation in the longer term. Both options will generate significant improvement in the quality and standard of death certification and will, more importantly, provide an increased level of public assurance. This was approved by the relevant Ministers and a paper was issued for public consultation on 17 December 2010 with a closing date of 11 March 2011.
- The Department developed a draft Personal and Public Involvement (PPI) Consultation Scheme. This was prepared to meet its requirements under Section 19 of the Health and Care Reform Act 2009, which places a legal obligation on the Department, to prepare a PPI Consultation Scheme. The Scheme sets out how the Department will involve and consult service users and their carers and the public generally in the planning of the provision of care services, the development of proposals for change in the way that care is provided, and any decisions affecting the provision of their care services. The scheme was issued for public consultation on 19th January 2011 and is a key component in delivering high quality services.
- Work is progressing to develop a range of service frameworks which set out explicit standards for health and social care that are evidence-based and are capable of being measured. A key milestone in the programme was reached with the launch in June 2009 of the first Service Frameworks to be implemented as a basis for commissioning services, namely the Cardiovascular Health and Well-being Service Framework and the Service Framework for Respiratory Health and Well-being, for implementation. A Service Framework for Mental Health and Well-being was published for consultation in

December 2010; The Service Framework for Cancer Prevention, Treatment and Care was launched for implementation in February 2011. Service Frameworks for learning disability, children and young people and one for older people are also currently under development.

- The Department has formulated a 10 Year Quality Strategy which sets out a strategic vision, mission and goals to protect and improve quality and achieve excellence in terms of safety, effectiveness and patient / client experience. The strategic goals outline the actions to be taken during the life of this 10-year strategy to drive positive change in protecting and improving quality in health and social care. The strategy was issued for public consultation in January 2011. It is intended to complete the implementation plan by December 2011 and establish strategy delivery mechanisms by March 2012.

Emergency Preparedness

- **2009 Influenza Pandemic Independent Review** - A strategic and independent review of the UK response to swine flu was chaired by Dame Deirdre Hine and published in July 2010. The review examined the pandemic response across all four UK nations. Dame Deirdre concluded that the UK response was both proportionate and effective. She made a number of recommendations to inform future planning and recognised that there is much good practice on which to build. The recommendations are currently being progressed by the four UK Health Departments.
- **2009 Pandemic Northern Ireland Learning From Experience Report** - The Chief Medical Officer led a report into the Northern Ireland response to the 2009 pandemic. The report was published in November 2010 and provides an overview of the strategic decisions that were taken to mitigate the effects of the influenza pandemic. The report highlights good practice on which to build, identifies a number of learning points which will be used to update and refine future pandemic plans and identifies ways in which to improve systems and the way in which services are delivered. The Report finds the Northern Ireland Pandemic Response was effective and a reflection of well developed planning. In particular, the professional and dedicated response by all involved was recognised.
- **UK Pandemic Flu Preparedness Strategy** - A revised UK Pandemic Flu Strategy is being developed to take into account the lessons learned from the 2009 pandemic and also policy developments since the previous 2007 Strategy. The revised strategy outlines the high level principles for planning and responding to an influenza pandemic and is designed to prepare the UK for a range of pandemic impacts (low, medium, high) with a locally responsive approach. The key themes within the Strategy are precaution, proportionality and flexibility.

The updated UK Pandemic Flu Preparedness Strategy issued for consultation on 22 March 2011. The consultation period will close on 17 June. A final version of the Strategy is

anticipated in November 2011.

- **Clinical countermeasures stockpiling** - As part of the ongoing work to develop the new national strategy for pandemic flu, work has been carried out to determine the most appropriate stockpiling strategy. UK Ministers have agreed to adopt a precautionary approach and replenish clinical countermeasures to pre-2009 pandemic levels. This will ensure there are sufficient antivirals, antibiotics and consumables to cope with a 50% clinical attack rate. Work is underway to negotiate advanced purchase agreements to secure pandemic specific vaccine for the UK once a new virus emerges. Contracts are expected to be in place in early 2012. A stockpile of avian flu vaccine has been built up as a pre-pandemic vaccine to protect health and social care workers.
- **Pandemic threat** - The risk of an influenza pandemic disease remains the highest risk on the Cabinet Office National Risk Register. The outbreak of H1N1 in 2009 did not match the severity of the worst-case scenario that was planned for and is not necessarily indicative of future pandemics influenzas. The Swine Flu pandemic does not change the risk of another pandemic emerging (such as an avian flu pandemic) or mean that the severity of any future pandemics will be the same as the 2009 H1N1 outbreak.

Primary and Community Care

- **Long Term Conditions Strategy** – during 2010/11 the Department developed a draft policy framework document to inform the reform and modernisation of health and social care services for adults in Northern Ireland living with long term conditions. The overall aim of the policy framework is to help key stakeholders (HSC Commissioners, Trusts, the Public Health Agency, the voluntary & community sectors and independent care providers) to plan and develop more effective services to support people with long term conditions and their carers. The policy framework sets out a number of high level principles and values which should be embedded in the overall approach to support and care, ensuring that people with long term conditions, and their carers, get the best from the health and social care system. It is also intended to be a useful source of reference for patients themselves, setting out the services they and their carers should expect. Importantly, it also outlines the contribution that self-management can make in ensuring the best outcomes for personal health and well-being and quality of life. The draft Strategic Framework was published for consultation on 28 February 2011 with a closing date of 20 June.
- **Carers** –During 2009/10, HSC Trusts completed a self-audit of their own performance in relation to services to carers using the “Trust Self Audit Tool”, and in June 2010 analysis of the results was communicated to the HSC Board for further action through the Carers Strategy Implementation Group (CSIG). RQIA is also including a *Review of the implementation of the DHSSPS Standards for Adult Social Care Support Services for Carers* across relevant HSC services in its work programme for 2011/12.

- In September 2010, the Department published good practice guidance on hospital discharge, developed through CISG with Carers NI, to ensure that carers are fully informed and involved in the discharge planning process of the person they care for (*Circular HSS (ECCU) 3/2010: Carers and Discharge Guidance – Guides For Carers, Staff And Managers/Policy Makers*).
- **NISAT** – The roll-out of the Northern Ireland Single Assessment Tool for older people across all HSC Trusts continued throughout 2010/11, and is on target for completion in autumn 2011. At this point, Northern Ireland will be the first jurisdiction in the UK to use a common, consistent and comprehensive tool for the assessment of older people's needs. The Carer's Assessment component of NISAT is now in use as the assessment tool of choice across all Programmes of Care.
- **Family Practitioner Services** – during 2010 work proceeded on drawing up, for piloting, new draft contracts for general dental services, focusing initially on oral surgery. Subject to resolution of pricing and resourcing issues, it is intended that piloting will commence in autumn 2011.

Work was also taken forward on drawing up a draft framework document for the development of eye care services, focusing on the potential for developing partnerships between Hospital Eye Services and primary care practitioners (optometrists and GPs) to improve services for patients. It is planned that this document will issue for public consultation over the summer of 2011. Exploratory talks were held with Optometry NI on the development of a new contract, to be based on commissioned services.

- **Remote Telemonitoring** – In March 2010, five HSC Trusts signed a contract with the consortium TF3 for the provision of an end-to-end Remote Telemonitoring (RTM) Service for Northern Ireland, making this the first jurisdiction in the UK to have introduced such a service regionally. RTM enables patients' vital signs to be taken at home and remotely monitored, allowing health professionals to take better-informed and earlier decisions about interventions, with the aim of reducing unplanned hospital admissions. Focusing initially on patients with Chronic Obstructive Pulmonary Disease (COPD), heart disease, diabetes and post-stroke patients, the RTM service will 'go live' over the summer and it is anticipated that by the end of 2011/12 some 1,800 patients will have utilised this service.

Acute and Regional Services

Stroke Services – To date a number of service developments have been taken forward by the Regional Stroke Implementation Group across all Health and Social Care Trusts to improve stroke services. These include service re-organisation and re-design so that the whole system, including primary, community, secondary, voluntary and independent sectors work collaboratively to improve the range of treatment, care and support available to stroke sufferers, their families and carers. A transient ischaemic attack service has been developed and all Trusts have established Early Supported Discharge teams with a

recognised specialist stroke coordinator available to help coordinate all aspects of the discharge process. Work continues to provide 24/7 access to thrombolysis across all Trusts.

- **Cardiovascular Services** – Many of the diseases that affect the cardiovascular system have a similar cause and risk factors. A Cardiovascular Framework is being implemented to provide an integrated approach to care and ensure high quality services for people who have been diagnosed or are at risk from cardiovascular disease.
- **Standards for paediatric surgery** – new standards for paediatric surgery were launched, which set out the way forward in both general paediatric surgery and paediatric ENT (ears, nose and throat) surgery. The standards will:
 - ensure that all children, up to the age of 13, who require emergency or elective general or ENT surgery are managed in an appropriate environment by staff with the requisite skills;
 - seek to minimise any existing risks that are associated with these two fields of surgery; and
 - include a review process whereby the quality and safety of care will be assessed and monitored.
- **Guidance on legal issues relevant to donation after circulatory death (non-heart-beating organ donation) in Northern Ireland** - the legal guidance for Northern Ireland, which was developed in conjunction with legal and clinical input, provides guidance for the medical profession on the legal situation surrounding donation of solid organs after circulatory death (DCD). It will help achieve better organ donation rates and help bring DCD in Northern Ireland to a level comparable with the rest of the UK.
- **Radiotherapy Provision** – An assessment of projected cancer incidence conducted by the Department suggests that a combination of radiotherapy services in Belfast and a satellite radiotherapy centre in Altnagelvin would best meet the needs of the Northern Ireland population beyond 2015. This would ensure that 90% of the population is within one hour of radiotherapy services. The Outline Business Case 1 ('OBC1') for this scheme was approved by DFP on 19 May 2011, which allows for the commencement of the design of the new facility and enabling works. The next stage will be the development of an OBC2, which will examine in more detail the delivery of the preferred option for the scheme.
- **Regulation of the sunbed industry** – The Sunbeds Act (Northern Ireland) 2011 completed its passage through the Assembly on 1 March 2011. The Act is intended to reduce the numbers of cases of, and deaths from, skin cancer. The Act includes a range of measures to: prohibit the commercial use of sunbeds by children and young people under 18; prohibit the sale or hire of sunbeds to under 18s; and ensure that adults who use sunbeds are better informed about the health risks and are better protected.

Pharmacy

- **The Pharmaceutical Clinical Effectiveness Programme (PCEP)** - in 2010/11, the PCEP was successful in attaining targeted prescribing efficiencies of £40m, resulting in overall savings in excess of £100m since its inception in 2005. Furthermore, the Group, together with HSC, developed and initiated an action plan in July 2010 which has delivered a further £26m of savings. Notable achievements aligned to the action plan include the development of guidelines for psychiatric prescribing, the completion of a wound care tender for HSC, development of an antimicrobial guideline template for secondary care and an increase in the uptake of generic medicines towards the PfA target of 64%. These, together with previously developed PCE guidelines, have provided the basis for the first edition of the new HSC Northern Ireland formulary.

Other activities have included the completion of an initiative to roll out pharmacist prescribing and a review of oxygen services support for legislative and strategic development in emergency planning.

- **Pharmaceutical Staff Development** Work was completed on a Review of the Development Needs of Pharmaceutical Staff in Hospital Practice, which sets out a number of recommendations for the ongoing training and development of this staff group and their deployment particularly allied to improving medicines management in the HSC.
- **Prescription Charges** - In fulfilment of the Minister's commitment announced in September 2008, prescription charges were reduced to £3 per item in January 2009, with pre-paid certificates reducing to £9 for a 3-month certificate and £25 for a one-year certificate. On 1 April 2010 prescription charges were abolished in Northern Ireland.
- **Medicines Regulation.** The Medicines Regulatory Group continues to discharge the Department's statutory responsibilities in respect of compliance with medicines related legislation. During 2010/11 the Group has developed a new risk-based approach to compliance, incorporating the Hampton Principles on inspection and enforcement. It has also augmented its activity, through international co-operation, allied to countering the illegal supply of medicines, particularly focusing on counterfeit medicines, 'legal highs' and internet medicines sales aimed at protecting public health and safety.

Oral Health Services

- In June 2007 the DHSSPS issued the Oral Health Strategy for Northern Ireland. The strategy attempts to close the oral health gap with our neighbours and to reduce the inequalities in oral health within Northern Ireland.
- All children in preschool education are offered dental care services and oral health advice including a daily tooth brushing programme. Fluoride toothpaste schemes aimed at preschool children were introduced into all Northern Ireland Trusts during 2004/2005 to

comply with Ministerial targets. Other initiatives aimed at pre-school children have included supervised tooth brushing programmes, snack policy schemes as well as educational material for staff working in a pre-school setting.

- In order to focus on areas of most need, the Trust-based fluoride toothpaste schemes have been targeted at children living in Northern Ireland's 20% most deprived electoral wards. Furthermore, in order to target resources at the areas of greatest need and encourage dentists to register and provide care for those patients with greatest need, capitation and continuing care payments paid through the general dental services contract were significantly increased for patients who live in the 20% most deprived wards in April 2006.
- The preventive fissure sealant scheme targeted at first and second molar teeth was introduced to the General Dental Services in April 2005 and, for the first time, remunerated high street dentists and dental care professionals for undertaking this preventive intervention under the Health Service.
- Several indicators suggest that decay levels in young children in Northern Ireland have dropped significantly:
 - The baseline caries rate reduced from 2.09 in 2003/04 to 1.68 in 2007/08.
 - There have been noticeable reductions in the number of teeth extracted from young children under general anaesthetic year on year.
 - There has been a noticeable drop in the number of dental extractions undertaken in the general dental services year on year.
- Furthermore, the Minister launched the Northern Ireland Caries Prevention in Practice (NIC-PIP) research trial on 23 November 2009. The NIC-PIP trial is a large research trial which will investigate the effectiveness, and cost effectiveness, of professionally applied fluoride varnish to the teeth of children under the age of five. It will involve 2,400 children (under the age of five) and will last for three years. The trial will measure how many children will remain free of decay and the incidence of toothache and extractions in this group. The trial will be undertaken in general dental practices and Community Dental Service clinics across Northern Ireland. Around fifty dental sites will be used in the trial. It is hoped that the outcomes from this research project will allow us to deliver preventive care in an evidence based way through our primary care services and further reduce dental decay rates in our young children. Recruitment of dental practices into the trial commenced in early 2011.
- The Minister announced at the Assembly on 29th April 2008 his intention to provide additional dental services through a commercial tender in areas of Northern Ireland where access to health service dentistry is problematic. A provider for these additional dental

services was secured through a tendering exercise. The first practices opened in November 2009 with the final practice opening in August 2010. A total of 14 dental practices were opened as a result of this project employing 38 health service dentists and providing the capacity for health service dentistry for an additional 57,000 patients. Throughout 2010/11 there was a very noticeable improvement in access to health service dental care with no significant problems now reported.

- The Department has been in negotiations with the British Dental Association since November 2006 to develop a bespoke dental contract for Northern Ireland. As well as a new contract for general dental services, new contracts are also in preparation for oral surgery and orthodontics. It is intended that the oral surgery pilot will commence in late 2011.
- In March 2011, the Minimum Standards for Dental Care and Treatment were issued. These standards apply to primary care dentistry whether delivered under Health and Social Care or under private contract and their purpose is to ensure that patients receive consistently high quality care and treatment from these dental services.
- With the regulation of private dentistry by RQIA coming into effect in April 2011, provision of private dental services in Northern Ireland will be inspected against these standards. Equally, the HSC Board will want to ensure that any primary care dental services which it commissions meet these minimum standards.

Nursing, Midwifery and Allied Health Professions

- The launch of the Nursing and Midwifery Strategy “A Partnership for Care,” was the culmination of work on the UK Modernising Nursing Careers initiative. This high level road map will guide the nursing and midwifery professions over the next five years and is focussed around four strategic themes;
 - Promoting person centred cultures;
 - Delivering safe and effective care;
 - Maximising resources for success;
 - Supporting learning and development.
- A range of resources aimed at strengthening and supporting both the leadership and management role of **Ward Sisters** were launched in 2010. This was supplemented by the allocation of £2 million to appoint support staff who would work to release ward sisters from administrative tasks to allow them to focus on patient safety, quality and the patient experience.
- **Record Keeping.** A regional record keeping project has been undertaken in collaboration with the N.I. Practice and Education Council, and a number of resources to improve

practice, through self, team and manager evaluation have been developed. Further work to improve and sustain the quality of input to patient records is currently underway.

- **Patient/Client Standards.** A programme of work to develop the methodology to support the implementation and monitoring of the patient/client experience standards is almost complete. Work programmes have been developed for 2011/12 and the roll out to other clinical areas including Learning Disability is ongoing.
- **Key Performance Clinical Indicators, (KPCIs).** A regional workshop to establish a consensus on the top 3 priorities for the development of KPCIs was held, and the areas of patient falls, pressure ulcers, and patient nutrition, were identified as being high impact interventions, to improve patient safety and quality of care. Work is now underway to support the further development of these indicators with a view to them being incorporated into the Department's Priorities for Action
- **Patient Nutrition. "Promoting Good Nutrition, a Strategy to Improve the Nutritional Care for Adults in all Care Settings in Northern Ireland"**, was launched by the Health Minister in March 2011. The strategy promotes food first, and has adopted the 10 key characteristics of the Council of Europe. The main aim is to identify people most at risk of malnutrition and will be supported by a suite of resources to support practice development and implementation. A nutrition coalition will be established to report on and monitor implementation and support the evaluation of the strategy
- **Directors of Nursing.** Work was progressed with the HSC Trust Chief Executives, to clarify the role and accountability of the Directors and agree core aspects of the job
- **Child Health Promotion Programme.** The Chief Nursing Officer commissioned a review of this programme and an updated programme for 0-19 year olds, known as "**Child Health Healthy Child, Healthy Future: A framework for the Universal promotion Programme in Northern Ireland**", was issued in June 2010. The framework is central to securing improvements in child health across a range of issues for every child and parent, and offers access to a universal or core programme of preventative care with additional or targeted services for those identified with specific needs and risks. The work also fulfils a key recommendation of the Autism Spectrum Disorder Action Plan to introduce an assessment of the development of all children at two years of age by health visitors
- **Introduction of the Family Nurse Partnership Programme to Northern Ireland.** The review of health visiting and school nursing, "Healthy Futures" (2010), highlighted the need for evidenced based programmes which have clear outcomes, for families with more complex and challenging needs. 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. The first pilot has been

commissioned and introduced in the Western HSC Trust.

- **Safeguarding Children – Supervision for Nurses.** A safeguarding children supervision policy and procedure for nurses was developed and issued in February 2011. The policy sets the framework and minimum standards for HSC Trusts to implement an effective and consistent approach to safeguarding nursing practice. It will be used alongside Trust nursing supervision policies to support practitioners to deliver a high standard of service to children and families. The Public Health Agency will lead in taking forward full policy implementation by March 2015. A review of safeguarding children training being delivered to nurses and midwives has been initiated through the N.I. Practice and Education Council.
- **Family Health Assessment.** The Family Health Assessment tool, which is used by health visitors to assess the needs of individuals and families, was updated through work initiated by the Chief Nursing Officer to embrace the Understanding the Needs of Children in Northern Ireland framework. Training has been carried out for all health visiting staff and the new tool has been introduced across N.Ireland. Further to work being carried out to introduce UNOCINI will be introduced at a later stage as an electronic record.
- **Review of District Nursing.** A review of District Nursing was commissioned by the Chief Nursing Officer in October 2010, with the remit to consider the existing and future delivery of district nursing services. It is anticipated that a framework document will be issued for consultation at the beginning of the summer 2011.
- **Midwifery Services. Midwifery 20/20,** commissioned by the four UK Chief Nursing Officers, was completed and launched by the Minister in October 2010. This strategy was developed in collaboration with the other UK Health Departments, and sets out a range of actions to be taken over the next ten years, to improve and develop midwifery services. Northern Ireland led on the public health elements of the strategy.
- **Midwife Led Care.** This year has seen considerable advances in the development of midwife led care. The target for the number of births in the first year of operation of the Downpatrick Community Midwife Led Unit was achieved and the new Community Midwife Led Unit at the Lagan Valley Hospital was opened. In addition a very successful regional conference on “Promoting Normality” was held.
- **Mental Health Nursing.** A professional framework for mental health nurses – “Delivering Excellence: Supporting Recovery” was launched in October 2010, and implementation is currently being progressed. A review of training for nurses on the management of violence and aggression, has been completed by N.I. Practice and Education Council, and has been sent to the Central Nursing Advisory Committee, Educational Sub-Group for consideration. The Department also had significant input into policy and legislative developments such as Service Frameworks, Capacity legislation,

and the Bamford Taskforce.

- **Learning Disability Nursing.** Work has commenced on a UK-wide project to develop a strategy for nurses working in the learning disability field. This project is sponsored by the four UK Chief Nursing Officers and is scheduled to report in 2011/12.
- **Infection Prevention and Control Nursing.** An evaluation was conducted in respect of the progress against the 14 recommendations for the development of infection prevention and control nursing, as outlined in the Changing the Culture 2006 -2009 strategy. The evaluation highlighted significant progress against the overall aims of Changing the Culture.
- **Strategy for the Allied Health Professions.** Engagement with the professions took place over the summer of 2010. This involved a series of workshops across Northern Ireland, and the development of themes to underpin the strategy. The Strategy for the Allied Health Professionals has now been drafted for wider public consultation and is awaiting clearance by Minister.

Mental Health

Mental Health and Learning Disability – The Government Response to the Bamford Review *Delivering the Bamford Vision* and the subsequent 2009-2011 Action Plan have set the agenda for reform of mental health and learning disability services and legislation. The Action Plan takes account of key messages arising from the Review including the importance of prevention of mental ill-health, the need for a legislative framework encompassing mental capacity and mental health legislation, a focus on development of community based services and the need to develop specialist services, including those for children and young people, older people, those with addiction problems and those in the criminal justice system. The 2009-2011 Action Plan is now being reviewed with the expectation of rolling forward a new Action Plan.

Progress in 2010/11 has been made on a number of actions arising from the Bamford vision. This includes publication of a Psychological Therapies Strategy and a Personality Disorder Strategy (both in June 2010). A strategy for improving dementia services has also been consulted on and should be finalised in the coming months.

The Card Before You Leave scheme, which endeavours to ensure that contact with mental health services, is maintained where necessary, has been fully implemented. As regards eating disorder services, local expertise continues to develop. A service model, whereby community eating disorder teams provide in-reach support to hospital staff dealing with eating disorder cases thus providing a seamless continuum of care, is being rolled out regionally.

The resettlement programme from long stay mental health and learning disability hospitals continues to make progress, and the PfA target for 2010/11 has been achieved.

Resettlement remains a priority. The Public Accounts Committee took evidence on this issue in February 2010 and issued a report of its findings on 13 May 2010. The report carried a total of 7 Recommendations on which action has either been completed or has been substantially progressed.

- **ASD Action Plan and Autism legislation** - Investment of an additional £1.6m recurrently has been made in autism services to support the continued implementation of the Autistic Spectrum Disorder (ASD) Action Plan. This has delivered significant improvements in waiting times for assessment and diagnosis and for intervention where appropriate. In addition, a Children's and Young People's Diagnostic Pathway has been developed and is currently being implemented to bring consistency of approach to assessment and diagnosis across the region. Further work is being undertaken to augment adult ASD services.

A Private Member's Autism Bill has completed its Assembly processes and is expected to receive Royal Assent in the next few weeks. During the course of this Bill, the Department expressed concerns that the Bill may not be compliant with the European Convention on Human Rights. The key requirement of the Bill is the development, over the next 2 years, of a cross departmental strategy for autism services, led by the DHSSPS with the involvement of all other Departments.

- **Mental Health Legislation** –The proposed Bill will for the first time in any jurisdiction bring together the two areas of law of mental capacity and mental health. This has proved to be more complex than first envisaged and has involved substantial engagement with a wide range of stakeholders. Because of that engagement, a broad measure of agreement on the way forward has been obtained. The policy development phase of the project has therefore been successfully completed and Executive approval obtained to begin the drafting of the Bill. Instructions to the Office of the Legislative Counsel are now well underway.

Work is also well advanced on a new policy for developing advocacy services in a health and social care setting which aims to pave the way for the proposed introduction of a new statutory right to an independent advocate under the Bill.

- **Domestic and Sexual Violence** – Work continues to progress the Government's strategies '*Tackling Violence at Home*' and '*Tackling Sexual Violence and Abuse*'. An Inter-Ministerial Group (covering Domestic and Sexual Violence) was established to take forward annual action plans to implement the strategies. It is proposed merge the domestic and sexual violence action plans for 2012-13 with a view to developing a joint Domestic and Sexual Violence Strategy from 2013 onwards.

A key initiative in the 2009/10 'Tackling Violence at Home' Action Plan was the introduction of MARAC (Multi Agency Risk Assessment Conference) in Northern Ireland, funded through a tri-partite agreement between DHSSPS, DoJ and PSNI. The main aim of a MARAC is to reduce the risk of serious harm or homicide for a victim of Domestic Violence and increase the safety, health and well-being of victims – adults and

children. MARAC went live from January 2010 in Northern Ireland. Currently, 14 MARACs are operational across the region.

Work on the development of a new specialist Sexual Assault Referral Centre (SARC) at Antrim Area Hospital for people who have been raped and/or sexually abused is advancing well. It is planned that the Centre will be operational in mid-2012. Work is continuing to reduce waiting times for those victims/survivors of sexual violence who seek psychotherapy services and to increase capacity for more counselling provision.

- **Physical and Sensory Disability** – the draft Physical and Sensory Disability Strategy and Action Plan was launched for public consultation on 27 January 2011. Development of the strategy was informed by an extensive pre-consultation exercise. This included running a number of workshops for representatives of the HSC and the voluntary and community sector, and holding a series of meetings with disabled people, their carers and families, including children and young people. The consultation phase closed on 21 April 2011, and responses are now being collated and analysed.
- A multi-agency **Speech and Language Therapy Action Plan** for children and young people was published, following consultation on 22 March 2011. This Plan aims to improve the delivery of services to children and young people with speech, language and communication needs.
- Following an earlier review of brain injury services for people in Northern Ireland, the **Acquired Brain Injury (ABI) Action Plan** was published in July 2010. A Regional Acquired Brain Injury Implementation Group (RABIIG) has been established to drive forward implementation of the Action Plan and report to the Minister on progress.

Family Policy and Looked After Childcare

- **Vulnerable Groups** - The Safeguarding Vulnerable Groups (NI) Order 2007 makes provision for a new Vetting and Barring Scheme (VBS) for those wishing to work in a paid or voluntary capacity with children and/or vulnerable adults. The aim of the VBS is to strengthen safeguards for children and vulnerable adults in workplace situations. The VBS is being implemented across Northern Ireland, England and Wales in parallel with a broadly similar Scheme in Scotland. Further implementation of the VBS was put on hold pending a review of the Scheme, which was initiated at the request of the UK Coalition Government in October 2010. As a result of the review, which concluded in January 2011, a much scaled back Scheme will now be put in place. Registration and Monitoring elements of the Scheme, which were due to be introduced in July 2010, will now be abolished. The scope of the Scheme will apply only to employees and volunteers, who have the most intense contact with children and vulnerable adults; for example, individuals who are supervised in the course of their work with children and vulnerable adults will not be subject to the requirements of the Scheme. Changes to primary legislation are required to give effect to the revised Scheme. It is estimated that further implementation of the VBS will restart in 2012.

- **Looked After Children** – The Department continues to support the development of initiatives from the *Care Matters in Northern Ireland* strategy (2007), which seeks to achieve improvements in the life chances and outcomes of children in care. A range of initiatives have been developed, in conjunction with other Departments and the voluntary sector, which aim to improve support to vulnerable families, give a greater voice to young people in care, improve the educational attainment and employment prospects of care-experienced young people, the recruitment of foster carers, the provision of residential accommodation, and support for young people leaving care. Work is underway to develop minimum standards for Residential Care, Foster Care, Private Fostering and Supported Accommodation.
- **Adoption** - Work is continuing to implement many of the proposals outlined in the Department's adoption strategy, *Adopting the Future* (2006), which seeks to modernise the framework for adoption. Measures include the development of minimum Adoption standards and the establishment of a Designated Trust to manage adoption services on a regional basis. The Department has worked with the HSC Board to develop and agree a project structure and service model for regional adoption services that will be delivered through a Regional Project Management Board for Fostering and Adoption; it will be supported by the Regional Fostering and Adoption Recruitment and Development Service.

Another key proposal falling out of *Adopting the Future* was the creation of an Adoption Regional Information System (ARIS), which was launched in June 2010. This is a database of approved adopters and children with 'best interests decisions' with a view to identifying the best placements for children. This will enable practitioners to match children to prospective parents more quickly than current processes allow. Investment in the development of new support services includes the delivery of a Regional Independent Birth Family Support and Counselling Service for Adoption; the service includes individual counselling to birth relatives; provision of information on adoption; support, mediation and advocacy for parents where they oppose the plan for adoption, and a signposting service for birth families to other support services. The Department is continuing its work in relation to the development of an Adoption and Children Bill which will provide a new legal framework for adoption services in Northern Ireland.

- **Child Protection** – A substantial reform has been undertaken of front line child protection services which include the introduction of new Gateway Teams within each HSC Trust to deal with initial child protection referrals. Senior and principal practitioners have been recruited within each Trust to support less experienced members of staff. A new uniform assessment model has been introduced for use by professionals when assessing the needs of individual children and their families. Regional policies and standards have also been developed. The Department has also brought forward legislation for a regional, independently-chaired Safeguarding Board for Northern Ireland, which it intends to establish later this year.

A4 Review of Public Administration (RPA)

The reform of the HSC system in Northern Ireland was an integral part of the Review of Public Administration. The reorganisation of the HSC system was completed on 1 April 2009.

A Modernisation and Improvement Programme Board (MIPB), involving representation from the Department and the new HSC organisations, was tasked with overseeing the realisation of the benefits of the HSC reform programme. This work will conclude after 31 March 2011 with the completion of a Post Programme Evaluation (PPE) reviewing the degree to which claimed benefits of the reform programme have been realised.

SECTION B – HSC PERFORMANCE

The Department has overseen a year of consolidation by HSC Board, PHA and HSC Trusts across a range of areas, with the notable exception of elective care and unscheduled care waiting times, where targets and standards have not been met or maintained for all patients due to the increasing demand for health and social care services and budgetary constraints. A majority of targets set for March 2011 as laid out in Priorities for Action 2010/11 are either achieved, maintained, substantially maintained, on track for achievement or partially achieved. The Department is also on track to achieve / substantially achieve the majority of the 60 PSA indicators for which it is responsible under the 2008-11 Programme for Government.

Elective care performance in 2010/11 to date has not been as strong as in recent years; however a majority of patients still wait a maximum of nine weeks for an outpatient appointment, nine weeks for a diagnostic test, and 13 weeks for surgery. As recently as 2006/07 patients could be waiting up to a year for surgery and several years for an outpatient appointment. The increasing demand for health and social care has also resulted in increased numbers in new attendances at A&E departments across Northern Ireland. At the 31st March 2011, regionally, 85% of patients were either treated and discharged home, or admitted with in four hours of their arrival in an A&E Department; however the number of patients waiting more than 12 hours has continued to increase significantly and remains an area of concern.

There has been some deterioration in performance in other areas such as waiting times for cancer services, for Allied Health Professions (AHP) services, for ambulance services and for a range of community services. There has been some progress against a range of Public Health targets, in particular reductions in the number of episodes of CDiff and MRSA. Overall, performance should be considered against budgetary constraints and the back drop of organisational change for providers and commissioners.

Looking to the future, the Health and Social Care sector faces significant challenges over the next four years to deliver on its overall objectives and maintain quality services within a context of increasing demands and constrained resources.

A challenge for the Department will be to ensure that all the resources allocated, are used in the most efficient, effective and economic way to the benefit of users, carers and the public, in line with the Strategic Vision and priorities for Health and Social Care and the Executive's Programme for Government and to secure best value for money from all available resources and ensure delivery of services within budget.

A summary of performance in key priority areas is provided in the paragraphs below.

Departmental targets – Elective Care (Consultant-led): by March 2011, the HSC Board and Trusts should ensure no patient waits longer than 9 weeks for a first outpatient appointment and 9 weeks for a diagnostic test, the majority of inpatients and day cases are treated within 13 weeks and no patient waits longer than 36 weeks for treatment:-

While progress has been made in recent years in reducing elective waiting times, performance against each target continued to deteriorate.

Position – Outpatients: During 2010/11, breaches of the 9 week maximum waiting time target for a first outpatient appointment were on going across all Trusts. At the end of March 2011, 32,204 people were waiting longer than 9 weeks, compared to 8,946 at the end of March 2010.

Position – Diagnostics: During 2010/11, breaches of the 9 week maximum waiting time standard for a diagnostic test were on going across all Trusts. At the end of March 2011, 5,218 patients were waiting longer than 9 weeks compared to 199 at the end of March 2010.

Position – Inpatient/Day case: Breaches of the 13 week majority waiting time for inpatients or day cases were ongoing throughout the year. At the end of March 2011, 17,628 patients were waiting longer than 13 weeks for surgery compared to 3,242 at the end of March 2010.

Position – Inpatient/Day case: Breaches of the 36 week maximum waiting times for inpatients or day cases were ongoing throughout the year. This was a new target introduced for 2010/11. At the end of March 2011, 1,261 patients were waiting longer than 36 weeks for treatment.

Departmental target – Elective care (AHP): from April 2010, the HSC Board and Trusts should ensure no patient waits longer than 9 weeks from referral to commencement of AHP treatment.

Position: breaches of the 9 week maximum waiting time target were ongoing throughout 2010/11 across all Trusts. At the end of March 2011, 17,470 patients were waiting longer than 9 weeks for AHP treatment; compared to none at the end of March 2010.

Departmental target – Fractures: from April 2010, the HSC Board and Trusts should ensure 95% of patients, where clinically appropriate, wait no longer than 48 hours for inpatient fracture treatment.

Position: While performance against this standard continues to be below the required level during 2010/11, it is an improvement on that during 2009/10. Regionally, during 2010/11, 81% of fractures patients were treated within 48 hours, an improvement from 76% during 2009/10.

Departmental targets - Cancer: from April 2010, the HSC Board and Trusts should ensure all urgent breast cancer referrals are seen within 14 days, 98% of cancer patients commence treatment within 31 days of the decision to treat, and 95% of patients urgently referred with a suspected cancer begin their first definitive treatment within 62 days.

Position – 14 days (100%): during 2010/11 regionally, 93% of all urgent breast cancer referrals seen within 14 days. Standard partially maintained

Position – 31 days (98%): during 2010/11, 98% of cancer patients commenced treatment their within 31 days of decision to treat. Standard maintained.

Position – 62 days (95%): during 2010/11 regionally, 85% of patients urgently referred with a suspected cancer began their first definitive treatment within 62 days, below the standard set. Standard partially maintained.

Departmental targets: A&E: from April 2010, HSC Board and Trusts should ensure 95% of patients attending any A&E department are either treated and discharged home, or admitted, within four hours of their arrival in the department. No patient should wait longer than 12 hours.

Position: while performance against the 4 hour target has not deteriorated from 2009/10, it has been below the target level in 2010/11, against both the 12-hour and 4-hour standards.

Cumulatively during 2010/11, only 85% of patients were treated and discharged or admitted within 4 hours of their arrival in A&E. During 2010/11 there were 7386 breaches of the 12 hour standard (compared to 3883 during 2009/10).

Departmental target: from April 2010, the HSC Board and NIAS should ensure an average of 72.5% of Category A (life-threatening) calls are responded to within eight minutes, increasing to an average of 75% by March 2011 (and not less than 67.5 % in any Local Commissioning Group (LCG) area).

Position: performance against the 72.5% standard was not maintained with 69.3% of Category A calls responded to regionally within eight minutes during 2010/11.

Position: performance against 67.5% standard in each LCG area has been varied with three LCG areas – Northern, Southern and Western not maintaining the standard during 2010/11.

During March 2011, 74% of Category A calls were responded to within eight minutes, falling just below the target set.

Departmental targets: from April 2010, the HSC Board and Trusts should ensure older people with continuing care needs wait no longer than eight weeks for assessment to be completed and should have the main components of their care needs met within a further 12 weeks.

Position (8 weeks), during 2010/11 cumulatively, 99% of assessments of older people with continuing care needs were completed in less than 8 weeks.

Position (12 weeks), during 2010/11, cumulatively 95% of older people waiting for the main components of their care needs to be met had these met within 12 weeks from assessment.

Departmental target: from April 2010, the HSC Board and Trusts should ensure at least 45% of people in care management have their assessed care needs met in a domiciliary setting

Position: During 2010/11, cumulatively, 71% of people in care management had their assessed care needs met in a domiciliary setting.

Departmental target: by March 2011, the HSC Board and Trusts should take steps to reduce the number of admissions to acute mental health hospitals by 10%.

Position: Against a target of no more 5088 admissions to acute mental health hospitals, there were only 4298 admissions during 2010/11.

Departmental targets: from April 2010, the HSC Board and Trusts should ensure no patient waits longer than 9 weeks from referral to assessment and commencement of treatment for mental health issues with the exception of psychological therapies for which no patient should wait longer than 13 weeks.

Position: during 2010/11, there were 635 breaches of the 9- week standard (mental health, including psychological therapies). Only 35 patients were waiting longer than nine weeks from referral to assessment and commencement of treatment at the end of March 2010.

Position: during 2010/11, there were 1,437 breaches of the 13 week standard.

Departmental targets: from April 2010, the HSC Board and Trusts should ensure that 75% of patients admitted for assessment and treatment are discharged within 7 days of the decision to discharge, with all other patients being discharged within a maximum of 90 days. All mental health patients discharged from hospital who are to receive a continuing care plan in the community should receive a follow-up visit within 7 days of discharge.

Position: During 2010/11, 96% of mental health patients admitted for assessment and treatment were discharged within 7 days of the decision to discharge, and 33 patients waited longer than 90 days.

Position: During 2010/11, 96% of mental health patients discharged from hospital and who received a continuing care plan in the community, received a follow-up visit within seven days of discharge.

Position: During 2010/11, 92% of patients admitted for assessment and treatment were discharged within 7 days of the decision to discharge, and 16 patients waited longer than 90 days.

Departmental Target: March 2011, the HSC Board and Trusts should resettle 120 long stay patients from learning disability hospitals to appropriate places in the community compared to the March 2006 total.

Position: At 31 March 2011, 116 patients were resettled.

Departmental targets: from April 2010, the PHA, HSC Board and Trusts should continue to progress the Autism Spectrum Disorder (ASD) action plan, ensuring that all children wait no longer than 13 weeks for assessment following referral and a further 13 weeks for commencement of specialised intervention.

Position: During 2010/11, there were 2,474 breaches of the 13 week standard for assessment following referral.

Position : During 2010/11, there were 428 breaches of the 13 week standard for commencement of specialised intervention.

Departmental targets: Acquired Brain Injury: from April 2010, the HSC Board and Trusts should ensure a 13-week maximum waiting time from referral to assessment and commencement of specialised treatment.

Position: During 2010/11, there were no breaches of the 13 week standard.

B2 Northern Ireland Ambulance Service

The Northern Ireland Ambulance Service (NIAS) target for emergency response within the 2010/11 PfA was that, from April 2010, the HSC Board and NIAS should ensure an average of 72.5% of Category A (life-threatening) calls were responded to within eight minutes, increasing to an average of 75% by March 2011 (and not less than 67.5% in any Local Commissioning Group (LCG) area).

These challenging targets have to be seen in the context of a continuing increase in demand for emergency response from the public. Notwithstanding this, NIAS responded to 69.3% of Category A calls within eight minutes, whilst the LCG target was achieved in two of the five LCGs. NIAS performance was particularly adversely impacted by the extreme winter weather conditions which affected Northern Ireland during December 2010 and January 2011. However, despite often dangerous driving conditions, NIAS personnel ensured that pre-hospital emergency care was available to people in life threatening situations.

In particular, NIAS's Rapid Response Vehicles (RRVs), which are crewed by highly skilled paramedics, demonstrated their value by their ability to navigate treacherous road conditions which were otherwise inaccessible due to the heavy snow and ice.

The impact of the extreme winter weather conditions on NIAS's performance in 2010/11 should be viewed as a temporary setback in its overall achievement of improved performance in responding to the rising demand for ambulance services. The HSC Board, as commissioner of ambulance services, is continuing to work with NIAS to address enhancing performance in the three LCGs which missed the 2010/11 target.

During 2010/11, the Department allocated some £4.6m of capital funds to NIAS in respect of fleet, ICT estate and maintenance. In addition, the Department approved a fleet replacement programme (including the purchase of new RRVs), for the three year period ending 2012/13, totalling £9.2m.

B3 Northern Ireland Fire and Rescue Service

The Northern Ireland Fire and Rescue Service (NIFRS) continued to provide an effective fire and rescue service to the public during 2010/11, handling 48,632 emergency calls (4.7% increase on 2009/10) and responding to 30,784 emergency incidents (4.5% Increase). A total of 11¹ people tragically lost their lives in accidental dwelling fires (4 more than last year), and 137² people were seriously injured in dwelling fires, a 10.4% increase from the previous year. The 2010/11 year also saw a 10.2% reduction in deliberate fire setting, and the campaign and targeted actions to reduce these incidents continues.

Following the retirement of the former Chairman of the Northern Ireland Fire and Rescue Service Board, an interim Chairman was appointed with effect from 15 May 2010. He was joined on 1 July 2010 by six interim non-executive members who were appointed on a temporary basis to replace the existing members, whose terms of office ended on 30 June 2010.

In parity with Board members of the Department's other arm's length bodies, an annual remuneration was introduced from 1 July 2010 for non-executive members of the Northern Ireland Fire and Rescue Service Board.

The temporary term of the interim Board members ended on 30 September 2010. Ten substantive non-executive Board members were appointed from 1 October 2010 bringing the Board complement up to full strength. The terms of these appointments range from minimum periods of three to four years. A new Chairman was appointed for a four year term with effect from 1 January 2011.

In 2010, the "Driving Change" project was launched. This is a three year collaborative Cross Border project part-funded by the Special European Union Programme Board and involves both statutory and voluntary sectors. It aims to improve the health and safety of the people living and travelling in the border area by delivering a range of road safety initiatives: it builds on the existing strong cooperation between Fire and Rescue Services on both sides of the border to provide an enhanced response to Road Traffic Collisions and engages with young people (aged 16 – 25) and their families to deliver a range of initiatives which will address the driving habits, and attitudes, of young people.

The NIFRS has played a key role in the development of the project and continues to support the work of the project team and to benefit from the best practice it will deliver.

During 2010/11 the Department allocated some £3.3m of capital funds to NIFRS covering fleet, ICT, estate and maintenance. In addition the Department approved business cases for the replacement of Omagh & Ballycastle fire stations,

Article 7 of the Fire and Rescue Services (NI) Order 2006 empowers the Department, following consultation, to make an Order which confers functions on the NIFRS Board in respect of emergencies other than fire or road traffic collisions. The Order will make it a

¹ Subject to State Pathologist's Report

² Subject to outstanding Fire Reports

statutory requirement for NIFRS to attend defined “emergencies such as chemical, biological, radiological and nuclear incidents, search and rescue, serious flooding and serious transport incidents. The Draft Fire and Rescue Services (Emergencies) (NI) Order was consulted on in 2010 and awaiting further Ministerial approval before being sent to the Health committee.

During 2010 a Mobile Data System (MDS), which is an integrated communications and information resource tailored to meet the needs of NIFRS, was introduced. Through mobile data technology a Mobile Data Terminal (MDT) will be installed in each frontline appliance. At the touch of a computer screen fire crews will be able to access valuable operational information such as tactical plans, information about hazardous materials, building plans, hydrant locations and critical risk information while en route to or at an incident.

The MDS will aid navigation to incidents by providing up to date mapping on screen. A range of maps will be available from large scale Northern Ireland wide maps down to street level maps which display the location of hydrants and known risks.

Currently Eastern Area Command is fully operational with the roll out to other areas expected by the end of 2011.

B4 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 C – RESOURCES

C1 Risks and Uncertainties

The Departmental Board is committed to ensuring that comprehensive and effective risk management systems are in place. To that end, it maintains a corporate risk register. As part of the review and updating process conducted throughout the 2010-11 year, the Departmental Board has re-examined the key risks to its business objectives as set out in the corporate risk register, with the aim of ensuring that they continue to accurately and adequately reflect the realities of the Department's (and arm's length bodies') operating environment. It is Departmental policy that the Departmental Board receives formal quarterly reports on the status of the corporate risks, with individual risks considered on an exception basis where necessary. Corporate risks as at 31st March 2011 were in the following areas:

- Arrangements for assuring clinical and social care effectiveness;
- Arrangements to ensure that the Department adequately discharges its statutory responsibilities to children and young people in NI;
- Arrangements for aligning staff and other resources to key ministerial and departmental priorities;
- Integrated governance and accountability arrangements;
- Arrangements for securing the efficiency savings required by the NI Budget and by the Department's financial plans;
- Arrangements for maintaining and securing adequate resources to deliver health and social care outcomes, consistent with the Department's key strategic objectives;
- Arrangements to adequately respond to emergencies such as pandemic 'flu, and to maintain essential services during such an emergency;
- Arrangements to identify, plan and provide for the HSC's future workforce requirements;
- Arrangements to ensure that information held by the Department and HSC is appropriately and fully protected, secure, confidential and accessible to those who need it, in compliance with existing legislation, procedures and best practice;
- Arrangements for ensuring that buildings, equipment, vehicles and ICT are maintained, refurbished or replaced, consistent with prevailing standards to ensure the safe and effective ongoing delivery of core services; and
- Arrangements to ensure delivery of the benefits of the RPA reforms.

The Department's risk management and business planning processes are fully synchronised, thereby providing assurance that the Department's principal risks are derived from the principal business objectives. In January 2011, the Departmental Board adopted a revised and updated Risk Management Strategy and Policy. While the Department's detailed apparatus of risk management had been continually updated, the policy/strategy document itself dated from 2003, and the Board decided that there was a need for a new version – on the grounds that:

- It is essential, for the guidance of staff and stakeholders, that the current DHSSPS policy on risk management should be clearly and comprehensively articulated and published;
- The significant changes to the role of the Department post-March 2009, and in the functioning of the Departmental Board made revision necessary; and
- There was a need to reflect the agreed move towards a Departmental Assurance Framework (to replace the existing corporate risk register) as a means of reporting on the key risks to Departmental business. This concept, already in operation in the Department's ALBs, is intended to establish an evidence-based, systemic link between corporate objectives (business planning) and corporate risks (risk management).

The revised document also provides essential risk management guidance for staff and stakeholders and acts as a process guide for those engaged in the day-to-day management of risk.

The Department has had no data loss related incidents in 2010/11 which are required to be reported within the annual report.

C2 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

The DHSSPS Departmental Board had 11 members, including two Independent Board Members at 31 March 2011. These are listed within the Directors Report on page 3. 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 DHSSPS 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 steer the Department towards the achievement of agreed performance objectives as set out in the Corporate Business Plan;
- Scrutinise the governance and performance of ALB's; and
- Set the Department's 'risk appetite' and ensure appropriate risk management procedures are in place.

Independent Membership

Since September 2006 the DHSSPS Board has had two Independent Non Executive Board Members (IBMs). The current IBM's are Dr Catriona King and Ms Helen Roulston, both appointed in September 2010. Ms Helen Roulston's appointment will run to September 2012 (having served 6 years as an IBM). Dr Catriona King's appointment will run to September 2013 and can be extended by agreement.

Both IBM's, 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.

Procedures for Non-Executive appointments

The appointment of IBM's in the NICS is currently a two stage process. The Department of Finance and Personnel (DFP) manages a pool of potential candidates for appointment as IBMs of NICS Departments. The pool remains active for two years and Departments can trawl the pool to identify and appoint, through a formal process, IBMs for specific vacancies.

Letters of appointment were issued to the IBM's on their appointment in September 2010 setting out the principal terms and conditions governing their appointment, the specification of the role and accountability arrangements.

Performance

Work began in 2010 to review the operation of the Departmental Board. A Departmental Board workshop was held in October 2010 to discuss the evaluation of the Departmental Board. The key issue to emerge from discussion at the workshop was the need for absolute clarity on the role of the Departmental Board. In order to operate as effectively as possible, the Departmental Board will now focus on a remit of performance, governance and assurance rather than policy development and implementation.

The terms of reference for the Departmental Board have been revised along with the operational guidelines for handling Board papers. These documents may be subject to further revision as the Review progresses. The Departmental Board has also approved a set of principles that underpin corporate working within the Department. The next stage of the review will look at the membership of the Departmental Board and its associated committee structure, to ensure that business can be conducted in the most efficient and effective way.

Departmental Audit and Risk Committee (DARC)

The DARC is a sub-committee of the Departmental Board. It met four times in 2010/2011, under the chairmanship of an Independent Board Member, who was appointed in September 2010. Two other members also served this Committee. Following each meeting, the chair reported to the Departmental Board.

The composition of the DARC 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.

In January 2011, the DARC completed a self assessment against HM Treasury best practice guidance and was found to be in substantive compliance. A report on the DARC's work and achievements during the past year will be presented to the Departmental Board in June 2011.

Relationships with arm's length bodies

The Department has 17 arm's length bodies which collectively comprise the health, social care and public safety system in Northern Ireland.

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 arm's length bodies is explained in Annex A and B on pages 126 and 129.

C3 Environment and Sustainability

A key activity of the Department in 2010-2011 was to progress the strategy on sustainable development aimed at ensuring that all capital development and estates and facilities management functions are undertaken to comply with best practice guidance on sustainability and to meet Departmental responsibilities in relation to estate and facilities management issues associated with the Northern Ireland Sustainable Development Strategy, the Climate Change Act and the Carbon Reduction Commitment.

Key initiatives in this area were:

- Continued application of the Health Estates Investment Group ('HEIG') Sustainable Development Design Brief to capital projects including the achievement of a BREEAM excellent rating.
- Updating the HEIG Sustainable Development Design Brief to Version 6.0
- Publication of biodiversity guidance for HSC and Public Safety organisations to allow them to meet their obligations under the Northern Ireland Biodiversity Strategy.
- Publication of guidance for carbon emission reduction in Health, Social Care and Public Safety through further energy efficiency.
- Departmental participation in the Carbon Reduction Commitment as agreed by the NI Executive
- Providing DHSSPS input to the new Northern Ireland Sustainable Development Strategy and its Implementation Plan.
- Final reporting that all requirements in relation to the Northern Ireland Sustainable Procurement Action Plan (NI SPAP) 2008 – 2011 were completed by April 2011.
- Continuing participation in the Health and Climate Change Regional Group.
- Providing advice to HSC&PS organisations on ten priority actions on Climate Change Mitigation and Adaptation.
- Continued participation on the Inter-Departmental Sustainable Development Group, the Northern Ireland Climate Change Impacts Partnership, the Interdepartmental Working Group on Sustainable Energy and the Interdepartmental Working Group on Greenhouse Gas Emissions.
- Continued to undertake the role of Departmental Sustainable Development Champion through the HEIG Deputy Secretary and Chief Estates Officer
- Drafting the Northern Ireland Chapter of the UK Climate Change Risk Assessment (UKCCRA)

In 2011/12, the Department will continue to identify the need for, develop, disseminate and oversee the implementation of policies and standards relating to sustainable development and operations on the HSC and Public Safety Estates. Carbon management is becoming an increasingly important issue for the Department and HSC & Public Safety organisations. The Climate Change Act has set a target to cut carbon emissions by at least 80% by 2050 with a minimum reduction of 26% by 2020 across the UK.

This will continue to require a carbon emission reduction approach to sustainability, environmental issues and energy performance through the development of a HSC & Public Safety Carbon Reduction Strategy. Such a strategy will allow the Department to meet its obligations under the Climate Change Act and the new NI Sustainable Development Strategy.

Given that the Department is also required to continue to participate in the Carbon Reduction Commitment Energy Reduction Scheme, this is given even greater importance in 2011/12.

The NI Sustainable Development Strategy Implementation Plan (SDSIP) and the NI Greenhouse Gas Emissions Reduction Action Plan (GHGERAP) include metrics for the Department based on its likely contribution to the overall target by ensuring the Health, Social Care and Public Safety estates and core DHSSPS operations minimise carbon use. The plans state that the Department will do this through monitoring the carbon emission performance of Health, Social Care and Public Safety (HSC &PS) organisations and set appropriate targets for performance improvement based on a carbon emission reduction model.

However, to be able to measure, monitor and report upon carbon reduction levels and meet its commitments in the SDIP and GHGERAP, the Department will require a baseline measurement of Carbon production in the delivery of Health, Social Care and Public Safety – a Carbon Footprint. The Department of Health in England and Scotland have already produced a Carbon Footprint for the NHS in their respective jurisdictions, whilst the Health Department Wales has commissioned Carbon Footprints for its NHS operations.

The development of a Carbon Footprint is therefore a fundamental first stage to take forward the development of a HSC and Public Safety Carbon Reduction Strategy to meet Departmental responsibilities and commitments established by the Executive. Funding for measurement of this footprint will be considered as a priority by the Department in 2011/12.

Subject to the findings of the UKCCRA, the Department may also be taking forward a review in 2011/12 of the current advice on Climate Change adaptations for new build projects. This may require the production of guidance for new development and refurbishment projects, in order to ensure that climate change is considered as part of the development process.

As OFMDFM has finalised the key objectives of the new SDSIP, which includes a key priority area of ensuring the existence of a policy environment which supports the overall advancement of sustainable development in and beyond Government, the Department will continue to monitor the position to determine what action is required in this area.

C4 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. An online fire awareness training programme was provided for all staff during the year. The number of staff who had an accident at work has decreased from 16 in 2009/10 to 11 in 2010/11.

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 2010/11. A total of 1,151 days training were undertaken by staff. This comprised 652 days external training and 499 days provided by the Centre for Applied Learning. Opportunities provided in-house included National Vocational Qualifications in Business and Administration and Microsoft Office Specialist IT programmes. Other development events available to staff included a Mentoring Programme, several scholarship and other interchange opportunities and the Aids to Study Scheme under which Assistance was granted to 16 staff to pursue academic qualifications. During 2010/11, an employer-supported volunteering programme was introduced and 93 staff participated in five volunteering challenges in the community with a health related theme.

Equality and Human Rights

The Department has continued to build on previous work to meet its statutory obligations as set out under section 75 of the Northern Ireland Act 1998 and on maintaining and protecting human rights in accordance with the Human Rights Act 1998. In April 2010 the Equality Commission for Northern Ireland (ECNI) issued new guidance on the implementation of section 75 which included a recommendation that public authorities should carry out an audit of inequalities and use this information to develop an action plan detailing measures to promote equality of opportunity and good relations. This was followed up in November with an official request from ECNI for the Department to produce a revised equality scheme. Under the Act, the Department had six months in which to prepare, consult and submit a revised equality scheme to ECNI. A consultation on both a draft equality scheme and an equality action plan commenced in January 2011 and work continues on the development of both the scheme and plan.

The Department has continued to work in collaboration with its Arm's Length Bodies and other key stakeholders to progress a variety of equality areas such as the work of the OFMDFM-led Gender Equality Strategy and the advancement of a sexual orientation action plan to address HSC access issues for the lesbian, gay and bi-sexual communities.

Ethnic diversity in the population

In 2003 DHSSPS and ECNI jointly published *Racial Equality in Health and Social Care: a Good Practice Guide*. The Department, with ECNI, has finalised a shorter guide - *Racial Equality in Health and Social Care: a Short Guide to Good Practice and Service Provision* which provides practical advice to help HSC Trusts ensure that their services are culturally competent. In addition, the guide provides HSC staff with details on how to access the Northern Ireland Health and Social Care Interpreting Service for the benefit of patients and clients. The finalised guide is currently with ECNI who is responsible for its production.

The Department, together with the Department of Health and Children in the Republic of Ireland, launched the All Ireland Traveller Health Study Reports in September 2010. The Traveller community has been recognised as a disadvantaged group and the findings of the

study provide a framework to work upon to ensure that Travellers have good access to healthcare services to meet their needs.

Workplace Health Improvement Programme (WHIP)

The Department recognises that improving the health of a workforce is good for both the individuals and the employer. To that end all staff have access to a comprehensive range of health improvement initiatives during working hours. An action plan is developed each year with an aim to maintain and improve the health of Departmental staff by providing information, advice and practical programmes to help staff adopt a healthier lifestyle and to promote and encourage wider participation in healthier lifestyle and activities.

Examples of the wide range of initiatives include Cardiac risk assessments, smoking cessation and weightwatcher programmes, information on the benefits of healthy nutrition and exercise, and walking programmes where staff are given free pedometers to record information. The result of these Health Improvement programmes are that in the last two NICS surveys, staff within DHSSPS have consistently shown a higher awareness of good health practices and in many categories show lower poor-health practices than the rest of the NICS e.g. only 15% of DHSSPS staff smoke compared to 20% in the rest of the NICS and 24.5% in the national average.

Staff

The Department directly employs some 735 staff as at 31 March 2011. The NI Fire and Rescue Service (NIFRS) employ some 2,241 people and around 65,000 people work in the Health and Social Care sector.

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 their own personal objectives.

There has been a new requirement since 2008/09 to report absence data. The table below shows estimated absence figures for 2010/11.

Average Total number of staff	Total days lost	Average working days lost per person	Absence rate
704 wte	5604	8	3.5%

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 also takes full cognisance of the NI Civil Service Code of Practice on the employment of disabled people. 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. Staff are actively encouraged to declare disabilities or long-term health conditions and the Disability Liaison Officer works closely with individuals and their line managers to identify and implement any associated reasonable adjustments.

Employee Involvement

The Department recognizes the value of involving staff to assist them in meeting their aspirations and strengthen the organisation's performance. The Department is committed to achieving and maintaining effective communications and ensuring an open and transparent culture. Team briefings for all staff take place on a monthly basis and managers are encouraged to fully involve staff in business planning.

All staff have access to welfare services 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. The Whitley Council and Committees provide an agreed forum for discussion which is attended by both employer and trade union representatives. In this way, staff views are represented and information for employees is promulgated.

Review of Public Administration

On 1st April 2009, 157 DHSSPS staff temporarily transferred and 4 staff transferred permanently (under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006) to the HSC Business Services Organisation. The staff that chose the temporary transfer arrangement remain NICS employees and their salary and expenses will be recouped from the HSC for the period of the temporary transfer.

The DHSSPS Staff Transfer Arrangements, incorporating the arrangements for staff temporary and permanently transferring to the HSC, were agreed with Central Trade Union Side and all other NICS Departments. The arrangements were put in place following lengthy negotiations to best meet the needs and concerns of both staff affected by the RPA reforms and the new HSC organisations.

The temporary transfer arrangements can remain in place for a maximum of 3 years i.e. to 1st April 2012. During this period there will be ongoing meetings and communication with the staff to ensure their needs are met and issues and concerns addressed.

At 31 March 2011, 101 staff remain on temporary transfer to the HSC organisations. 26 staff have permanently transferred and 21 staff have returned to alternative posts within the NICS.

SECTION D – FINANCE

D1 Current (Revenue) Expenditure

2010-11 Performance

The net resource outturn for the year is £3,883m, which is within the voted total Estimate cover by some £174m (4.3%). An analysis of the net resource outturn is as follows;

	£000
Grant in Aid to HSC Bodies	3,271,264
Family Health Service & Commissioning	915,715
Income (health service contributions £450m)	-516,917
Training, bursaries and further education	39,818
Staff Costs	69,112
Non cash	18,357
Other direct expenditure	85,832
Total	3,883,181

A detailed analysis of Net Resource Outturn against Estimate by function can be found at Note 2 to the accounts on page 92. A summary of variances between Net Resource Outturn and Estimate is contained in the following table:

Variations against Estimate

Item	Variance £000	Explanation
A1. Policy development, hospital, community health and personal social services and family health services (part)	49,422	Attributable to a change in the split of resources between direct HSCB and Trust expenditure from when the Spring Supplementary Estimate was written.
A3. Family Health Service (demand led) pharmaceutical services	5,385	Due to a reduction in expenditure on pharmacy remuneration outturn from forecasts used to prepare the Spring Supplementary Estimate.
A4. Family Health Service (demand led) dental services	-2,954	Attributable to an increase in dental expenditure from forecasts used to prepare the Spring Supplementary Estimate.
A.6 Other centrally financed services	2,658	Attributable to budget reallocations across a number of centrally managed budgets after the Spring Supplementary Estimate was set.
A7. Training, bursaries & further education	6,132	Attributable to budget reallocations on Human Resources Directorate budgets, whereby redeployment of easements and allocations were made to sponsored bodies after the Spring Supplementary Estimate was set.
A9. Grants to voluntary bodies	851	Due to easements on centrally managed Grants to Voluntary Bodies budgets, which were reallocated across other budgets after the Spring Supplementary Estimate was set.
A10 .Food Safety Promotion Board	-409	Due to an increase in resource allocation to the Food Safety Promotion Board from the level set in the Spring Supplementary Estimate.
A12. EU	609	Due to easements declared on EU Community Initiatives budgets following preparation of the Spring Supplementary Estimates.
A14.AME	16,102	Due to outturn on impairments and non cash provision charges being lower than the AME budget.
A15. Health and Social Care Trusts	77,792	Actual Trust cash draw down was lower than forecasts used to prepare the Spring Supplementary Estimates.
A17.BSO	12,142	Due to a revised process for the recharging of DIS staff, the cash draw down was lower than estimate.
A.18 NIBTS	-132	Due to cash drawn in respect of a capital allocation to NIBTS.
A20. NIMDTA	-2,341	Direct cash drawn by NIMDTA from the Core Department was higher than estimated.
A23. PCC	-241	Direct cash drawn by PCC from the Core Department was higher than estimated.
B1 & B3 NIFRS	10,604	Cash drawn was lower than the estimate provided by NIFRS.

The 2010-11 overall financial position reflects a year when, despite continuing service pressures and demands arising in the HSC, the Department again achieved overall financial

balance. This is a positive outcome, given the very challenging environment faced during the year.

Drawing on experience gained in 2009/10, a Financial Stability Programme Board, chaired by HSCB, was established during the year. This Board has overseen the measures necessary to enable the HSC to manage within the resources available and to contain deficit issues in Trusts as described below.

HSC Trusts reported an overall surplus of £0.4m on revenue allocations of £3.17bn - an effective break-even performance. In the case of Northern Trust, during the course of the year, the Department after consulting with the HSC Board, authorised additional net expenditure of £6.4m. This was designed to ensure that health and social care provision to the population served by the Trust was not compromised by short term financial recovery measures. The Northern Trust managed its financial position with the aid of the full £6.4m.

The Department, the HSC Board and the Trusts have established plans to ensure further control of expenditure and action to secure any necessary cost reductions in 2011-12. This is further detailed in the Statement on Internal Control.

Notwithstanding the particular Northern Trust issue in 2010-11, the Department's routine systems continue to perform their function to monitor expenditure and identify and manage cost pressures where they arise. Significant financial pressures were reported during the early part of the year, but the Department and the HSC managed these collectively through a combination of internal measures to control expenditure and additional funding. Alongside this the focus has remained on best attainable achievement of Ministerial targets for waiting times and other access targets.

Future Financing Implications of Current Economic Climate

The continuing constrained public expenditure environment will present further significant challenges for the Department during 2011-12. The assessment of risks has been communicated to the former and present Minister and to DFP and to those ALBs where there is the greatest risk to the financial ceilings that have been set. Further work is in hand to ensure that the risk of any breach in the limits on expenditure is resolved as soon as possible.

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

D2 HSC Capital Investment

Over the four year budget period 2011/12 – 2014/15, the Department has been allocated capital investment funding of £851m. Within this, a total of £250m is needed to support contractual commitments and a further £400m is required to cover fixed costs such as maintenance, investment in ICT etc., leaving £200m over the four year period for new schemes.

Capital investment in health and social care infrastructure in 2010/11 amounted to £209m. In line with Departmental policy, the current investment programme focuses on the enhancement of primary and community care facilities, major upgrading of acute services to facilitate more effective hospital services, estate upgrading, the build and upgrade of residential children's homes, investment in mental health and learning disability facilities, investment in emergency services and in IT and technology. As part of the aim of creating and maintaining a network of the most modern facilities and equipment across the range of HSC services, an important driver is the need to transform healthcare delivery by providing more treatment and care closer to where people live and work.

The following projects were completed in 2010/11:

- Portadown Health & Care Centre
- Conicar at Iveagh
- Victoria Pharmaceuticals (Plenum)
- Altnagelvin Redevelopment Phase 3.2b
- Trauma & Orthopaedics at Craigavon
- Craigavon Maternity/Neo-natal
- Ulster Hospital Phase A
- Child & Family Unit at Forster Green (Beechcroft)
- Newry Social Education Centre
- Newry Children's Home
- Lagan Valley Modular Theatres
- Beltany Children's Home
- Mobile CT Scanner, Antrim
- CT Scanner Daisy Hill
- MRI Scanner Ulster

The following projects were started in 2010/11:

- Sexual Assault Referral Centre, Antrim
- Gransha Mental Health Crisis Centre
- Musgrave Neurology Ward
- Antrim A & E
- Antrim Ward Block
- Ballee Children's Home, Antrim
- Ulster Phase B Enabling Works

- Craigavon Theatres
- Altnagelvin Lifts

In addition investment was provided for the following key areas:

- £3m investment in the Northern Ireland Fire and Rescue Service including investment in fleet, equipment, mobile data system and estate;
- £4m investment in the Northern Ireland Ambulance Service including fleet, estate and equipment.
- £22m investment in information technology.

Work will continue in 2011/12 on a number of schemes including

- Construction for the new £267m acute hospital north of Enniskillen
- Redevelopments at the RVH and Ulster hospitals
- Health and Care Centres at Shankill and Beechall, Andersonstown

Continued investment in ICT, NIFRS and NIAS

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);
- 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, be 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.

D3 Reconciliation of Resource Expenditure between Budgets, Estimates & Accounts

	£000 2010-11	Restated £000 2009-10
Net Resource Requirement	3,883,181	4,482,854
Changes in accounting policy		(67,105)
Other Adjustments		16
EU receivables Written Off		65
Adjustments to exclude:		
Consolidated Fund Extra Receipts (CFER's)	(19,264)	(17,047)
Net Operating Cost	3,863,917	4,398,783
Adjustments to remove:		
Capital Grant	0	406
Voted income outside the budget	464,588	475,632
Grants in Aid payable to NDPBs	(3,271,264)	(3,324,214)
Changes in accounting policy		(67,105)
Adjustments to include:		
Resource Consumption of NDPB	3,354,039	3,497,296
Other Adjustments:		
Less Notional Cost	(6,624)	(8,306)
Total Budget Outturn	4,404,656	5,106,702
<i>of which</i>		
<i>Departmental Expenditure Limits (DEL)</i>	4,311,468	4,812,745
<i>Annually Managed Expenditure (AME)</i>	93,188	293,957



Dr A McCormick
Accounting Officer
28th June 2011

REMUNERATION REPORT

1. Remuneration Policy

The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a freeze on senior pay in respect of 2010/11 and 2011/12 pay awards, in line with the Executive's decision in Budget 2011-15 to mirror the UK Coalition Government's commitment to impose pay restraint.

The Northern Ireland Permanent Secretary Remuneration Committee helps determine pay on entry and the annual review of NICS Permanent Secretaries pay in line with the annual pay strategy as approved by the Minister of Finance and Personnel. The freeze on pay in 2010/11 and 2011/12 also applies to Permanent Secretaries.

The pay system in place for senior civil servants in the Northern Ireland Civil Service is currently under review.

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

- Ms Helen Roulston was appointed as an Independent Non-Executive Director on a fixed period contract from 25th September 2006 to 24th September 2010. Following a new recruitment competition a new contract has been awarded up to 24th September 2012.
- Dr D M cCaughan was appointed as an Independent Non-Executive Director on a fixed period contract from 25th September 2006 to 24th September 2010.
- Dr Catronia King was appointed as an Independent Non-Executive Director from 25 September 2010 for a period of 3 years to 24 September 2013.

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	2010-11		2009-10	
	Salary	Benefits in kind	Salary	Benefits in kind
	£	(to nearest £100)	£	(to nearest £100)
Mr M McGimpsey <i>Minister</i> (Appointed 08/05/07)	37,801	-	37,801	-

Officials	2010-11	2009-10
	Salary £000	Salary £000
Dr A McCormick <i>Permanent Secretary</i>	110 to 115	110 to 115
Dr M McCarthy <i>Acting Deputy Secretary</i> (from 20/02/08 to 31 January 2011)	70 to 75 (full year equivalent 85 to 90)	85 to 90
Mr J Cole <i>Deputy Secretary</i>	90 to 95	90 to 95
Mr M Bradley <i>Chief Nursing Officer</i>	80 to 85	80 to 85
Mr D O'Carolan <i>Chief Dental Officer</i>	65 to 70	60 to 65
Mr Sean Holland <i>Chief Social Services Inspector</i>	55 to 60	55 to 60
Dr N C Morrow <i>Chief Pharmaceutical Officer</i>	80 to 85	80 to 85
Mrs L Brown <i>Deputy Secretary</i> (retired 31 January 2011)	80 to 85 (full year equivalent 95 to 100)	100 to 105
Dr M McBride <i>Chief Medical Officer note 1</i>	205 to 210	205 - 210
Dr Elizabeth Mitchell <i>Acting Chief Medical Office</i> (from 23 rd March 2009 to 21 st July 2009)	nil	30 to 35 (90 to 95 full year equivalent)
Mr Sean Donaghy <i>Senior Finance Director</i> (left 17 September 2010)	50 to 55 (full year equivalent 105 to 110)	105 to 110
Diane Taylor Director of Human Resources (joined Board 20 August 2010)	40 to 45 (full year equivalent 55 to 60)	nil
Catherine Daly Senior Finance Director from 1 October 2010	40 to 45 (full year equivalent 80 to 85)	nil
Ms H Roulston <i>Independent Non-Executive Board Member Note 2</i>	10 to 15	10 to 15
Dr D McCaughan <i>Independent Non-Executive Board Member Note 3</i>	0 to 5	10 to 15
Dr Catriona King Independent Non-Executive Board Member note 4	5 to 10	nil

Notes to the above table of senior management remuneration

- 1) Dr M McBride is seconded to the Department from the Belfast HSC Trust and took up his post on 11th September 2006
- 2) Mrs H Roulston was appointed as an Independent Non-Executive Director on 26th September 2006. She is not an employee of the Department and her remuneration is non-pensionable.
- 3) Dr D McCaughan served as an Independent Non-Executive Director from 26th September 2006 to 24 September 2010. He is not an employee of the Department and his remuneration is non-pensionable.
- 4) Dr Catriona King was appointed as an Independent Non-Executive Director on 25 September 2010. She is not an employee of the Department and her remuneration is non-pensionable.

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 Michael McGimpsey during the financial year. His salary and allowances were paid by the Northern Ireland Assembly and have been treated as a notional cost in this resource account. These amounts do not include costs relating to any other roles the Minister may have e.g. MLA/MP/MEP 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 2010/11.

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 2010/11 or in 2009/10.

7. Pension Benefits (audited)

Ministers	Accrued pension at age 65 as at 31/3/11	Real increase in pension at age 65	CETV at 31/3/11	CETV at 31/03/10**	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mr M McGimpsey	5 to 10	0 to 2.5	99	79	19

*** The actuarial factors used to calculate CETVs were changed in 2010/11. The CETVs at 31/3/10 and 31/3/11 have both been calculated using the new factors, for consistency. The CETV at 31/3/10 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.*

8. Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2008 (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 (1/50th or 1/40th) 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 Price Index. Ministers pay contributions of 6% or 11.5% 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 23.3% 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.

The actuarial factors used in the CETV calculation were changed during 2010, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to up rate Civil Service pensions. This means the CETV in this year's report for 31/03/10 will not be the same as the corresponding figure shown in last year's report.

10. The real increase in the value of the CETV

This is the increase in accrued pension due to the Departments 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 31/3/11 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/11	CETV at 31/3/10 ***	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Dr A McCormick Permanent Secretary	45 to 50 and lump sum 90 to 95	0 to 2.5 and lump sum (2.5 to 5)	833	768	1
Dr M McCarthy <i>Temporarily promoted Deputy Secretary (from 20/02/08 to 31 January 2011)</i>	30 to 35 and lump sum 100 to 105	0 to 2.5 and lump sum 0 to 2.5	661	604	1
Mr J Cole <i>Deputy Secretary</i>	40 to 45 and lump sum 120 to 125	(0 to 2.5) and lump sum (0 to 2.5)	946	903	(3)
Mr M Bradley <i>Chief Nursing Officer</i>	5 to 10 and lump sum 0 to 5	0 to 2.5 and lump sum 0 to 2.5	150	118	21
Mr D O'Carolan <i>Chief Dental Officer</i>	20 to 25 and lump sum 65 to 70	0 to 2.5 and lump sum 2.5 to 5	320	281	14
Mr Sean Holland <i>Chief Social Services Inspector</i>	5 to 10 and lump sum 0 to 5	0 to 2.5 and lump sum 0 to 2.5	79	63	8
Dr N C Morrow <i>Chief Pharmaceutical Officer</i>	35 to 40 and lump sum 110 to 115	(0 to 2.5) and lump sum (0 to 2.5)	856	796	(3)
Mrs L Brown <i>Deputy Secretary retired 31 January 2011</i>	40 to 45 and lump sum 160 to 165	(0 to 2.5) and lump sum (20 to 22.5)	1035	1009	(22)
Dr M McBride <i>Chief Medical Officer</i>	55 to 60 and lump sum 175 to 180	0 to 2.5 and lump sum 2.5 to 5	922	990	(68)
Mr Sean Donaghy <i>Senior Finance Director (left 17 September 2010)</i>	0 to 5 and lump sum 0 to 5	0 to 2.5 and lump sum 0 to 2.5	15	4	10
Diane Taylor <i>Director of Human Resources (joined Board 20 August 2010)</i>	15 to 20 and lump sum 55 to 60	0 to 2.5 and lump sum 0 to 2.5	262	253	0
Catherine Daly <i>Senior Finance Director from 1 October 2010</i>	25 to 30 and lump sum 80 to 85	2.5 to 5.0 and lump sum 10 to 12.5	514	433	76

Figures shown in brackets in the table above indicate a negative amount.

*** The actuarial factors used to calculate CETVs were changed in 2010/11. The CETVs at 31/3/10 and 31/3/11 have both been calculated using the new factors, for consistency. The CETV at 31/3/10 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

Non Executive members pension details

Mrs H Roulston Dr D. McCaughan and Dr C. King 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 Assembly each year. From April 2011 pension's payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Price 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 an 'earned pension' 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%. Earned pension benefits are increased annually in line with increases in the CPI. For 2011, public service pensions will be increased by 3.1% with effect from 11 April.

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. 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 3 year's 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.civilservice-pensions.gov.uk

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.

The actuarial factors that are used in the CETV calculation were changed during 2010, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to up rate Civil Service pensions. This means that the CETV in this year's report for 31st March 2010 will not be the same as corresponding figure shown in last year's report.

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 2010-11. Note 8.1 contains details of Departmental staff who received compensation for loss of employment.



Dr A McCormick
Accounting Officer
28th June 2011

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, Resource Accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year.

The Resource Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department, 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;
- make judgements and estimates on a reasonable basis;
- 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 responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets are set out in the Accounting Officers' Memorandum issued by the Department of Finance and Personnel and published in Managing Public Money Northern Ireland.

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

This statement is given in respect of the Departmental Resource Account for 2010-11. As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Department's policies, aims and objectives, whilst safeguarding the public funds and Departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

I am also required to combine these duties with my duty to serve the Minister in charge of my Department and I have particular responsibility to see that appropriate advice is tendered to the Minister on all matters of financial propriety and regularity and, more broadly, as to all considerations of prudent and economical administration, efficiency and effectiveness.

In providing advice to the Minister, the consequences of the achievement or non-achievement of particular policies or objectives are explored as part of the planning and decision making process. This process includes highlighting specific business implications or risks and, where appropriate, the measures that could be employed to manage these risks or implications.

As Accounting Officer for the Department I also have responsibility for all of the Department's arm's length bodies, which are listed at Annex A & B.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure, in order to achieve policies, aims and objectives; it therefore provides reasonable rather than absolute assurance of effectiveness.

The system of internal control is based on an ongoing process to identify and prioritise the risks to the achievement of Departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Department for the year ending 31 March 2011 and up to the date of approval of the annual report and accounts, and accords with Department of Finance and Personnel guidance.

Capacity to handle risk

The Department's risk management and business planning processes are fully synchronised, thereby providing assurance that the Department's principal risks are derived from the

principal business objectives. In January 2011, the Departmental Board adopted a revised and updated Risk Management Strategy and Policy. While the Department's detailed apparatus of risk management had been continually updated, the policy/strategy document itself dated from 2003, and the Board decided that there was a need for a new version –on the basis that:

- it is essential, for the guidance of staff and stakeholders, that the current DHSSPS policy on risk management should be clearly and comprehensively articulated and published;
- the significant changes to the rôle of the Department post-March 2009, and in the functioning of the Departmental Board made revision necessary;
- to incorporate the latest Treasury endorsed risk management guidance and examples of best practice;
- there was a need to reflect the agreed move towards a Departmental Assurance Framework (to replace the existing corporate risk register) as a means of reporting on the key risks to Departmental business. This concept, already in operation in the Department's ALBs, is intended to establish an evidence-based, systemic link between corporate objectives (business planning) and corporate risks (risk management).

The revised document also provides essential risk management guidance for staff and stakeholders and acts as a process guide for those engaged in the day-to-day management of risk.

Within the Department, the overall system of internal control is overseen by the Departmental Board. Risk ownership has been allocated to appropriate staff and there is a formal system of risk reporting to the Departmental Board. In addition, Directors ensure that staff are appropriately trained to fulfil Directorate and Departmental objectives. Advice and support is available from Planning and Performance Management Directorate and from the Department's internal audit function on the more technical aspects of risk management.

The risk and control framework

The Department has a Departmental risk management policy/strategy which informs the completion of the Corporate Risk Register. The Corporate Risk Register specifies the key risks for the Department as a whole, including the identification of risks to the provision of health and social care and the provision of fire and rescue cover to the local population. It is examined regularly by the Departmental Board, with individual risks considered on an exception basis where necessary. Reports to the Board on internal control demonstrate the steps being taken to manage risks in significant areas of responsibility and to monitor progress on key initiatives and projects.

The Department's risk management policy/strategy also includes guidance on the Department's risk appetite, including the type of risks which the department is exposed to, along with a measure of the scale of their impact. Using these criteria, risks assessed as high

or extreme are brought before the Departmental Board for a decision on how they should be best managed.

In addition, risk registers are maintained by individual Directorates and Professional Groups, and by the Department's arm's length bodies. In respect of 2010-11, reviews of risk registers across all business areas have been conducted in line with Departmental guidance. During 2010-11 the Corporate Risk Register was subject to fundamental reappraisal to confirm that it adequately identified and addressed the key risks to the Department's principal business objectives.

During 2010-11, mid-year assurance statements were submitted by all of the Chief Executives of the Department's 17 arm's length bodies. These statements supplement the year end SICs by providing an account of internal control matters that have arisen and attesting to the continuing robustness of each organisation's system of internal control. As part of the mid-year accountability reviews Chief Executives are asked to confirm that no significant internal control issues have been omitted from their assurance statements.

The Department intends, to conduct a review of its assurance arrangements across all ALBs during 2011/12. The review is scheduled to be completed by January 2012, and its findings will inform the preparation of the 2011/12 Statements on Internal Control and the end-of-year accountability review process.

Control in, and assurance from, the HSC and NIFRS

Controls assurance standards are a central feature of the HSC-wide system of corporate control. 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 this risk in order to meet their objectives and to protect users, staff, the public and other stakeholders against risk of all kinds.

In 2009-10 compliance with the core controls assurance standards was extended to those ALBs which are classed as non-departmental public bodies – i.e. the NI Fire & Rescue Service, the Regulation & Quality Improvement Authority, the NI Social Care Council and the NI Practice & Education Council for Nursing & Midwifery – and for 2010-11 compliance with the Records Management and Information Communication Technology standards was also required for those bodies.

For 2010-11, the compliance level with the three core standards of governance, risk management and financial management, and the other 19 standards has been set at 'substantive' for all ALBs. Substantive compliance with the core standards is especially important as an underpinning of the individual statements on internal control. Whilst overall, the HSC performed well against the 2010-11 standards; there are areas for improvement which are being pursued with individual organisations through the formal accountability processes.

The HPSS (Quality, Improvement and Regulation) (NI) Order 2003 places a statutory duty of quality on HSC organisations. The Order also provided for the regulation of HSC services by the Regulation and Quality Improvement Authority (RQIA). The RQIA conducts annual reviews of clinical and social care governance arrangements in HSC organisations together with a rolling programme of thematic reviews.

Management of information risk

The Department's Records Management arrangements are underpinned by a Records Management Policy Statement. Appropriate guidance, central controls and a disposal schedule processes govern the retention and disposal of all Departmental paper records. In managing the risks associated with information loss, regular audits of Departmental information are carried out. Restrictions exist to protect access to and disposal of electronic records and associated training is mandatory within the Department.

In March 2010 there was a Serious Adverse Incident report concerning the Belvoir Park Hospital site. Intruders entered an area used for the storage of historical patient and personnel files. The majority of these records were outside the retention period noted in the Trust retention and disposal schedule and should have been destroyed. While there is no evidence that data was compromised, photographs of the break-in appeared on the internet. Having made an inventory of the records held on site, the Belfast Trust put in hand an action plan for their removal/disposal - a process which had been substantially completed by the end of 2010-11. The site has also been secured against further intrusion. The Department has carried out a review of its internal processes and guidance regarding the decommissioning of HSC facilities/equipment, information management and incident reporting and is considering the recommendations of this review. The Trust did not inform the Information Commissioner's Office (ICO) of this incident at the time. The Information Commissioner's Office is now conducting a review of the episode; the Department awaits its findings (see also significant internal control issues - New Issues for 2010/11 below)

Review of Effectiveness of the System of Internal Control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Department who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control, by the Departmental Board and the Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Departmental Audit and Risk Committee

The Departmental Audit & Risk Committee is a sub-committee of the Departmental Board, and was reconstituted in 2007 in accordance with best practice. The Committee comprises three members, each of whom is independent of Departmental management.

The Committee gives detailed and explicit attention to internal control issues, 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 the Department's Arm's Length Bodies; and systems for responding to recommendations made by authoritative external bodies for example, Public Accounts Committee (PAC), the NI Audit Office (NIAO), and the RQIA. The Committee advises the Board and the Accounting Officer on its conclusions and recommendations to address identified control weaknesses.

Departmental Board

The Departmental Board has a key role in the effective corporate governance of the Department's business and monitors closely the Department's progress in the achievement of key objectives and targets, for example those set out in the Programme for Government and relevant Public Service Agreements and Priorities for Action. The Board meets monthly and also considers issues such as key policy proposals, budget allocations and critical issues which may have arisen.

Internal Audit

The Department has an internal audit service which operates to Government Internal Audit Standards and whose work is informed by an analysis of the risks to which the Department is exposed. The annual audit plan is based on the analysis of the Departmental risk register. Its remit includes an assessment of internal financial controls, and the wider internal control environment which applies to the achievement of Departmental objectives. It submits regular reports, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Department's system of internal control, together with recommendations for improvement. An external review of the internal audit function is due to take place in June 2011 and as such a Terms of Reference has been issued for the external quality assurance review and a copy of the Internal Quality Assurance review has been sent to the review team.

On the basis of the audit work carried out, the Head of Internal Audit has assessed the overall system of internal control within the Department as providing satisfactory assurance. Internal Audit has attributed limited assurance to the audit of the 2009/10 Finance Payments. However all other audits were given at least satisfactory assurance.

Follow up reviews will take place to ensure that all recommendations have been implemented.

A robust monitoring process ensures that the Departmental Audit and Risk Committee bi-annually review progress on outstanding internal audit recommendations which are recorded in a database of recommendations. During the year the decision was taken to include recommendations from all reports issued rather than just the limited assurance reports. This resulted in the number of outstanding recommendations on the database rising to 103 in April 2011 from 37 in December 2010

Significant internal control issues

Significant internal control problems are identified both through the internal audit process and Departmental review of the statements on internal control of its arm's length bodies.

Progress on prior year issues

A number of control issues arising in previous years have now been progressed and no longer represent significant control issues for the Department. These include;

- **NI Fire and Rescue Service** –In 2008-09, NIFRS incurred irregular expenditure in relation to pay awards to non uniformed officers. Following on from this, the Department commissioned DFP to undertake a comprehensive review of NIFRS resulting in 85 recommendations being made. In 2010-11 the Department established a project board to oversee the implementation of the recommendations in the DFP Review. An implementation action plan has been agreed with NIFRS and 32 recommendations have already been implemented, 36 are underway, with the remaining 17 still to be progressed.
- **O'Neill Inquiry** –.The Department has continued to progress the Action Plan comprising the recommendations arising from the O'Neill Independent Inquiry Panel Report (launched 27 March 2008) .These recommendations highlighted significant failings in mental health services, including their interface with child protection services. Developments over the past year include the issue of updated guidance on risk assessment and management and the establishment by the PHA of a Project Management Team to oversee the implementation of Regional Adverse Incident and Learning (RAIL) System.
- **Project Approvals** - In 2009-10, DHSSPS had identified a project where the agreed contract sum exceeded the business case threshold and DFP did not grant retrospective approval for the excess. At March 2010, the actual expenditure was less than the approved business case limit. However any additional expenditure incurred in 2010-11 over and above the business case limit would have been deemed irregular. In 2010-11 a revised business case has been approved which provides the necessary approval to complete this project without incurring irregular expenditure. No irregular expenditure has occurred at any stage on this project.
- **Pandemic Flu** – Following the pandemic alert in June 2009 the DHSSPS was involved on a four-nation UK wide basis response to the pandemic the four

UK Health Departments have collaborated in drafting a revised UK Influenza Pandemic Preparedness Strategy. This Strategy issued for consultation in March 2011 and a final version is anticipated by the end of the year. The revised Strategy takes into account the findings of the reviews, lessons learned during the pandemic and the findings from research and scientific evidence. The four Departments are now working to replenish and build pharmaceutical and other stockpiles to mitigate the risk of a future pandemic.

- **RPA** - In 2009-10, both the HSC Board and Public Health Agency identified difficulties in filling vacancies in their new structures. The RPA process is now complete and vacancies have been filled.

The following issues still remain significant for the Department

Governance in Prison Service healthcare

While the SE Trust continue to work with the NI Prison Service on the matter, there has been no change to the position as stated in 2009-10 i.e. the healthcare staff in prisons remain in the employment of the NI Prison Service and have yet to transfer to the Trust (as was envisaged in 2008, when the healthcare function was itself transferred). Until the accountability matter is resolved, this is still considered to be a significant control issue.

Unallocated Cases (Childcare)

Unallocated cases have reduced from 834 as at March 2010 to 708 as at March 2011. HSC Trusts report that there were no unallocated cases of a child protection nature at the end of March 2011 Whilst the Department continues to monitor on a monthly basis, the continued existence of a waiting list of cases waiting to be allocated to a social worker within the child and family intervention teams still has the potential to pose a risk to children and to compromise the ability of Trusts to discharge their statutory responsibilities. The primary means of minimizing this risk is to screen cases to ensure that any child protection risk is immediately addressed. Additional funding has been made available in 2009/10 and 2010/11 to increase the number of posts in teams.

Breakeven Performance

A fundamental responsibility for DHSSPS is to ensure that the Department and each of its Arms Length Bodies live within budget. Early in 2010-11 the HSC was again forecasting very significant deficits for the year, arising from growing demand pressures for health and social care services, combined with the continuing requirement to achieve cumulative Budget 2007 efficiency targets. Drawing on experience gained in 2009-10 a Financial Stability Programme Board, chaired by the HSCB, was established during the year. This Board has overseen the measures

necessary to enable the HSC to manage within the resources available, and to contain deficit issues in Trusts as described below.

In the case of the NHSCT, the Department, after consulting with the HSCB, took the view that a proportion of the proposed measures were not deliverable without unacceptable impact on health and social care services. The Department also took the view that applying the requirement to break even taking one year with another, as prescribed in circular HSS (F) 25/2000, would continue to have unacceptable future year consequences for services to the public.

In late 2010 the Department, via the HSCB, authorised the NHSCT to incur additional net expenditure of £6.4m. This was designed to ensure that health and social care provision to the population served by the Trust was not compromised by short term financial recovery measures. NHSCT managed its financial position with the aid of the full £6.4m.

In respect of the BHSCT, the Trust was able to manage its 2010-11 financial breakeven position without recourse to any additional funding.

The continuing constrained public expenditure environment will present further significant challenge for DHSSPS during 2011-12. As Accounting Officer I have highlighted my assessment of the risks to the former and present Minister and to DFP and I have written to the ALBs where there is the greatest risk to the financial ceilings that have been set. Further work is in hand to ensure that the risk of any breach in the limits on expenditure is resolved as soon as possible.

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

New Issues for 2010/11

Belfast HSC Trust Senior Executive Pay

In September 2010 the Department became aware of a potential issue in relation to the award of additional payments made to a number of directors in the Belfast Trust and it commissioned an audit into this. The audit found that the Trust had acted outside its authority in that it had not received the necessary approval from the Department for the payment of these allowances. The audit also concluded that the Department did not have sufficiently robust arrangements to deal with the matter, including monitoring arrangements and a Financial Memorandum. The Financial Memorandum, along with the associated Management Statement, which have been drawn up in accordance with Managing Public Money NI, is now in place, and the Department's 2010-11 pay guidance makes explicit reference to e.g. the role and responsibilities of each arm's length body's remuneration committee including:

- the need for proper monitoring procedures for the 2010-11 pay round to be operated by the body;
- a requirement for the ALBs;
- chair to sign the monitoring report to the effect that the governing circular (HSC(SE)1/2001) has been fully complied with;
- and that the relevant salary increases have also been approved by the remuneration committee and endorsed by the body's full board.

I also wrote to all HSC Chairs on 10 March reminding them of their responsibilities in relation to Senior Executive Remuneration and Corporate Governance

DFP has now confirmed that, prospective approval has been granted for payments from 1 March 2011, however payments made from June 2009 to 28 February 2011 are deemed irregular. The Comptroller and Auditor General has limited his regularity opinion on the Belfast HSC Trust's financial statements in respect of the £25,946 irregular expenditure incurred in 2010-11 ”;

Belfast HSC Trust - Security and Belvoir Park Hospital site

The Department is aware of an issue which has arisen in relation to potential shortcomings in the procurement of a contract for security services at the Belvoir Park Hospital site. The Department has sought a full explanation of the circumstances of this case including any immediate action required to regularise the situation. The Department is also taking steps to ensure that there are no other cases in any of its arm's length bodies of a similar nature where appropriate procurement procedures may not have been applied. C&AG has reported on weakness in controls in contract management and /or procurement, identified by Internal Audit, across the five regional HSC trusts.

Regional Oral Medicine Service

The Department first became aware of concerns around the care of some patients attending the regional oral medicine service in December 2009. Having made enquiries of the Belfast Trust, the Department was at that time satisfied that the case was being managed in accordance with departmental guidance, was proportionate to the expressed concern and was in the interests of both the patients and the clinician in question.

In 2010-11, in conjunction with the case investigation, an extensive review of patient records was also completed by the Trust. Following on from the findings of the ensuing report it was decided to recall 117 patients as a precautionary measure. The Department was appropriately involved in this recall.

On 7 February 2011, the Trust reported the case to the HSCB as a Serious Adverse Incident (SAI). It is the Department's view that, at some earlier point during 2010, as the position became clear, an SAI should have been reported. On that same date, the then Minister announced an Independent Inquiry into the recall of patients attending the regional oral medicine service by the Belfast Trust. The Inquiry is expected to report by the end of June 2011.

Business Services Organisation (BSO)

The Business Services Organisation provides a broad range of regional businesses support functions and specialist professional services to the health and social care sector in Northern Ireland. During 2010-11 it came to light that the BSO is providing to arm's length bodies certain functions or services which are not covered by the HSC Reform Act 2009. This resulted from some omissions from the scope of the legislation in the final stage of RPA. This situation, currently being managed through temporary agreements and Departmental Directions, and is under consideration by the Department.

Unreported XRAYs

In 2010, the Department was informed about a backlog of unreported plain x-rays in both the Western and Southern Trusts. At that time, both Trusts took urgent steps to eliminate the backlogs. There was considerable media interest and public concern about the backlogs and whether appropriately trained staff had assessed the x-rays. In February 2011, the Department commissioned RQIA to undertake an independent review of the handling and reporting arrangements for plain x-rays across all Trusts. It was agreed that this would be done in two phases; the initial phase involving a rapid assessment of the current arrangements in place for the handling and reporting of plain x-ray films in all Trusts. This phase has been completed and the RQIA has indicated that the review team found no evidence of issues requiring immediate action to protect patient safety. A number of recommendations were made and these will be taken forward at local and regional levels. The RQIA Phase 2 review has recently commenced. It will look in detail at the circumstances which gave rise to the delays in plain x-ray reporting in the Western and Southern Trusts. It will report later in 2011.

Assurances from Shared Services provided by DFP

Account NI


During 2010/11, DFP Internal Audit conducted nine Risk Based Systems Audits and six follow-ups to previous audit reports. DFP Internal Audit provided satisfactory assurance in eight audits and substantial assurance in one area. Account NI management has positively accepted, and made timely progress to implement, all recommendations made by Internal Audit.

HR Connect

In 2009/10, the DFP Annual Assurance Report provided a limited assurance on HR Connect. The contractor provided positive responses to all recommendations made and although some of these involved change requests, HRConnect has taken positive steps towards full implementation of all recommendations made. DFP Internal Audit conducted five risk-based audits in HRConnect during 2010/11 and provided satisfactory assurance ratings in all areas. In the 2009/10 inter-departmental assurance, DFP Internal Audit noted concerns within Worklist Access. A further review in this area has since been completed and a satisfactory assurance rating has been provided.

IT Assist

DFP Internal Audit completed a combined review of Network NI, covering the Management of Active Directory and Firewall Configuration and Rules Set. DFP Internal Audit has completed the fieldwork on this review and will be providing a **satisfactory** assurance. As part of the initial scoping of the audit and in considering assurance mapping, DFP Internal Audit has reviewed the assurances provided by the Independent IT Health Check (ITHC) performed on IT Assist in both 2009 and 2010 and the Microsoft Risk Assessment Programmes (RAP) performed over the Domain Controllers for Active Directory. DFP Internal Audit is satisfied that the results of these tests and the implementation of recommendations contained have contributed to strengthen the overall control framework.



Dr A McCormick
Accounting Officer
28th June 2011

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 for the year ended 31 March 2011 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Parliamentary Supply, the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayer's Equity, the Statement of Net Operating Costs by Departmental Strategic Objectives 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 Principal 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 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 Department's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Department; 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. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on Regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2011 and of its net cash requirement, net resource outturn, net operating cost, cash flows, changes in taxpayers' equity and net operating costs applied to departmental strategic objectives 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 Business Review and Future Developments 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 Statement on Internal Control 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 2011

Statement of Parliamentary Supply

Summary of Resource Outturn 2010-11

		2010-11							2009-10
		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	2	4,466,147	501,198	3,964,949	4,299,600	497,650	3,801,950	162,999	4,398,412
Request for Resources B	2	91,835	-	91,835	81,231	-	81,231	10,604	84,442
Total resources	3	4,557,982	501,198	4,056,784	4,380,831	497,650	3,883,181	173,603	4,482,854
Non-Operating Cost Accruing Resources				-			-	-	549

Request for Resources A

Ensuring the delivery of effective, high quality health and social care and developing and promoting policies and strategies, the efficient, economic and effective implementation of which will lead to good health and well-being, a reduction in preventable disease and ill health, and greater social justice.

Request for Resources B

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

Net Cash Requirement 2010-11

	2010-11				2009-10
		Estimate	Outturn	Net Total Outturn compared with Estimate: saving/ (excess)	Outturn
	Note	£000	£000	£000	£000
Net Cash Requirement	4	4,590,201	4,408,823	181,378	3,923,711

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)

	Note	Forecast 2010-11		Outturn 2010-11	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Total	5	-	-	19,349	<i>19,226</i>

Explanations of variances between Estimate and outturn are given in Note 2 and in the Annual Report

The notes on pages 79 to 125 form part of these accounts

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2011

	Note	2010-11			2010-11			2009-10	
		Core Department			Consolidated			Restated	Restated
		Staff Costs	Other Costs	Income	Staff Costs	Other Costs	Income	Core Department	Consolidated
		£000	£000	£000	£000	£000	£000	Total	Total
Administration costs									
Staff costs	8	27,901		27,901			28,816	28,816	
Other administration costs	9		10,047		10,047		12,432	12,432	
Operating income	11			(369)		(369)	(821)	(821)	
Programme costs									
Request for Resources A									
Staff costs	8	6,295		41,211			5,893	44,892	
Programme costs	10		3,250,022		4,220,619		3,807,676	4,764,798	
Income	11			(474,232)		(516,548)	(487,756)	(535,597)	
Request for Resources B									
Staff costs	8	-		-			-	-	
Programme costs	10		81,056		81,056		84,263	84,263	
Income	11			-		-	-	-	
Totals		34,196	3,341,125	(474,601)	69,112	4,311,722	(516,917)	3,450,503	4,398,783
Net operating cost	3			2,900,720			3,863,917	3,450,503	4,398,783
Other Comprehensive Expenditure									
Net (gain)/loss on revaluation of Property, Plant and Equipment				7,987		9,373	(2,370)	(2,002)	
Net (gain)/loss on revaluation of Intangibles				(3)		(131)	(12)	(12)	
Net (gain)/loss on revaluation of available for sales financial assets				-		-	-	-	
Total Comprehensive Expenditure for the year ended 31 March 2011				2,908,704		3,873,159	3,448,121	4,396,769	

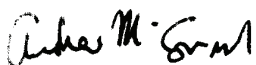
The notes on pages 79 to 125 form part of these accounts

Statement of Financial Position

as at 31 March 2011

	Note	31 March 2011		31 March 2010 Restated		1 April 2009 Restated	
		Core Department	Consolidated	Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000	£000	£000
Non-current assets:							
Property, plant and equipment	12	86,105	107,759	97,012	122,497	82,142	107,393
Intangible assets	13	84	1,644	381	1,915	841	1,906
Financial Assets	15	2,009,000	2,009,000	2,009,000	2,009,000	2,009,000	2,009,000
Non Current trade and other receivables	17	-	-	-	-	34	34
Other non current assets	17	-	-	-	-	126	126
Total non-current assets		2,095,189	2,118,403	2,106,393	2,133,412	2,092,143	2,118,459
Current Assets							
Assets classified as held for sale	12.2	4,027	4,027	2,697	2,697	3,495	3,495
Inventories	16	-	8-	-	2-	-	5
Current Trade and other receivables	17	67,729	73,171	61,771	64,722	40,380	43,155
Other current assets	17	568	2,080	379	1,347	1,379	1,554
Financial assets	15	-	-	-	-	-	-
Cash and Cash Equivalents	18	468	739	-	1,673	-	9,532
		72,792	80,025	64,847	70,441	45,254	57,741
Total assets		2,167,981	2,198,428	2,171,240	2,203,853	2,137,397	2,176,200
Current liabilities							
Current Trade and other payables	20	34,780	246,331	541,084	763,055	55,488	239,731
Other Current liabilities	20	-	-	-	-	-	-
Financial Liabilities	15	-	-	-	-	-	-
Total current liabilities		34,780	246,331	541,084	763,055	55,488	239,731
Non-current assets plus/less net current assets/liabilities		2,133,201	1,952,097	1,630,156	1,440,798	2,081,909	1,936,469
Non-current liabilities							
Provisions	21	1,960	47,920	11,935	62,505	21,729	69,764
Other Non Current liabilities	20	-	-	-	-	-	-
Financial Liabilities	15	-	-	-	-	-	-
Total non-current liabilities		1,960	47,920	11,935	62,505	21,729	69,764
Assets less liabilities		2,131,241	1,904,177	1,618,221	1,378,293	2,060,180	1,866,705
Taxpayers' equity							
General Fund		2,088,168	1,849,595	1,566,421	1,313,726	2,009,614	1,803,004
Revaluation Reserve		43,073	54,582	51,800	64,567	50,566	63,701
Total taxpayers' equity		2,131,241	1,904,177	1,618,221	1,378,293	2,060,180	1,866,705

The notes on pages 79 to 125 form part of these accounts



Dr A McCormick
Accounting Officer
28th June 2011

Consolidated Statement of Cash Flows

for the year ended 31 March 2011

	Note	2010-11 £000	2009-10 Restated £000
Cash flows from operating activities			
Net Operating Cost		(3,863,917)	(4,398,783)
Adjustments for non cash transactions	8,9,10,11	18,380	26,190
(Increase) in trade & other receivables	17	(9,182)	(21,200)
<i>less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>			
Supply amounts due from the consolidated fund	17	566	(12,826)
	17		
Movements in receivables relating to the sale of property, plant & equipment		-	-
Movements in receivables relating to PFI and other service concession arrangement contracts	17	-	-
(Increase)/Decrease in Inventories	16	(6)	3
(Decrease)/Increase in trade payables (adjusted for bank overdraft)	20	(513,997)	527,112
<i>less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>			
Movements in payables relating to the purchase of property, plant & equipment		(236)	(1,709)
Supply amounts due to the consolidated fund		-	-
Movements in payables relating to CFER items		(2,302)	11,115
Use of provisions	21	(13,851)	(19,547)
Net Cash outflow from operating activities		(4,384,545)	(3,889,645)
Cash flows from investing activities			
Purchase of property, plant & equipment	12,20	(4,492)	(16,716)
Purchase of intangible assets	13	(465)	(853)
Proceeds of disposal of property, plant and equipment		85	549
Loans to other bodies	15	-	-
(Repayments) from other bodies	15	-	-
Net cash outflow from investing activities		(4,872)	(17,020)
Cash flows from financing activities			
From Consolidated Fund (Supply) - current year	CSCTE	4,391,011	3,900,619
From Consolidated Fund (Supply) - prior year	CSCTE	17,246	30,072
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI and other service concession arrangement contracts		-	-
Net financing		4,408,257	3,930,691
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund.		18,840	24,026
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(17,047)	(28,097)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund.		1,793	(4,071)
Cash and cash equivalents at the beginning of the period	18	(1,054)	3,017
Cash and cash equivalents at the end of the period	18	739	(1,054)

The notes on pages 79 to 125 form part of these accounts

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

	Note	General Fund	Revaluation Reserve	Total Reserves
		Restated	Restated	Restated
		£000	£000	£000
Balances at 31 March 2009		1,718,868	63,701	1,782,569
Changes in accounting policy - Revised funding arrangements for clinical negligence		84,138	-	84,138
Other Adjustments		(2)	-	(2)
Restated balances at 1 April 2009		1,803,004	63,701	1,866,705
Changes in taxpayers' equity for 2009-10				
Net parliamentary funding - drawdown for current year		3,900,619	-	3,900,619
Net parliamentary funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net parliamentary funding - deemed		-	-	-
Supply payable/(receivable) adjustment		17,246	-	17,246
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(16,982)	-	(16,982)
Comprehensive Expenditure for the Year		(4,398,783)	2,014	(4,396,769)
Non Cash Adjustments:				
Non-cash charges - auditor's remuneration	9,10	195	-	195
Non-cash charges - other	9,10	8,204	-	8,204
Movements in Reserves:				
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		(925)	-	(925)
Transfers between reserves		1,148	(1,148)	-
Balances at 31 March 2010		1,313,726	64,567	1,378,293
Changes in taxpayers' equity for 2010-11				
Net parliamentary funding - drawdown for current year		4,391,011	-	4,391,011
Net parliamentary funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/ (trade receivable)		-	-	-
Net parliamentary funding - deemed		-	-	-
Supply payable/(receivable) adjustment		17,812	-	17,812
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund	5	(19,349)	-	(19,349)
Comprehensive Expenditure for the Year		(3,863,917)	(9,242)	(3,873,159)
Non Cash Adjustments:				
Non-cash charges - auditor's remuneration	9,10	174	-	174
Non-cash charges - other	9,10	6,523	-	6,523
Movements in Reserves:				
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		2,872	-	2,872
Transfers between reserves		743	(743)	-
Balances at 31 March 2011		1,849,595	54,582	1,904,177

The notes on pages 79 to 125 form part of these accounts

Core Statement of Changes in Taxpayers' Equity for the year ended 31 March 2011

	Note	General Fund	Revaluation Reserve	Total Reserves
		Restated	Restated	Restated
		£000	£000	£000
Balances at 31 March 2009		1,891,411	50,566	1,941,977
Changes in accounting policy - Revised funding arrangements for clinical negligence		118,203	-	118,203
Other Adjustments		-	-	-
Restated balances at 1 April 2009		2,009,614	50,566	2,060,180
Changes in taxpayers' equity for 2009-10				
Net parliamentary funding - drawdown for current year		2,998,516	-	2,998,516
Net parliamentary funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/ (trade receivable)		-	-	-
Net parliamentary funding - deemed		-	-	-
Supply payable/(receivable) adjustment		17,246	-	17,246
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(16,982)	-	(16,982)
Comprehensive Expenditure for the Year		(3,450,503)	2,382	(3,448,121)
Non Cash Adjustments:				
Non-cash charges - auditor's remuneration	9,10	103	-	103
Non-cash charges - other	9,10	8,204	-	8,204
Movements in Reserves:				
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		(925)	-	(925)
Transfers between reserves		1,148	(1,148)	-
Balances at 31 March 2010		1,566,421	51,800	1,618,221
Changes in taxpayers' equity for 2010-11				
Net parliamentary funding - drawdown for current year		3,410,433	-	3,410,433
Net parliamentary funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/ (trade receivable)		-	-	-
Net parliamentary funding - deemed		-	-	-
Supply payable/(receivable) adjustment		17,812	-	17,812
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund	5	(19,349)	-	(19,349)
Comprehensive Expenditure for the Year		(2,900,720)	(7,984)	(2,908,704)
Non Cash Adjustments:				
Non-cash charges - auditor's remuneration	9,10	101	-	101
Non-cash charges - other	9,10	6,523	-	6,523
Movements in Reserves:				
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		6,204	-	6,204
Transfers between reserves		743	(743)	-
Balances at 31 March 2011		2,088,168	43,073	2,131,241

The notes on pages 79 to 125 form part of these accounts

Statement of Operating Costs by Departmental Strategic Objectives
for the year ended 31 March 2011

	2010-11			2009-10 Restated		
	Request for Resources A	Request for Resources B	2010-11 Total	Request for Resources A	Request for Resources B	2009-10 Total
	£000	£000	£000	£000	£000	£000
Gross Expenditure	4,299,603	81,231	4,380,834	4,850,759	84,442	4,935,201
Income	(516,917)	-	(516,917)	(536,418)	-	(536,418)
	3,782,686	81,231	3,863,917	4,314,341	84,442	4,398,783

Request for Resources A Ensuring the delivery of effective, high quality health and social care and developing and promoting policies and strategies, the efficient, economic and effective implementation of which will lead to good health and well-being, a reduction in preventable disease and ill health, and greater social justice.

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

See Note 22

The notes on pages 79 to 125 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 2010-11 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.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare three additional primary statements. The Statement of Parliamentary 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. The Consolidated Statement of Operating Cost by Departmental Strategic Objectives and supporting notes analyse the Department's income and expenditure by the objectives agreed by ministers.

1.1. Accounting Convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of investment property, 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 comprise a consolidation of the Core Department, the Health and Social Care Board and the Public Health Agency and those bodies that fall within the Departmental boundary as defined in FReM. Transactions between entities included in the consolidation are eliminated.

A list of the entities within the Departmental boundary is given at Annex A.

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

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

Intangible non current assets 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 any single asset is £5,000. In addition grouped assets which together form a single collective asset of £5,000 or more must also be capitalised. Grouped assets are defined as those which are:

- Functionally interdependent;
- Acquired and expected to be disposed of in the same financial year;
- Under single management control; and
- Have individual values of at least £1,000.

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.

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 2010 have been applied, rather than indices at the end of February.

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 2010, by Land and Property Services of Upper Queen’s Street, Belfast, with the next review due by 31 January 2015.

Professional revaluations of land and buildings are undertaken at least every five years and are revalued annually, between professional valuations, using indices provided by LPS. Properties are valued on the basis of open market value 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 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	5 – 10 years
Other Equipment – Core	3 – 15 years
Other Equipment – HSC Board	5 – 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. 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, 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/Treasury have 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 General fund up to the amount of the economic impairment which is in the Revaluation Reserve. (see 1.27 (ii) for further details).

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.

1.8. Profit/Loss on sale of non current Assets

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

1.9. 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, less any material directly attributable selling costs.

1.10. 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. The goods are recorded at their cost price and as items with a shelf life which will be replaced on an on-going basis. It is considered that depreciation is not applicable. 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 these items.

1.11. 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 in 2008/09 and future years.

PDC has no fixed repayment terms and Trusts are not required to make a dividend payment in respect of Public Dividend Capital in 2008/09 and future years.

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.

1.12. Inventories and Work in Progress

Within the Core Department, 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 NRV. For the HSC Board, partially completed contracts for patient services are not accounted for as work in progress.

1.13. Research and Development

The Department does not carry out any research and development activities but provides funding for research and development, in the form of grants, to a number of bodies.

1.14. Operating Income

Operating income is income which relates directly to the operating activities of the Department. 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.

1.15. Leases

Department as a lessee

Where substantially all risks and rewards of ownership of a leased asset are borne by the Department, 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. 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. The Department's operating leases include short-term property leases and photocopier leases.

Department as a lessor

The Department does lease a number of land and building assets to voluntary bodies for which it receives a peppercorn rent. These land and buildings are included within the Department's Property, Plant and Equipment.

1.16. Service Concession Arrangements

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

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 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 profit and loss
- 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 and subsequently on an amortised cost basis.

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.

1.18. Grants Payable

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

1.19. 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. This was last revised on 1 April 2005 from 3.5% to 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 increases 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. See note 1.27 (iii) on changes in Accounting policy & note 1.28 on prior period adjustments.

1.20. Contingent 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.

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. The Department had no such liabilities at 31 March 2011. 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.

1.21. Change to Estimation Technique

There were no changes to estimation techniques during the year.

1.22. Value Added Tax

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

1.23. 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 all treated as programme costs.

1.24. Capital Charge

As part of the alignment project, HM Treasury have removed the cost of capital from accounts, estimates and budgets. Therefore from 2010-11 onwards the accounts no longer reflect a notional (non cash) cost of capital. Prior years have been restated to reflect this. See note 1.27 (i) on changes in Accounting policy & note 1.28 on prior period adjustments

1.25. 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 employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the Department.

1.26. Transfer of Functions from Other Departments

The Department accounts for transfers of function in accordance with the merger accounting principles set out in the FReM. There were no transfers of function in 2010-11.

IFRS 5, in relation to discontinued operations, does not apply when operations are transferring from one part of the public sector to another, as clarified in FReM.

1.27. Changes in Accounting Policy

There were three changes in Accounting policy during the year. The prior period figures have been changed in the accounts (where material) to reflect the change in accounting policy. In the Statement of Financial position the previous two years have been restated to comply with IAS 1 paragraph 29. To note the Statement of Parliamentary Supply has not been restated in line with FREM guidance.

The accounting policy changes were;

(i) Capital charges

From 2010-11 onwards the financial statements no longer reflect the notional cost of capital and Prior period comparatives have been adjusted to reflect this. In line with Department of Finance and Personnel advice, Prior Period Adjustment arising from the removal of cost of capital charge were not included in the Spring Supplementary Estimates for 2010-11, other than as a note, on the basis that the PPA numbers could have been misleading.

(ii) Impairment

Treasury/DFP guidance for 2010-11 and future periods is that economic impairments (see paragraph 1.7 above) should be charged in full to the Statement of Comprehensive Net Expenditure. Prior year figures were restated and accordingly, £392k was transferred from the Revaluation Reserve to the General Fund. The overall impact to the reserves was zero.

(iii) Clinical negligence

Funding to HSC bodies for clinical negligence provision will now be accounted as Grant in Aid in line with NDPB accounting rules. This is a change in accounting policy and HSC Trust clinical negligence provision will no longer be reflected as a provision in the Departmental accounts, but rather the cash funding will be accounted for as grant in aid. The Departmental accounts will still reflect the clinical negligence provision of the HSCB (2010-11 £ 28.9m; 2009-10 £32.6m) because it is consolidated into the Departmental accounts. It is important to note that this is an accounting change **only** and prior year figures have been restated accordingly. The Department will still budget for Trust and HSCB clinical negligence provision (2010-11 £128m; 2009-10 £103.2m)

Prior period adjustments arising from this change in accounting policy were included in the Estimates in line with conventional arrangements

1.28. Prior Period Adjustments

Below is a table showing all prior year restatements as at 31 March 2010 and 31 March 2009.

The column labelled “other” reflects adjustments made to the consolidated prior year figures to align consolidated opening balances with the HSCB and PHA accounts.

In addition to the schedules included within the table below, the following schedules and notes (in the consolidated account) were impacted by the restatements: Consolidated Statement of Cashflows, Consolidated Statement of Changes in Taxpayers’ Equity, Statement of Operating Costs by Departmental Strategic Objectives, Notes 3.1, 4.1, 6, 10, 11, 17, 20, 21 & 22

The Statement of Parliamentary Supply and related notes have not been restated for this effect

	31 March 2010 £000				31 March 2010 £000 Restated
		Funding HSC clinical negligence costs	Cost of capital	Other	
Core SCNE –Net operating cost	3,533,660	(24,199)	(58,958)	-	3,450,503
Core Reserves	1,475,818	142,402	-	1	1,618,221
Consolidated SCNE –Net operating cost	4,465,872	(14,368)	(52,738)	17	4,398,783
Consolidated Reserves	1,279,789	98,505		(1)	1,378,293

	31 March 2009 £000				31 March 2009 £000 Restated
		Funding HSC clinical negligence costs	Cost of capital	Other	
Core Reserves	1,941,977	118,203	-	-	2,060,180
Consolidated Reserves	1,782,569	84,138	-	(2)	1,866,705

1.29. Standards Issued by IASB not included in 2010-11 FReM

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

Management has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. Management consider that these are unlikely to have a significant impact on the accounts in the period of initial application.

2. Analysis of net resource outturn by section

	2010-11								2009-10
	Outturn					Estimate			Prior year outturn
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Request for Resources A: Departmental expenditure in DEL									
1. Policy development, hospital, community health and personal social services and family health services (part)	25,472	706,410	-	731,882	(29,750)	702,132	751,554	49,422	1,263,159
2. Family Health Service (demand led) general medical services	373	114,822	-	115,195	-	115,195	112,302	(2,893)	122,045
3. Family Health Service (demand led) pharmaceutical services	186	65,400	-	65,586	-	65,586	70,971	5,385	52,250
4. Family Health Service (demand led) dental services	90	107,178	-	107,268	(17,280)	89,988	87,034	(2,954)	83,664
5. Family Health Service (demand led) ophthalmic services	90	19,684	-	19,774	-	19,774	20,096	322	19,735
6. Other Centrally Financed Services	2,572	9,539	-	12,111	(49)	12,062	14,720	2,658	14,131
7. Training, bursaries and further education	1,820	35,621	2,377	39,818	-	39,818	45,950	6,132	44,496
8. Welfare foods	266	-	-	266	-	266	266	-	260
9. Grants to voluntary bodies	241	-	6,663	6,904	-	6,904	7,755	851	7,065
10. Food Safety Promotion Board	34	-	2,535	2,569	-	2,569	2,160	(409)	2,136
11. Institute of Public Health in Ireland	-	-	352	352	-	352	335	(17)	352
12. EU Community Initiatives	5	-	725	730	(571)	159	768	609	373
13. Special Initiatives	-	-	643	643	-	643	643	-	130
Settlement of NICS equal pay claims	-	-	-	-	-	-	-	-	2,372

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

	2010-11								2009-10
	Outturn						Estimate		Prior year outturn
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	
	£000	£000	£000	£000	£000	£000	£000	£000	
Annually Managed Expenditure (AME)									
14. Hosp, community health and personal social services	-	(436)	-	(436)	-	(436)	15,666	16,102	11,792
Non-budget									
15. Health and Social Care Trusts	-	-	3,142,462	3,142,462	-	3,142,462	3,220,254	77,792	3,186,922
16. Health service contributions	-	-	-	-	(450,000)	(450,000)	(450,000)	-	(475,632)
17. Business Service Organisation	-	-	18,203	18,203	-	18,203	30,345	12,142	28,802
18. NI Blood Transfusion Service	-	-	132	132	-	132	-	(132)	265
19. NI Guardian ad Litem Agency	-	-	3,743	3,743	-	3,743	3,642	(101)	3,579
20. NI Medical and Dental Training Agency	-	-	13,123	13,123	-	13,123	10,782	(2,341)	9,657
21. Northern Ireland Practice and Education Council	-	-	1,352	1,352	-	1,352	1,377	25	1,441
22. NI Social Care Council	-	-	3,051	3,051	-	3,051	3,047	(4)	3,126
23. Patient Client Council	-	-	1,900	1,900	-	1,900	1,659	(241)	1,017
24. Regulation and Quality Improvement Authority	-	-	6,348	6,348	-	6,348	6,273	(75)	6,120
25. Notional charges IFRS prior period adjustments	6,624	-	-	6,624	-	6,624	7,350	726	8,306
	-	-	-	-	-	-	-	-	849
Total Request for Resources A	37,773	1,058,218	3,203,609	4,299,600	(497,650)	3,801,950	3,964,949	162,999	4,398,412
Request for Resources B: Departmental expenditure in DEL									
1. Fire services	175	107	-	282	-	282	335	53	212
2. Settlement of NICS equal pay claims	-	-	-	-	-	-	-	-	8
Non-budget:									
3. Northern Ireland Fire and Rescue	-	-	80,949	80,949	-	80,949	91,500	10,551	84,222
Total Request for Resources B	175	107	80,949	81,231	-	81,231	91,835	10,604	84,442
Resource Outturn	37,948	1,058,325	3,284,558	4,380,831	(497,650)	3,883,181	4,056,784	173,603	4,482,854

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

Explanation of variation between Estimate and Outturn (note 2)

	Variance £'000	Explanation
A1. Policy development, hospital, community health and personal social services and family health services (part)	49,422	Attributable to a change in the split of resources between direct HSCB and Trust expenditure from when the Spring Supplementary Estimate was written.
A3. Family Health Service (demand led) pharmaceutical services	5,385	Due to a reduction in expenditure on pharmacy remuneration outturn from forecasts used to prepare the Spring Supplementary Estimate.
A4. Family Health Service (demand led) dental services	(2,954)	Attributable to an increase in dental expenditure from forecasts used to prepare the Spring Supplementary Estimates.
A6. Other Centrally Financed Services	2,658	Attributable to budget reallocations after the Spring Supplementary Estimate was set
A7. Training, bursaries and further education	6,132	Attributable to budget reallocations after the Spring Supplementary Estimate was set
A9. Grants to voluntary bodies	851	Easements on centrally managed grants to voluntary bodies' budgets reallocated across other budgets after the Spring Supplementary Estimate was set.
A10. Food Safety Promotion Board	(409)	Due to an increase in resource allocation to the Food Safety Promotion Board from the level set in the Spring Supplementary Estimate
A12. EU Community Initiatives	609	Easements declared on EU Community initiative's budget following preparation of the Spring Supplementary Estimate.
A14 Annually Managed Expenditure (AME)	16,102	Due to outturn on impairments and non cash provision charges being lower than Annually Managed Expenditure (AME) budget.
A15. Health and Social Care Trusts	77,792	Due to actual Trust cash draw down being lower than forecasts used to prepare the Spring Supplementary Estimates
A17. Business Service Organisation	12,142	Due to a revised process for the recharging of DIS staff, the cash drawdown was lower than estimate.
A18. NI Blood Transfusion Service	(132)	Cash draw in respect of capital allocation to Northern Ireland Blood Transfusion Service.
A20. NI Medical and Dental Training Agency	(2,341)	Direct cash draw by Northern Ireland Medical and Dental Training Agency higher than estimated.
A23. Patient Client Council	(241)	Direct cash draw by Patient Client Council higher than estimated.
B1. Fire services	53	Cash draw down by Fire Service lower than estimated
B3. Northern Ireland Fire and Rescue Service	10,551	Cash draw by Northern Ireland Fire and Rescue Service lower than estimated

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

3.1 Reconciliation of net resource outturn to net operating cost

	Note	2010-11			2009-10 Restated
		Outturn	Supply Estimate	Outturn compared with Estimate	Outturn
		£000	£000	£000	£000
Net resource outturn	2	3,883,181	4,056,784	173,603	4,482,854
Changes in accounting policy		-	-	-	(67,105)
Other Adjustments		-	-	-	16
Non supply income (CFERs)	5	(19,264)	-	19,264	(17,047)
Non supply income (Other)		-	-	-	-
EU Receivables written off		-	-	-	65
Non supply expenditure		-	-	-	-
Net operating Cost		3,863,917	4,056,784	192,867	4,398,783

3.2 Outturn against final Administration Budget

	2010-11		2009-10
	Budget	Outturn	Outturn
	£000	£000	£000
Gross Administration Budget	32,847	31,324	33,937
Income allowable against the Administration Budget	(1,519)	(320)	(821)
Net outturn against final Administration Budget	31,328	31,004	33,116

4. Reconciliation of net resource outturn to net cash requirement

	Note	2010-11		
		Estimate	Outturn	Net total outturn compared with estimate: saving/(excess)
		£000	£000	£000
Resource Outturn	2	4,056,784	3,883,181	173,603
Capital				
Acquisition of property, plant and equipment	12,13	10,864	5,193	5,671
Investments impairment	15	-	-	-
Investments additions	15	-	-	-
Non Operating Accruing resources				
Proceeds of asset disposals		-	-	-
Investment repayments	15	-	-	-
Accruals Adjustments				
Non-cash items	8,9,10,11	(32,077)	(18,380)	(13,697)
Changes in working capital other than cash	4.1	547,200	524,978	22,222
Changes in payables falling due after more than one year	20	-	-	-
Use of provision	21	7,430	13,851	(6,421)
Excess cash receipts surrenderable to the consolidated fund	5	-	-	-
Net cash requirement		4,590,201	4,408,823	181,378

4.1 Changes in Working Capital other than Cash

	Note	2010-11	2009-10 Restated
		£000	£000
(Increase)/Decrease in Inventories	16	(6)	3
(Increase) in Trade Receivables	17	(9,182)	(21,200)
(Decrease)/Increase in Trade Payables	20	(513,997)	527,112
Movement in CFERs included in trade receivables	17	123	(65)
Movement in amounts due from the Consolidated Fund in respect of supply	17	566	(12,826)
Movement in HSC Superannuation Scheme Payable/Receivable	17,20	(180)	-
Movement in Payables for amounts issued from the Consolidated Fund for supply but not spent at year end	20	-	-
Movement in Payables for Consolidated Fund Extra receipts due to be paid to the Consolidated Fund:			
received	20	(2,179)	11,050
receivable	20	(123)	65
Total changes in working capital other than cash		(524,978)	504,139

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

Item	Variance £'000	Explanation
Acquisition of fixed assets	5,671	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Changes in Non Cash	(13,697)	Lower than forecast movements in RPA and Clinical Negligence provisions and impairments
Changes in working capital other than cash	22,222	Movement in working capital is lower than estimated
Use of provision	(6,421)	Higher utilisation of Clinical Negligence provisions than was estimated within HSCB

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 2010-11		Outturn 2010-11	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Operating income and receipts - excess Accruing Resources		-	-	14,588	<i>14,588</i>
Other operating income and receipts not classified as Accruing Resources		-	-	4,676	<i>4,553</i>
EU Receivables written off		-	-	-	-
Non Operating income & receipts - excess Accruing Resources	7	-	-	19,264	<i>19,141</i>
		-	-	85	<i>85</i>
Total income payable to the Consolidated Fund		-	-	19,349	<i>19,226</i>

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.

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

	Note	2010-11	2009-10
		£000	Restated £000
Operating income	11	516,917	536,418
Income netted off in gross sub head grossed up in Statement of Comprehensive Net Expenditure		(3)	-
Adjustments for transactions between RfRs		-	-
Gross income		516,914	536,418
Non supply income (other than CFER's)		-	-
Changes in accounting policy		-	1
Other Adjustments		-	135
Income authorised as accruing resources		(497,650)	(519,572)
Operating income payable to the Consolidated Fund	5	19,264	16,982

7. Non-operating income - Excess Accruing Resources

	2010-11	2009-10
	£000	£000
Principal repayments of voted loans	-	-
Proceeds on disposal of property, plant & equipment	85	-
Other (analysed as appropriate)	-	-
Non operating income - excess accruing resources	85	-

8. Staff numbers and related costs

Staff costs comprise:

	2010-11				2009-10
	Total	Permanently employed staff	Others	Ministers	Total
	£000	£000	£000	£000	£000
Wages and salaries	56,225	51,029	5,158	38	57,039
Social security costs	4,188	3,882	301	5	4,156
Other pension costs	8,699	8,160	530	9	12,513
Subtotal	69,112	63,071	5,989	52	73,708
Less recoveries iro outward secondments	(4,554)	(4,554)	-	-	(6,378)
Total net costs*	64,558	58,517	5,989	52	67,330
Of which:					
Core Department	34,196	32,400	1,744	52	34,709
Less recoveries iro outward secondments	(4,675)	(4,675)	-	-	(5,821)
Net Core Department	29,521	27,725	1,744	52	28,888

2010-11	2009-10
£000	£000

*Of the total, these amounts have been charged to capital

-	-
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Seconded staff recoveries include recoveries in respect of Directorate of Information Systems (DIS) and Superannuation staff seconded into Business Service Organisation (BSO).

The Principal Civil Service Pension Scheme (Northern Ireland)[PCSPS(NI)] is an unfunded multi-employer defined benefit scheme but the DHSSPS is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details of this valuation are available in the PCSPS (NI) resource accounts.

For 2010-11, employer's contributions of £4.8m were payable to the PCSPS(NI) (2009-10 £4.8m) at one of four rates in the range 18 to 25 per cent (2009-10: 16.5 to 23.5 per cent) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer's contributions every four years following a full scheme valuation. At 1 April 2008 the salary bands were revised but the rates remained the same. The employer's contribution changed from 1st April 2010, these reflect benefits as they are accrued, not when costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. There were no employer's contributions in 2010-11 (2009-10:£nil) paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0 to 12.5 per cent of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay.

Six persons (2009-10: two persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £12,136 (2010-10: £2,992).

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 Account

Departmental Strategic Objective	2010-11 Number				2009-10 Number Restated
	Total	Permanently employed staff	Others	Ministers	Total
Request for Resources A	1,466	1,292	173	1	1,630
Request for Resources B	9	9	-	-	10
less staff engaged on capital projects	-	-	-	-	-
less outward seconded staff	(105)	(105)	-	-	(174)
Total	1,370	1,196	173	1	1,466

Of which:

Core Department 704 Whole Time Equivalent (WTE). (2009-10:719)

Core Staff numbers include 53 Whole Time Equivalent (WTE) staff seconded in to the Department and 112 (WTE) seconded out from the Department to other bodies, mainly in respect of Directorate of Information Systems (DIS) and Superannuation staff which transferred to Business Services Organisation (BSO) in 2009-10.

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

	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<£10,000	-	-	-	4	-	4
£10,001 - £25,000	-	-	-	13	-	13
£25,001 - £50,000	-	-	4	19	4	19
£50,001 - £100,000	-	-	1	19	1	19
£100,001- £150,000	-	-	-	15	-	15
£150,001- £200,000	-	-	-	14	-	14
£200,001- £250,000	-	-	-	8	-	8
£250,001- £300,000	-	-	-	6	-	6
£300,001- £350,000	-	-	-	5	-	5
£350,001- £400,000	-	-	-	1	-	1
Total number of exit packages by type	-	-	5	104	5	104
	£000	£000	£000	£000	£000	£000
Total resource cost	-	-	240	11,928	240	11,928

The table above shows Redundancy and other departure costs in respect of the Core Department (2010-11 three cases totalling £115k ; 2009-10 nil) , the HSCB (2010-11 nil; 2009-10 seventy six cases totalling £9.1m) and the PHA (2010-11 two cases totalling £125k; 2009-10 twenty eight cases totalling £ 2.8m).

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 are met by the pension schemes and are not included in the table.

9. Other Administration Costs

	Note	2010-11		2009-10 Restated	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Rentals under operating leases		32	32	7	7
Interest charges		-	-	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		-	-	-	-
Staff related costs		703	703	851	851
Accommodation Costs		70	70	228	228
Office Services		816	816	1,025	1,025
Contracted Services		783	783	773	773
Professional Costs		395	395	454	454
Other Admin Expenditure		513	513	634	634
		3,312	3,312	3,972	3,972
Non-Cash Items					
Depreciation		32	32	39	39
Amortisation		50	50	108	108
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		85	85	52	52
Auditors' remuneration and expenses		101	101	103	103
Provision provided for in year	21	(4)	(4)	9	9
Unwinding of discount on provisions	21	-	-	-	-
Permanent diminution in value		-	-	(3)	(3)
Accommodation costs		3,945	3,945	5,170	5,170
Other indirect charges and services		2,526	2,526	2,982	2,982
Total Non-Cash Items		6,735	6,735	8,460	8,460
Total		10,047	10,047	12,432	12,432

In line with HM Treasury Guidance, cost of capital costs are no longer accounted for from 2010-11 onwards. 2009-10 non-cash costs have been restated to reflect this.

10. Programme Costs

	Note	2010-11		2009-10 Restated	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Request for Resources A					
Rentals under operating leases		-	286	-	317
Interest charges		-	-	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		295	5,364	217	5,914
EU Grants		571	571	848	848
Other Grants and Disbursements		3,248,014	4,202,776	3,799,619	4,736,978
		3,248,880	4,208,997	3,800,684	4,744,057
Non Cash Items					
Depreciation		621	3,351	684	3,147
Amortisation		-	567	3	392
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		27	32	175	219
Cost of capital charges		-	-	-	-
Auditors' remuneration and expenses		-	73	-	92
Other indirect charges and services		-	-	-	-
Provision provided for in year	21	(7,835)	(1,800)	1,863	11,064
Unwinding of discount on provisions	21	-	1,070	-	1,215
Permanent diminution in value		8,329	8,329	4,267	4,612
Total Non-Cash Items		1,142	11,622	6,992	20,741
Total for Request for Resources A		3,250,022	4,220,619	3,807,676	4,764,798
Request for Resources B					
NI Fire & Rescue Service		81,056	81,056	84,263	84,263
Total for Request for Resources B		81,056	81,056	84,263	84,263
Total		3,331,078	4,301,675	3,891,939	4,849,061

In line with HM Treasury Guidance, cost of capital costs are no longer accounted for from 2010-11 onwards. 2009-10 non-cash costs have been restated to reflect this.

11. Income

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

Core Department	2010-11			2009-10
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	49	-	49	380
Fees and charges to other departments	320	-	320	384
Central administration and miscellaneous services	-	-	-	57
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	369	-	369	821
Programme income:				
Fees and charges to external customers	4,355	-	4,355	5,437
EU Income	570	-	570	751
Miscellaneous Grants and Disbursements	-	-	-	-
Health & Social Services Grants and Disbursements	469,304	-	469,304	481,568
Family Health Services receipts	-	-	-	-
Profit on disposal of non-depreciable property, plant and equipment	3-	-	3-	-
Total programme income	474,232	-	474,232	487,756
Total	474,601	-	474,601	488,577

Programme income includes £4.4m (2009-10: £5.4m) fees and charges to other Departments in respect of staff costs recharged, due to the transfer of functions to the Business Services Organisation (BSO).

Health & Social Services Grants and Disbursements include National Insurance contributions. (2010-11 £465m, 2009-10 £476m)

11. Income

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

Consolidated	2010-11			2009-10
	Request for Resources A	Request for Resources B	Total	Restated Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	49	-	49	380
Fees and charges to other departments	320	-	320	384
Central administration and miscellaneous services	-	-	-	57
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	369	-	369	821
Programme income:				
Fees and charges to external customers	3,478	-	3,478	5,437
EU Income	570	-	570	751
Miscellaneous Grants and Disbursements	24,587	-	24,587	22,578
Health & Social Services Grants and Disbursements	470,630	-	470,630	483,693
Family Health Services receipts	17,280	-	17,280	23,138
Profit on disposal of non-depreciable property, plant and equipment	3-	-	3-	-
Total programme income	516,548	-	516,548	535,597
Total	516,917	-	516,917	536,418

Miscellaneous Grants & Disbursements includes income from Department of Education to HSCB for Surestart and Early Years (2010-11: £23,922k, 2009-10: £22,186k)

11.1 Fees and charges information

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

Core	2010-11			2009-10		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	4,675	4,675	-	5,821	5,821	-
Other	-	-	-	-	-	-
Total	4,675	4,675	-	5,821	5,821	-

Consolidated	2010-11			2009-10		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	4,554	4,554	-	6,378	6,378	-
Other	-	-	-	-	-	-
Total	4,554	4,554	-	6,378	6,378	-

12. Consolidated Property, plant and equipment 2010-11

	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 2010	61,562	23,845	340	17,521	29,104	53	2,614	135,039
Restatement of Opening Balance	-	-	-	-	-	-	-	-
Opening balances at 01 April 2010	61,562	23,845	340	17,521	29,104	53	2,614	135,039
Additions	-	346	-	3,317	1,065	-	-	4,728
Donations	-	-	-	-	-	-	-	-
Disposals	-	-	-	(1,137)	(484)	-	-	(1,621)
Transfers	3,491	(2,113)	-	(764)	3	(49)	-	568
Impairments	(749)	2	-	-	(7,393)	-	-	(8,140)
Reclassifications	(85)	891	-	-	-	-	(2,140)	(1,334)
Indexation	(9,228)	716	8	19	24	-	-	(8,461)
Revaluations	686	(1,401)	-	(201)	1	(4)	10	(909)
At 31 March 2011	55,677	22,286	348	18,755	22,320	-	484	119,870
At 01 April 2010	-	1,015	-	10,228	580	27	692	12,542
Restatement of Opening Balance	-	-	-	-	-	-	-	-
Opening balances at 01 April 2010	-	1,015	-	10,228	580	27	692	12,542
Charged in year	-	864	11	2,460	20	2	26	3,383
Disposals	-	-	-	(1,129)	(456)	-	-	(1,585)
Transfers	-	(82)	-	(800)	13	(29)	-	(898)
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	(1,053)	-	-	-	-	(281)	(1,334)
Indexation	-	50	-	12	-	-	-	62
Revaluations	-	(23)	-	(52)	1	-	15	(59)
At 31 March 2011	-	771	11	10,719	158	-	452	12,111
Net Book Value at 31 March 2011	55,677	21,515	337	8,036	22,162	-	32	107,759
Net Book Value at 01 April 2010	61,562	22,830	340	7,293	28,524	26	1,922	122,497
Asset financing:								
Owned	55,677	21,515	337	8,036	22,162	-	32	107,759
Finance leased								
On-balance sheet (SoFP) PFI and other service concession arrangements contracts								-
Net book value at 31 March 2011	55,677	21,515	337	8,036	22,162	-	32	107,759

12. Consolidated Property, plant and equipment 2009-10 (Restated)

	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 2009	62,731	25,303	322	15,509	14,815	48	2,624	121,352
Restatement of Opening Balances - Other	-	-	-	(24)	1	-	-	(23)
Opening balance - restated	62,731	25,303	322	15,485	14,816	48	2,624	121,329
Additions	-	-	-	3,459	14,963	-	31	8,425
Donations	-	-	-	-	-	-	-	-
Disposals	-	(77)	(99)	(1,978)	-	-	-	(2,154)
Transfers	(925)	50	-	30	-	-	10	(835)
Impairments	(130)	(348)	2	6	(684)	-	-	(1,154)
Reclassifications	393	-	-	-	-	-	-	393
Indexation	(915)	(1,773)	-	524	9	5	(272)	(2,422)
Revaluations	408	690	115	(5)	-	-	249	1,457
At 31 March 2010	61,562	23,845	340	17,521	29,104	53	2,614	135,039
Depreciation								
At 01 April 2009	-	3,617	-	9,529	179	18	590	13,933
Restatement of Opening Balances - Other	-	-	-	12	-	-	-	3
Opening balance - restated	-	3,617	-	9,530	181	18	590	13,936
Charged in year	-	617	-	2,070	398	7	94	3,186
Disposals	-	-	-	(1,695)	-	-	-	(1,695)
Transfers	-	50	-	40	-	-	59	5
Impairments	-	(16)	-	3	-	-	-	(13)
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	(90)	-	280	1	2	3	196
Revaluations	-	(3,163)	-	-	-	-	-	(3,163)
At 31 March 2010	-	1,015	-	10,228	580	27	692	12,542
Net Book Value at 31 March 2010	61,562	22,830	340	7,293	28,524	26	1,922	122,497
Net Book Value at 01 April 2009	62,731	21,686	322	5,955	14,635	30	2,034	107,393
Asset financing:								
Owned	61,562	22,830	340	7,293	28,524	26	1,922	122,497
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Net book value at 31 March 2010	61,562	22,830	340	7,293	28,524	26	1,922	122,497
Asset financing:								
Owned	62,731	21,686	322	5,955	14,635	30	2,034	107,393
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Net book value at 01 April 2009	62,731	21,686	322	5,955	14,635	30	2,034	107,393

12.1 Analysis of property, plant and equipment

The net book value 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 2011	52,319	11,127	337	160	22,162	-	-	86,105
Public Health Agency at 31 March 2011	-	-	-	216	-	-	13	229
HSCB at 31 March 2011	3,358	10,388	-	7,660	-	-	19	21,425
	55,677	21,515	337	8,036	22,162	-	32	107,759
Core Department at 31 March 2010	56,127	11,916	340	105	28,524	-	-	97,012
Public Health Agency at 31 March 2010	-	-	-	175	-	-	24	199
HSCB at 31 March 2010	5,435	10,914	-	7,013	-	26	1,898	25,286
	61,562	22,830	340	7,293	28,524	26	1,922	122,497
Core Department at 01 April 2009	56,985	9,853	322	348	14,634	-	-	82,142
Public Health Agency at 01 April 2009	-	-	-	84	-	-	24	108
HSCB at 01 April 2009	5,746	11,833	-	5,523	1	30	2,010	25,143
	62,731	21,686	322	5,955	14,635	30	2,034	107,393

Land and Buildings were valued at 31 January 2010 by the Land and Property Services (LPS) in accordance with the Royal Institute of Chartered Surveyors' Statement of Asset Valuation Practice.

During the year land and buildings to be sold were revalued prior to sale. Other tangible assets were revalued using appropriate indices. Core Department Land, Buildings and Dwellings include land (£6.2m), buildings (£2.5m) and dwellings (£336k) which are properties leased to voluntary bodies.

In 2010-11, Core Department Land and Buildings with value of £1,573k were transferred into Assets Held for Sale

12.2 Assets Classified as Held for Sale

	Land			Buildings			Total		
	31 March 2011	31 March 2010	1 April 2009	31 March 2011	31 March 2010	1 April 2009	31 March 2011	31 March 2010	1 April 2009
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Opening Balance at 1 April	2,412	3,178	3,748	285	317	267	2,697	3,495	4,015
Transfer in from Non Current Assets	547	-	30	1,026	-	50	1,573	-	80
Transfer out to Non Current Assets	-	(393)	-	-	-	-	-	(393)	-
Disposals of Carrying Value	(30)	-	(600)	(50)	-	-	(80)	-	(600)
Impairments	(163)	(373)	-	-	(32)	-	(163)	(405)	-
Closing Balance at 31 March	2,766	2,412	3,178	1,261	285	317	4,027	2,697	3,495

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 sale proceeds less costs to sell.

At 31 March 2011, there were twenty four land and buildings assets, held by Core Department, which were classified as held for resale with a fair value of £4,027k (2009-10: £2,697k). These properties had been revalued up to fair value.

13 Intangible Assets

13.1 Consolidated Intangible Assets 2010-11

The Department's intangible assets comprise purchased Software Licences and Developed Software.

	Software Licences	Developed Software	TOTAL
	£000	£000	£000
Cost or Valuation			
At 01 April 2010	2,849	1,153	4,002
Restatement of Opening Balances - Other	-	-	-
Opening balance - restated	2,849	1,153	4,002
Additions	465	-	465
Disposals	(31)	(316)	(347)
Transfers	(2,224)	2,856	632
Indexation	5	7	12
Impairments	-	-	-
Revaluations	(5)	147	142
At 31 March 2011	1,059	3,847	4,906
Amortisation			
At 01 April 2010	1,519	568	2,087
Balancing Adjustment	-	-	-
Opening balance - restated	1,519	568	2,087
Charged in year	63	554	617
Disposals	(18)	(248)	(266)
Transfers	(1,018)	1,819	801
Backlog depreciation	4	5	9
Impairments	-	-	-
Revaluations	(3)	17	14
At 31 March 2011	547	2,715	3,262
Net book value at 31 March 2011	512	1,132	1,644
Net book value at 31 March 2010	1,330	585	1,915

13 Intangible Assets

13.2 Consolidated Intangible Assets 2009-10

	Software Licences	Developed Software	TOTAL
	Restated	Restated	
	£000	£000	£000
Cost or Valuation			
At 01 April 2009	3,028	718	3,746
Restatement of Opening Balances - Other	24	-	24
Opening balance - restated	3,052	718	3,770
Additions	250	603	853
Disposals	(459)	(188)	(647)
Transfers	(7)	8	1
Indexation	13	12	25
Impairments	-	-	-
Revaluations	-	-	-
At 31 March 2010	2,849	1,153	4,002
Amortisation			
At 01 April 2009	1,502	362	1,864
Restatement of Opening Balances - Other	-	-	-
Opening balance - restated	1,502	362	1,864
Charged in year	228	272	500
Disposals	(210)	(76)	(286)
Transfers	(7)	3	(4)
Backlog depreciation	6	7	13
Impairments	-	-	-
Revaluations	-	-	-
At 31 March 2010	1,519	568	2,087
Net book value at 31 March 2010	1,330	585	1,915
Net book value at 01 April 2009	1,550	356	1,906

13.3 Analysis of intangible assets

The net book value of intangible assets comprises:

	Software Licences	Developed Software	TOTAL
	£000	£000	£000
Core Department at 31 March 2011	31	53	84
Public Health Agency at 31 March 2011	-	-	-
HSCB at 31 March 2011	481	1,079	1,560
	512	1,132	1,644
Core Department at 31 March 2010	190	191	381
Public Health Agency at 31 March 2010	3	-	3
HSCBs at 31 March 2010	1,137	394	1,531
	1,330	585	1,915
Core Department at 01 April 2009	485	356	841
Public Health Agency at 01 April 2009	6	-	6
HSCBs at 01 April 2009	1,059	-	1,059
	1,550	356	1,906

14 Impairments

	2010-11	2009-10
	£000	£000
Impairment charged to Statement of Comprehensive Net Expenditure within Net Expenditure	8,329	4,609
Impairment charged to Statement of Comprehensive Net Expenditure as Other comprehensive Expenditure.	8,025	226
Total Impairment	16,354	4,835

Property, Plant, Equipment and Intangible assets were revalued according to appropriate indices. The increase in impairment charge in 2010-11 was due to a fall in land values of 15%.

15. 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.

15.1 Investments in other public sector bodies.

	31 March 2011			31 March 2010			1 April 2009		
	Investments	Assets	Liabilities	Investments	Assets	Liabilities	Investments	Assets	Liabilities
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April	2,009,000	-	-	2,009,000	-	-	2,009,000	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Loan Repayments	-	-	-	-	-	-	-	-	-
Loans repayable within 12 months transferred to receivables	-	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-	-
Balance at 31 March	2,009,000	-	-	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.

The Net asset amounts have been restated for the comparative periods due to the restatement of HSC Trust net assets following the change in funding arrangements related to clinical negligence. The total reduction in net assets across all HSC Trusts is £95m at 31 March 2010 (2009: £93m)

The total net assets and results of the Trusts are summarised below:

	31 March 2011	Restated 31 March 2010	Restated 01 April 2009
	£000	£000	£000
Net assets at 31 March	1,910,742	1,898,444	2,018,949
Turnover	223,613	217,310	194,245
Surplus/profit for the year (before financing)	412	215	(601)

As Trusts are now treated as NDPBs and funded with Grant in Aid, which is credited to reserves, turnover now only includes Trusts' other income.

16. Inventories

	31 March 2011		31 March 2010		1 April 2009	
	Core Department	Consolidated	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000	£000	£000
Inventories	-	8	-	2-	-	5

17. Trade receivables and other current assets

	31 March 2011		31 March 2010		1 April 2009	
			Restated		Restated	
	Core Department	Consolidated	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000	£000	£000
Amounts falling due within one year:						
Trade receivables	10,997	13,384	23,929	22,558	121	2,004
Other receivables	38,245	41,300	19,741	24,063	9,332	10,224
Clinical Negligence Central Fund	-	-	-	-	-	-
HSC Superannuation Scheme Receivable	675	675	855	855	855	855
Amounts due from the Consolidated Fund in respect of supply	17,812	17,812	17,246	17,246	30,072	30,072
Current Trade and Other Receivables	67,729	73,171	61,771	64,722	40,380	43,155
Deposits and advances	-	-	-	-	129	129
Prepayments and accrued income	568	2,080	379	1,347	1,250	1,425
Other Current Assets	568	2,080	379	1,347	1,379	1,554
Amounts falling due after more than one year:						
Trade receivables	-	-	-	-	33	-
Other receivables	-	-	-	-	31	31
Clinical Negligence Central Fund	-	-	-	-	-	-
Non Current Trade and Other Receivables	-	-	-	-	34	34
Deposits and advances	-	-	-	-	11	-
Prepayments and accrued income	-	-	-	-	125	125
Other Non Current Assets	-	-	-	-	126	126
Total amounts falling due within one year	68,297	75,251	62,150	66,069	41,759	44,709
Total amounts falling due after more than one year	-	-	-	-	160	160
Total Receivables and Other Assets	68,297	75,251	62,150	66,069	41,919	44,869
Included within Other Receivables is that which will be due to the Consolidated fund once the debts are collected.	259	259	136	136	201	201

Trade and other receivables have been restated for 2009-10 and 2008-09 to reflect the change in accounting treatment of clinical negligence (2009-10 £11.7m; 2008-09 £0.6m)

17.1 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	31 March 2011	31 March 2010	1 April 2009	31 March 2011	31 March 2010	1 April 2009
		Restated	Restated		Restated	Restated
	£000	£000	£000	£000	£000	£000
Balances with other central government bodies	70,439	49,692	39,366	-	-	130
Balances with local authorities	5	-	4	-	-	-
Balances with NHS Trusts	1,545	7,037	1,571	-	-	30
Balances with public corporations and trading funds	-	-	-	-	-	-
Sub total: intra-government balances	71,989	56,729	40,941	-	-	160
Balances with bodies external to government	3,262	9,340	3,768	-	-	-
Total Trade Receivables and Other Current Assets at 31 March	75,251	66,069	44,709	-	-	160

18. Cash and cash equivalents

	31 March 2011		31 March 2010	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Balance at 1 April	(2,727)	(1,054)	(6,515)	3,017
Net change in cash and cash equivalent balances	3,195	1,793	3,788	(4,071)
Balance at 31 March	468	739	(2,727)	(1,054)

	31 March 2011		31 March 2010	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
The following balances at 31 March are held at:				
Office of HM Paymaster General		-	-	-
Commercial banks and cash in hand	468	739	(2,727)	(1,054)
Short term investments		-	-	-
Balance at 31 March	468	739	(2,727)	(1,054)

The Core bank balance as at 31 March 2010 was overdrawn (£2,727k) and has been disclosed separately in Trade Payables in the Statement of Financial Position

19. Reconciliation of Net Cash Requirement to increase/(decrease) in cash

	31 March 2011	31 March 2010
	£000	£000
Net cash requirement	(4,408,823)	(3,923,711)
From the Consolidated Fund (supply) - current year	4,391,011	3,900,619
From the Consolidated Fund (supply) - prior year	17,246	30,072
Amounts due to the Consolidated Fund - received in current year and not paid	19,226	17,047
Amounts due to the Consolidated Fund - received in prior year and paid over in current year	(17,047)	(28,098)
Amounts received and paid on behalf of other Departments	180	-
Adjustment for Non Supply income in excess of non supply expenditure	-	-
Increase/(decrease) in cash	1,793	(4,071)

20. Trade payables and other current liabilities

	31 March 2011		31 March 2010 Restated		1 April 2009 Restated	
	Core Department	Consolidated	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000	£000	£000
Amounts falling due within one year:						
Bank overdraft	-	-	2,727	2,727	6,515	6,515
VAT	-	-	-	-	-	-
Other taxation and social security	11	183	13	1,282	10	904
Trade payables	6,092	90,579	503,468	622,084	8,222	24,550
Other payables	-	14,563	-	37,678	-	46,515
Government grants payable	873	873	998	998	896	896
Accruals and deferred income	8,319	120,634	16,695	81,088	11,547	132,053
Clinical Negligence	-	14	-	15	-	-
HSC Superannuation Scheme Payable	-	-	-	-	-	-
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	-	-	-	-	-
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:						
received	19,226	19,226	17,047	17,047	28,097	28,097
receivable	259	259	136	136	201	201
Current Trade and Other Payables	34,780	246,331	541,084	763,055	55,488	239,731
Other Current Liabilities	-	-	-	-	-	-
Amounts falling due after more than one year:						
Non Current Trade and Other Payables	-	-	-	-	-	-
Other Non Current Liabilities	-	-	-	-	-	-
Total Payables falling due within one year	34,780	246,331	541,084	763,055	55,488	239,731
Total Payables falling due after more than one year	-	-	-	-	-	-
Total Trade Payables and Other Current Liabilities	34,780	246,331	541,084	763,055	55,488	239,731

In 2009-10 Core Trade Payables included a creditor of £497.2 million for SCAPE. This related to Superannuation contribution adjusted for past experience (SCAPE). This was a one off contribution from Treasury to compensate for underfunding of the Superannuation scheme in previous years.

Trade and other payables have been restated for 2009-10 and 2008-09 to reflect the change in accounting treatment of clinical negligence (2009-10 £39m; 2008-09 £28m)

20.1 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	31 March 2011	31 March 2010	1 April 2009	31 March 2011	31 March 2010	1 April 2009
		Restated	Restated		Restated	Restated
	£000	£000	£000	£000	£000	£000
Balances with other central government bodies	25,513	521,380	51,580	-	-	-
Balances with local authorities	561	2	3	-	-	-
Balances with NHS Trusts	25,634	18,487	13,412	-	-	-
Balances with public corporations and trading funds	109	-	3-	-	-	-
Sub total: intra-government balances	51,817	539,869	64,998	-	-	-
Balances with bodies external to government	194,514	223,186	174,733	-	-	-
Total Trade Payables and Other Liabilities at 31 March	246,331	763,055	239,731	-	-	-

21. Provisions for liabilities and charges

Core	Early departure costs	Clinical Negligence	Review of Public Administration	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2009 (restated)	48	517	20,510	-	654	21,729
Change in discount rate	-	-	-	-	-	-
Provided in the year	7	-	-	2,380	5	2,392
Provisions not required written back	(3)	(517)	-	-	-	(520)
Provisions utilised in the year	(45)	-	(11,497)	-	(124)	(11,666)
Unwinding of discount	-	-	-	-	-	-
Balance at 1 April 2010 (restated)	7	-	9,013	2,380	535	11,935
Change in discount rate	-	-	-	-	-	-
Provided in the year	-	-	-	-	1,467	1,467
Provisions not required written back	(4)	-	(9,013)	(289)	-	(9,306)
Provisions utilised in the year	(3)	-	-	(2,085)	(48)	(2,136)
Unwinding of discount	-	-	-	-	-	-
At 31 March 2011	-	-	-	6	1,954	1,960

Consolidated	Early departure costs	Clinical Negligence	Review of Public Administration	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2009 (restated)	11,343	30,175	20,510	-	7,736	69,764
Change in discount rate	-	-	-	-	-	-
Provided in the year	1,182	15,791	-	2,380	374	19,727
Provisions not required written back	(1,161)	(7,272)	-	-	(221)	(8,654)
Provisions utilised in the year	(596)	(7,330)	(11,497)	-	(124)	(19,547)
Unwinding of discount	329	796	-	-	90	1,215
Balance at 1 April 2010 (restated)	11,097	32,160	9,013	2,380	7,855	62,505
Change in discount rate	-	-	-	-	-	-
Provided in the year	1,423	13,605	-	-	2,000	17,028
Provisions not required written back	(615)	(7,406)	(9,013)	(289)	(1,509)	(18,832)
Provisions utilised in the year	(1,077)	(10,150)	-	(2,085)	(539)	(13,851)
Unwinding of discount	236	707	-	-	127	1,070
At 31 March 2011	11,064	28,916	-	6	7,934	47,920

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Review of Public Administration	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000	£000
Within 5 years	5,414	28,213	-	6	3,818	37,451
6 -10 years	4,703	301	-	-	1,744	6,748
Thereafter	947	402	-	-	2,372	3,721
As at 31 March 2011	11,064	28,916	-	6	7,934	47,920

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 PCPS 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 2011 the provision for the Core Department has been fully utilised and the provision for HSCB and PHA is £11.1m

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 27

The Clinical negligence provision has been restated to exclude the provision in relation to HSC Trusts. This is due to the change in the accounting treatment of clinical negligence funding as Grant in Aid in line with NDPB accounting.

The DHSSPS accounts continue to 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. It is important to note that this is an accounting change and the Department still budgets for Trust clinical negligence provision. (2010-11 £99m; 2009-10 £71m)

Review of Public Administration

This provision was set up in 2005/06 to cover the restructuring costs following the establishment of new HSC structures as a result of the Review of Public Administration (RPA). The new HSC structures are now firmly in place and all costs to support the changes have now been met. The provision has therefore been written down to zero at 31 March 2011

Equal Pay

This provision was set up in 2009-10 and represents the Department's expected share of the settlement to be made to staff at AA, AO, EO11 and analogous grades in the NICS as a result of an agreement with NIPSA in respect of equal pay. This provision has now been largely utilised, including a payment of £562k to HMRC. There is a small balance left for a few remaining payments to be made.

Other -Legal

Provision has been made for various legal claims against the Department. The provision

reflects all known claims where legal advice indicates that the claim is likely to be successful and the amount of the claim can be reliably estimated.

Other – Irrecoverable Grants

Included within 'other' are small amounts in respect of grants where conditions for payment have not been met and the Department is unlikely to recover funding.

Other - Hepatitis C Compensation Scheme

This provision was set up in 2004 when the Minister announced details of the Hepatitis C compensation scheme known as the Skipton Fund, to provide payments for people who were infected with Hepatitis C as a result of HSC treatment of blood products. Provision up to 2010 has been made for initial and second stage lump sum payments due to all claimants under this scheme. In March 2011, new recommendations were agreed by Minister for additional financial measures, in line with the outcome of the contaminated Blood Review led by the Department of Health in England. The cost of these additional financial measures is expected to be £1.4m and the provision has been increased accordingly.

22. Notes to the Consolidated Statement of Operating Costs by Departmental Strategic Objectives

Programme grants and other current expenditures have been allocated as follows:

	2010-11	Restated 2009-10
	£000	£000
Request for Resources A	4,220,619	4,764,798
Request for Resources B	81,056	84,263
Total	4,301,675	4,849,061

Capital Employed by Departmental Strategic Objectives at 31 March 2011

	31 March 2011	31 March 2010	1 April 2009
	£000	£000	£000
Request for Resources A	1,904,177	1,378,293	1,866,705
Request for Resources B	-	-	-
Total	1,904,177	1,378,293	1,866,705

23. Capital commitments

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

24. Commitments under leases

24.1 Operating leases

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

Consolidated	31 March 2011	31 March 2010	1 April 2009
		Restated	Restated
	£000	£000	£000
Obligations under operating leases comprise:			
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	1,011	807	585
Later than one year and not later than five years	1,470	1,283	812
Later than five years	254	176	268
	2,735	2,266	1,665
Other			
Not later than one year	-	20	16
Later than one year and not later than five years	-	20	5
Later than five years	-	-	-
	-	40	21

24.2 Finance Leases

The Department has no finance leases

25. Commitments under PFI contracts and other service concession arrangements

The Department does not have any commitments under PFI contracts, or other service concession arrangements.

26. Other Financial commitments

The Department has no other material financial commitments.

26.1 Financial Guarantees, Indemnities and Letter of Comfort

The Department has not entered into any quantifiable guarantees or indemnities.

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

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

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 enquiry 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. The Department has provided such an indemnity to the panel members appointed for the public enquiry into the outbreak of *Clostridium difficile* in Northern Trust hospitals that occurred in 2007/08. The Department, until the end of the extra statutory commitment period, will guarantee all relevant costs arising on foot of any legal action. The proposed extra statutory commitment will remain in place for a period of 18 months after the publication of the inquiry's final report. The Inquiry Report was published on 21 March 2011; therefore, the extra statutory commitment period will end on 21 September

2012. It is believed that the possibility of any payments being made under this indemnity are remote and the potential liability has been assessed as zero.

27. Contingent liabilities

The Department has the following contingent liabilities

Outstanding Grant Letters of Offer

The Department administers grant funding to a number of voluntary and community bodies. Previously at year end the Department has issued a number of Letters of Offer which have been reflected as a contingent liability under IAS37. However as at 31 March 2011 no letters of offer have been issued by the Department, therefore there is no contingent liability for grants.

Special European Union Programme Body

In 2009-10 the Department reflected a contingent liability in respect of a claim by the Special EU Programme body (SEUPB) against DFP which could have had a potential impact on the Department. This issue has now been resolved by DFP and there is no liability, contingent or otherwise on the Department.

Swine flu – Contingent Liability

In 2010-11 the Assembly approved the gift of 196,400 doses of swine flu vaccine from the Department to the World Health Organisation as part of a wider UK donation. This was reflected as a contingent liability within the Department of Health accounts. Therefore there is no contingent liability in respect of this in 2010-11.

EU Grants

The Department has been independently advised of risk based sample error rates for expenditure which is not eligible under EU rules, in respect of both ESF and ERDF funds. These error rates are in excess of EU materiality levels of 2% of expenditure. PEACE II ESF and ERDF Closure Reports have been submitted to the EU Commission as required but it is not yet known whether the Commission will impose any financial correction as a consequence of the reported error rates. In our view the financial correction could be in the region of 5% to 10% amounting to between £425k and £850k

Clinical Negligence Claims

The Department has contingent liabilities of £2.7m representing HSC Board 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 21.

As with provisions, the contingent liability held by the Department in respect of clinical negligence incidents represents the HSCB only. Contingent liabilities held by the HSC Trusts in respect of clinical negligence incidents is £9.9m.

Other

The HSC Board has a contingent liability of £35,000 in respect of Employer's liability.

28. Losses and special payments

28(a) Losses Statement

Each year, significant amounts of waivers and remissions of National Insurance contributions are written-off. Most are reported in the NIF account, but a small proportion is attributed to the health programme and reported in the Resource Account. The figure for 2010-11 was £3,930k (2009-10: £2,198k).

	2010-11 No. of cases	2010-11 £000	2009-10 £000
	143	3,967	2,240
	5	26	-
Claims abandoned	5	1	-
Administrative write-offs *	-	3,930	2,198
Fruitless payments	130	9	41
Stores losses	3	1	1

*Excludes the number of cases of NI Fund Losses. 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.

28(b) Special Payments

	2010-11 No. of cases	2010-11 £000	2009-10 £000
	15	8,237	7,313
Details of cases over £250,000			
Health and Social Care Board			
Birth complications resulting in cerebral palsy	1	3,500	3,500
Birth complications resulting in rhesus disease	1	3,000	-
Birth complications resulting in Erb's palsy	-	-	250
Complications relating to meningitis	1	1,214	-
Birth complications resulting in cerebral palsy	-	-	1,100
Personal injury 3 rd party costs	-	-	282
Personal injury 3 rd party costs	-	-	319

28(c) Other Notes

Since statutory prescription charges were abolished from 1st April 2010, there is no longer a potential loss due to patients incorrectly claiming exemption from charges.

29. 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.

Sean Holland (Acting Chief Social Services Officer) who serves on the Departmental Board is a director of Northern Ireland Cooperation Overseas (NICO) a not-for-profit company. The Department has not had any transactions with NICO in 2010-11. Martin Bradley (Chief Nursing Officer) who serves on the Departmental Board is a board member of the UK Board of Healthcare Chaplains. The Department has not had any transactions with this body during 2010-11. He also represents the UK Chief Nursing

Officers as a board member of the Florence Nightingale Foundation which received payment from the Department of £16,192 during 2010-11.

The Minister Michael McGimpsey is a director in North Down Construction Ltd and North Down Hotels Ltd. North Down Construction has a long standing agreement with the South East Trust (and its predecessors) for offices at 3 Church Street, Newtownards. Open market letting effective 1st November 1995 (10 year lease) and subsequently renewed 1st November 2005 (5 year lease). Currently over holding but due to terminate lease and vacate property by 31st October 2011.

North Down Hotels Ltd has a long standing lease agreement with the South East Trust (and its predecessors) for offices at 39 Regent Street, Newtownards (formerly know as 23-25 Regent Street). Open market letting effective January 1993. Additional space taken in June 1994 (both 5 year leases). Renewal of these leases occurred 1998/99, again in 2003 and finally in June 2008 as a 3 year lease renewal. Original leases still in place from 1993 and 1994. Tenants have advised they will be terminating lease and vacating property in late 2011.

DHSSPS non executive board member Helen Roulston is also a board member of libraries NI. There were no material financial transactions in the 2010-11 financial year between DHSSPS and Libraries Northern Ireland.

There were no other board members, key managers or other related parties who have undertaken any material transactions with the Department during the year.

30. Third-party assets

The Department has no third party assets.

31. Post Balance Sheet Events

There are no post balance sheet events affecting these accounts.

32. Date authorised for issue

The Accounting Officer has authorised these financial statements for issue on 30th June 2011

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.

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.

- Mental Health Review Tribunal for Northern Ireland- this is an independent tribunal constituted under Article 70 of and Schedule 3 to, the Mental Health (NI) Order 1986 (the Order). Its function is to arrange independent hearings throughout Northern Ireland to consider the detention or guardianship of patients under the Order. Secretariat is provided by the NI Court Service under a service level agreement and Mental Health Unit is the Tribunal's sponsor branch within the Department. The Tribunal members themselves are appointed by the Lord Chancellor's Office.
- 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.

- Care Tribunal – this is a tribunal of 3 members dealing with social care appeals cases which meets on an ad hoc basis. Secretariat services are provided by the NI Court Service under a service level agreement with the Department.
- 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 recently established 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 currently being finalised.

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 Department reporting on financial performance and report annually on actual and planned spend on programmes of care and key targets. 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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