Department of Health, Social Services and Public Safety

Resource Accounts
For the year ended 31 March 2013

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

5th July 2013

Any enquiries regarding this document should be sent to us at financial.accountingunit@dhsspsni.gov.uk.

This publication is also available on our website at www.dhsspsni.gov.uk.

Contents

Blank page to enable Director's report to start on next page

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2013

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 2013.

MANAGEMENT

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

Minister

Mr E Poots MLA was the Minister responsible for the Department of Health, Social Services and Public Safety, he was appointed on 16 May 2011.

Permanent Head of the Department

Dr. A 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 2012-2013 is outlined below:

Dr. A McCormick	Permanent Secretary
Mr. J Cole	Deputy Secretary, Health Estates Investment Group
Mrs. C Daly	Deputy Secretary, Health Care Policy Group
Mr. S Holland	Deputy Secretary, Social Care Policy Group
Dr. M McBride	Chief Medical Officer (seconded to the Department from the Belfast Health and Social Care Trust)
Ms. A McLernon	Acting Chief Nursing Officer
Dr. N C Morrow	Chief Pharmaceutical Officer
Mr. D O'Carolan	Chief Dental Officer

Mrs. J Thompson	Senior Finance Director
Ms. H Roulston	Independent Non-Executive Director (left the board 24 Sept 2012)
Dr. C King	Independent Non–Executive Director

DEPARTMENTAL ACCOUNTING BOUNDARY

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

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

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

DEPARTMENTAL REPORTING CYCLE

In line with all NI departments, the DHSSPS reporting cycle commences early in the financial year with the production of the Main Estimates. These establish authority from the Assembly for DHSSPS to incur expenditure up to the limits stipulated. The provisions sought in the 2012-13 estimates were based primarily on the Comprehensive Spending Review (CSR) as set out in the NI Executive's Programme for Government (PfG) 2011-2015, as approved by the NI Assembly in March 2012. The figures in the accounts also reflect any Executive approved changes to the 2013-14 budget, as agreed by the Assembly during 2013. Supplementary Estimates were produced in January 2013 seeking authority for additional resources and/or cash to that previously provided in the Main Estimates for the financial year. Both documents are published and available from Her Majesty's Stationary Office (HMSO).

The Health and Social Care Trust (HSC) is expected to work to meet those priorities set by the Minister for Health, Social Services and Public Safety. The NI Executives Programme for Government 2011 -15 and 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 £4,340m (£4,018m in 2011-12) against Estimate cover of £4,672m (£4,205m in 2011-12). For detailed review

see business review and future development report on pages 7-47. The financial results of the Department are set out on pages 85-144

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 2012-13 accounts.

Contingent Liabilities disclosed under Parliamentary reporting requirements

No disclosures for this reporting period.

Payments to Suppliers

The Department is committed to the prompt payment of bills for goods and services and pays its non-HSC trade creditors in accordance with 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 2012-13 year have found that on average 94.30% were paid on time which represents a marginal improvement of 0.54% on the previous year.

In November 2008, in response to the current economic position, the Minister for Finance and Personnel announced that Northern Ireland Departments would aim to ensure that valid invoices were paid within 10 days. In 2012-13 an average of 83.66 % of the Core Department DHSSPS invoices were paid within 10 days, which represents an improvement of 5.01% 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 2013-14 financial year, the Department will build upon the performance achieved in 2012-13.

The following hyperlink provides details of the departments' prompt payment performance during 2012-13 and allows for comparison to be made with other NI Departments.

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

Pension Liabilities

Past and present employees of the Department are covered by the Principal Civil Service Pension Scheme (PCSPS) (NI). Further details of the scheme can be found within the accounting policy note (Note 1.29) 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 27 of the financial statements.

Audit

The accounts and supporting notes relating to the Department's activities for the year ended 31 March 2013 have been audited by the Northern Ireland Audit Office. The Certificate and Report of the Comptroller and Auditor General is included on pages 83-84. The notional cost of the audit for the year ended 31 March 2013, which pertained solely to audit services, was £105k; this includes the audit fee for the Superannuation Scheme Resource Account.

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 1 July 2013 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 2012-13 and provides narrative on planned future developments. The information is set out under the following headings:

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

SECTION 1 - INTRODUCTION

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

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

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

Strategic Priorities for Health, Social Services and Public Safety

For the overall health, social services and public safety system, the Minister has identified the following key strategic priorities, which include the Department's specific commitments within the NI Executive's Programme for Government 2011-15:

- To improve and protect health and well-being and reduce inequalities, through a focus on prevention, health promotion and earlier intervention;
- To improve the quality of services and outcomes for patients, clients and carers through the provision of safe, resilient and sustainable services;
- Improve the management of long-term conditions in the community, with a view to improving the quality of care provided and reducing the incidence of acute hospital admissions for patients with one or more long term conditions;
- To improve the design, delivery and evaluation of health and social care services through involvement of individuals, communities and the independent sector;
- To improve productivity, by ensuring effective and efficient allocation and utilisation of all available resources in line with priorities; and
- To ensure that the most vulnerable in our society, including children and adults at risk of harm, are looked after effectively across all our services.

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

The Department's Responsibilities

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

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

SECTION 2 – PERFORMANCE OF THE DEPARTMENT

Throughout 2012-13, the Department has been engaged in developing, monitoring and implementing a range of health and social care strategies and policies, including:

Transforming Your Care (TYC)

"Transforming Your Care: A Review of Health and Social Care Northern Ireland" was published by the Minister in December 2011. TYC outlined a future model of care that puts the individual at the centre and not the institution. This includes ensuring that more services are provided in the community and closer to people's homes. TYC is also about prevention, earlier interventions, promoting health and well-being and having more personalised care that is planned and delivered around the needs of the individual, and tailored as far as possible to suit them. TYC is also about ensuring that the HSC system is resilient and safe, and delivers the best possible outcomes well into the future.

TYC involves a series of changes for patients, carers and others involved in the provision and receipt of health and social care services, including:

- **Diversity of provision of service, and more service provision closer to home:** this is at the core of TYC. Implementing TYC will mean a significant shift from the provision of services in hospitals to provision of services in the community, where it is safe and appropriate to do so. Services will regard "home as the hub of care" and be enabled to ensure that people can be cared for at home.
- **Reconfiguration of services**: TYC looks to develop more services closer to home – for example:
    - Diagnostics within GP practices;
    - Outpatient clinics with joint working between the GP, the Consultant and nurses in a primary care setting; and

  - Long term/chronic condition management (with Connected Health) enabling people to have more self-management and support to manage their condition at home.

- **A change of use for residential care**: this is a continuation of a trend, with a change to the type of use for residential accommodation – namely, more short term use rather than long term residents. Whilst some homes will adapt to this changed way of service provision, it may also mean that some residential homes will close, especially where they are nearing their end of use.
- **A greater role for the voluntary and community sectors:** These sectors have much to offer in terms of their expertise and experience and can be a valuable resource. To enable this, greater visibility of recurrent funding is required year-on-year to facilitate better planning, and to provide support in building capacity and capability.
- **Establishment of 17 Integrated Care Partnerships:** Services provided by different parts of the health and social care system need to be better integrated to improve the quality of experience for patients and clients as well as improving safety and outcomes.

A consultation process – "Transforming Your Care: From Vision to Action" - was launched by the Minister in October 2012. The consultation outlined the Minister's proposals for a change in HSC services and set out proposals for changes to the HSC system in order to be able to provide safe, sustainable and accessible care well into the future. The consultation finished in January 2013 and indicated strong support for the proposals from the public and other stakeholders. Whilst this lays a solid foundation for planning the changes, there is also recognition that how the change is implemented will be critical.

As we move forward with TYC, the Department, HSCB, HSC Trusts and many other organisations are developing detailed plans for how the changes will be implemented. Some of these are already happening successfully, such as resettlement of people from long stay mental health institutions through Bamford, or increasing the use of technology to support people with long term conditions, such as diabetes. Other changes will take more time to get started. This includes further, more local, consultation as required.

The TYC report highlighted that some £70m of transitional funding would be required over a three year period in order to facilitate the transformational changes required. In 2012-13, the Executive awarded Invest to Save monies totalling £19m in respect of transitional funding for TYC and other HSC savings initiatives as part of the October 2012 monitoring round. This was used for the development of Integrated Care Partnerships and Service Changes (stroke and reablement), Implementation Support and the implementation of Voluntary Redundancy / Voluntary Early Retirement schemes. A further £28m is required in 2013-14 to continue these schemes and commence new service changes.

Public Health Strategy - improving health and well being

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 geographical areas and between socio-economic

and minority groups. A review of the strategy concluded in 2010 and has informed the development of an updated public health strategic framework - "Fit and Well - Changing Lives", which was published for consultation in July 2012. This framework brings together actions at government level in a reinforcing model to improve health and provide direction for implementation at regional and local level. It adopts a life course approach and is outcomes focused.

The consultation process ended in November 2012 and work is being taken forward in 2013-14 to take account of the consultation responses, to finalise and publish the framework, and to put in place agreed implementation arrangements.

Emergency Preparedness and response

The Department has a responsibility to provide advice and guidance on health related matters to the emergency preparedness structures within Northern Ireland. In 2012-13, the Department contributed to the following key initiatives:

- As part of the 2012 London Olympics, the Department engaged with those athletes and the wider Games family that were based within NI to assist with production of health and social care advice as a component of their preparations for the Games. This involved Departmental engagement with the wider HSC to ensure correct handling of visitors for the duration of the Games, the establishment of Mass Prophylaxis Centres and raising awareness among GPs about public health responsibilities in reporting infectious diseases.

- As part of preparation for the G8 Summit in Fermanagh in June 2013, the Department established emergency preparedness project structures within the HSC and NIFRS (involving 14 health workstreams and 7 NIFRS workstreams), contributed to the specification of provision of HSC and public safety services for the onsite Model of Care (including liaising with other Government Departments, such as the Foreign and Commonwealth Office, the Northern Ireland Office and the Department for Communities and Local Government) and the development of appropriate policy on healthcare and fire/rescue service preparedness.

It is anticipated that the planning of this event should form a good basis on which to plan for the other major events planned for NI in 2013, such as the World Police and Fire Games, the UK City of Culture and the All Ireland Fleadh Cheoil.

Quality improvement

A key driver in maintaining and improving the quality of health and social care across Northern Ireland is the Quality 2020 strategy. This strategy is aimed at ensuring progress is maintained on three key elements of quality care: effectiveness, safety and positive patient experience. The delivery structures for Quality 2020 were established in the summer of 2012 and a revised policy on Personal and Public Involvement was published. Two of the initial key tasks arising from Quality 2020 in relation to research of organising culture and comprehensive management of safety alerts, were completed during 2012-13. A challenge for future periods is the completion of the remaining tranche of tasks related to Quality 2020,

which includes the development of Annual Quality Reports and the Policy Framework for Standards Development.

Pharmacy

The Pharmaceutical Clinical Effectiveness Programme (PCEP)

The Pharmaceutical Clinical Effectiveness (PCE) programme has delivered in excess of £130m efficiencies from the prescribing budget since 2005. The Department transferred the responsibility for the future delivery of PCE to the Health and Social Care bodies (HSC) during 2011-12. The Medicines Policy team in Pharmacy Branch successfully bid for and oversaw the initiation of targeted medicines management work streams, which were innovative and detached from the current commissioning agenda. The targeted work streams were identified by the branch as an "Invest to Save" activity, on the basis of evidence and the potential to deliver significant return on the investment. The work streams focus on procurement, selection of medicines, elderly care, mental health, concordance, medicines waste and integrated medicines management. During 2012-13 the Programme was successful in its objective to implement key elements of these services. Evaluation of the initiatives' performance to date will begin in 2013-14 with subsequent investment funding being retained by the Department until added value is quantified by the HSCB.

Pharmaceutical Staff Development Work

The Department has accepted the recommendations of the 2011 Review of the Development Needs of Pharmaceutical Staff in Hospital Practice and good progress has been made in 2012-13 in seeking to have these implemented. In particular the importance of collaborative and integrated action on training and development particularly in respect of training pre-registration students was noted along with the continued exploration of skill mix options that would facilitate more effective deployment of staff and use and recognition of more specialist skills.

Community Pharmacy Remuneration

Revised arrangements for the reimbursement of prescription medicines were introduced on 1 April 2011. These revised arrangements guarantee a funding stream from profits realised through the procurement of medicines to community pharmacy contractors as part of an overall fair and reasonable remuneration package. Work continues on verifying the amount of profit available and establishing the costs of providing community pharmacy services in Northern Ireland. Against this background, the HSCB is leading negotiations to develop new contractual arrangements for community pharmacy services in Northern Ireland.

Medicines Regulation

The Medicines Regulatory Group (MRG) continues to discharge the Department's statutory responsibilities in respect of medicines related legislation. During 2012-13, the Group was involved in consolidation of a range of medicines legislation resulting in the Human Medicines Regulations 2012, the drafting of Pharmacy Fitness to Practise legislation and in

ongoing work with the Misuse of Drugs Regulations and Accountable Officer legislation. MRG has also continued its compliance and enforcement activity in relation to the protection of public health. It was particularly active in the area of international co-operation allied to countering the illegal supply of medicines particularly focusing on counterfeit medicines and internet medicines sales.

Minimum Care Standards for Regulated Services

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

The Department has published minimum standards for a series of services regulated under Article 38 of the Health & Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003. These include standards for adult day care; residential family centres; nursing homes; nursing agencies; residential care homes; and domiciliary care agencies.

Minimum Standards for Childminding and Day Care for Children Under age 12 were published in July 2012. These standards will be used by Trusts in the registration and inspection of childcare services including childminders; day care; pre-school sessional care; crèches and out of school clubs. Accompanying standards were published for the inspection by RQIA of HSC Trusts in the discharge of these duties.

The Northern Ireland Human Rights Commission (NIHRC) published a report "In Defence of Dignity" on the human rights of older people in nursing homes. The Department led a review of this report which resulted in the decision to fundamentally review minimum standards for nursing homes in the year ahead.

During 2012-13, work commenced on the review of draft standards for children's homes and independent healthcare facilities, which included engagement with service users and providers to ascertain their views. It is anticipated that these standards will be published in October 2013, following public consultation.

The review of standards for nursing homes has begun and consideration is being given to the most effective way of ensuring user involvement in the process. The Department has also committed to supporting the development of standards for fostering agencies in 2013-14.

The publication of standards for children's homes and independent healthcare facilities may lead to additional work associated with implementation. Since the publication of standards for childminding and day care for children under age 12, there has been a significant volume of correspondence on issues associated with implementation and the Department continues to support the HSCB to ensure a consistent approach.

Guidelines and Audit Implementation Network (GAIN)

GAIN was established in 2007 and operates under a Management Statement and Financial Memorandum setting out its aims, objectives and broad governance structures and processes. GAIN committee members are volunteers largely from the HSC. GAIN relies on the engagement and involvement of clinicians in the most part to carry out its work on developing guidelines and performing regional audit. Additionally, the Department has commissioned "top-down" projects, whereby GAIN is asked to undertake a task in line with Departmental policy. Additionally, GAIN also undertakes workstreams involved in the measuring of progress against performance indicators set in Service Frameworks.

On behalf of the Department, GAIN has also commissioned and delivered a range of regional audits and guidelines during 2012-13. The network continues to make an important contribution to quality improvement across the HSC sector, in addition to promoting good practice through an annual conference and publishing the 'Gleanings' magazine biennially.

In 2013-14, GAIN will undergo its first quinquennial review. The review will look at a range of issues including the quality of reports produced and the effectiveness of its governance arrangements.

National Institute for Health and Clinical Excellence (NICE)

NICE is an independent organisation tasked with producing national guidance on good clinical practice and the cost-effective use of NHS resources in England.

On 1 July 2006, the Department established formal links with NICE whereby all Clinical Guidelines and Technology Appraisals published by the Institute from that date would be locally reviewed for their applicability to Northern Ireland (NI) and, where appropriate, endorsed here. The Department does not challenge the robustness of the NICE guidance but rather its applicability in the legal and policy context of NI. This arrangement has ensured access to up-to-date, independent, professional, evidence-based guidance on the value of health care interventions. A new process for the endorsement, implementation, monitoring and assurance of NICE Technology Appraisals and Clinical Guidelines in Northern Ireland (Circular HSC (SQSD) 04/11) came into effect from 28 September 2011.

During 2012-13, the Department endorsed a total of 24 technology appraisals and 46 clinical guidelines. In October 2012, a NICE Implementation Facilitator for Northern Ireland was appointed; they are responsible for engaging at a strategic level with key partner organisations in Northern Ireland to support the implementation of NICE products as required by DHSSPS. Their principal role is to engage with the HSC and other statutory organisations and networks, at a regional and local level, to inform, energise and advise on the use of NICE guidance, and to receive feedback on its value. Additionally, during 2012-13, the NICE Implementation Facilitator contributed to the RQIA baseline review of the implementation processes of HSC Organisations in relation to NICE guidance; it is anticipated that the final report will be published in early 2013-14.

From 1 April 2013, NICE will become a Non-Departmental Public Body, and will change its name to the National Institute for Health and Care Excellence. This is to reflect its new role

in developing social care guidance. In early 2013-14, the RQIA will publish its final report following their baseline review of the NICE implementation processes of HSC Organisations. Once the RQIA findings have been assessed, consideration will be given to whether or not to review or refine the process set out in Circular HSC (SQSD) 04/11.

Social Care Institute for Excellence (SCIE)

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. The Department funds a SCIE Practice Development Manager for Northern Ireland.

One aspect of the Development Manager's role is to ensure that documents relevant to England are modified to take account of the Northern Ireland context. The Development Manager is also responsible for the promotion of the effective use of SCIE guidance and for assisting with projects within the NI context. A component of this was a review of SCIE products to ensure they are fit for Northern Ireland and dissemination in this regard has continued throughout 2012-13. The Department completed a review of "Social Care Governance: A practice workbook for Northern Ireland", and the report and second edition of the workbook was launched in April 2013.

SCIE has been selected as NICE's Collaborating Centre for Social Care. The NICE Collaborating Centre for Social Care will use NICE's methods and processes to develop social care guidance for NICE, which NICE will use as a basis for its quality standards for social care in England. This will commence from 1 April 2013.

Two pieces of Northern Ireland specific work are underway, and will be completed during 2013-14. These are the Regional Review of the Senior Practitioner and Principle Practitioner Social Work grades, and a review of the evidence base on kinship care.

Tobacco-related harm

One of the biggest public health challenges facing Northern Ireland is that of reducing smoking prevalence. While the Department has made significant progress on tobacco control in recent years, largely due to effective partnership working between health and voluntary organisations, smoking remains the single biggest cause of preventable death and illness, killing over 2,300 people here each year. The Department's 10-year Tobacco Control Strategy for Northern Ireland is founded on the principles of preventing people taking up smoking; provision of assistance to help smokers to quit; and to protect people from tobacco-related harm.

Significant investment in health promotion messages and in smoking cessation services has been matched by increased uptake of these services. Increasing numbers of people are setting quit dates year-on-year and surveys have shown that fewer young people are taking up smoking. A comprehensive action plan to accompany the Strategy will be developed by the Public Health Agency and will contain a range of measures including legislation, provision of services, and education and awareness raising.

Legislative proposals include: the introduction of legislation banning displays of tobacco products in large shops; the development of a consultation document on the options for banning smoking in private vehicles, the preparation of a Tobacco Retailers Bill (which was introduced to the Assembly in April 2013) and the potential introduction of standardised packaging for tobacco products;.

Suicide Prevention

The original "Protect Life" suicide prevention strategy has been revised and updated. The refreshed "Protect Life" was published in June 2012 and sets a new aim to "reduce the differential in the suicide rate between deprived and non-deprived areas". The strategy covers the period to March 2014 and places an emphasis on the marked differential in suicide rates between deprived and non-deprived areas, particularly for males in the 15 to 45 age group, whilst maintaining the original strategy's long term goal of reducing suicide rates in Northern Ireland. Independent evaluation of the original Protect Life Strategy was completed in 2012-13 and the evaluation report was published in October 2012. The development of the next phase of suicide prevention policy and a positive approach to mental health promotion will be subject to formal public consultation in 2013, with publication anticipated in 2014.

Breastfeeding

Breastfeeding is a fundamental public health issue because it promotes health, prevents disease and helps contribute to reducing health inequalities. Breastfeeding is accepted by the Department (and the World Health Organisation) as the optimal method for infant feeding. It provides the foundation for a healthy start in life and prevents disease in the short and long-term for both babies and their mothers.

Between May and September 2012, the Department consulted on the 10 Year Breastfeeding Strategy for Northern Ireland, to protect, promote, support and normalise breastfeeding for the period 2012-2022. The Department is currently finalising it consideration of the responses to the consultation and it is anticipated that the Department will publish and launch the Strategy in 2013-14, as well as undertake to progress actions required to introduce legislation to support and protect breastfeeding infants and their mothers in public places.

Bowel Cancer Screening

The Bowel Screening programme was announced in April 2010 and implementation has been rolled out across Northern Ireland on a phased basis. As of January 2012, bowel screening was in place across all Health and Social Care Trusts and from April 2012 it was extended to those up to the age of 71. Bowel cancer screening is the third cancer based screening programme in Northern Ireland, following breast cancer and cervical cancer screening. It is the first cancer screening programme in Northern Ireland to include men. Since the beginning of the programme, uptake of the Bowel Cancer Screening Programme has been approximately 48%, and has increased slightly during public awareness campaigns. The Department considers this to be an important area of focus and in that context, the current Commissioning Plan Direction requires the HSC to "extend the bowel cancer screening programme to invite, in 2013-14, 50% of all eligible men and women aged 60-71, with a screening uptake of at

least 55% in those invited; and will have in place all the arrangements necessary to extend bowel cancer screening to everyone aged 60-74 from April 2014".

Abdominal Aortic Aneurysm (AAA) screening

The Northern Ireland AAA Screening Programme offers AAA screening to all men in their 65th year and was implemented in June 2012 on a phased basis within the Belfast Health and Social Care Trust area. Full roll-out of AAA screening commenced from July 2012 throughout the rest of Northern Ireland. The aim of the AAA screening programme is to reduce AAA-related mortality by providing systematic, population-based screening using a simple ultrasound scan. There is evidence of a significant reduction (45%) in mortality from AAA in those men aged between 65 and 79 years who undergo ultrasound screening. Men older than 65 years will be able to opt into the programme and request screening through the central screening office. Since the AAA Screening Programme was introduced in June 2012, approximately 6,000 men have been screened up to 31 March 2013, giving an uptake rate of 82%. The Department will continue its efforts to maximise the uptake among men aged 65.

Vaccination against pertussis (whooping cough)

In response to a UK-wide rise in cases of pertussis in infants under three months of age, the Department acted on the advice from the Joint Committee on Vaccination and Immunisation (JCVI), which recommended a programme to protect newborn babies against pertussis by vaccinating all pregnant women in the third trimester of pregnancy. The Department therefore worked with the PHA to introduce this programme at short notice in October 2012. Between 1 January and 10 May 2013, there were 2 cases of pertussis in infants less than 3 months of age in Northern Ireland, compared with 17 cases during the same period in 2012. The Department anticipates maintaining the vaccination programme until further recommendations from JCVI.

Healthcare-associated infections (HCAIs)

An objective of the Department is to eliminate the occurrence of preventable HCAIs across the HSC environment. This includes infections resulting from medical care or treatment in hospital, nursing homes or the patient's own home. HCAIs can affect any part of the body, including the urinary system (urinary tract infection), the lungs (puenmonia or respiratory tract infection), the skin, surgical wounds (surgical site infection), the digestive (gastrointestinal) system and even the bloodstream (bacteraemia).

In July 2012, the Department published a Strategy to Tackle Antimicrobial Resistance (STAR). This included the 'Ten Elements' publication which described infection prevention and control (IPC) arrangements in a high-performing Trust. They are intended as an aide-mémoire to help Directors of HSC Trusts to focus on key aspects of IPC in order to strengthen Board-to-ward assurance. The overall Strategy will be complemented by a detailed Northern Ireland action plan, which will be taken forward by the HSCB and the PHA working in partnership with other health bodies. Section 3.1 below details the Healthcare Acquired infections performance against Departmental targets for the current period.

The Department's short term objective is to maintain trusts' focus on reducing HCAIs including: meeting the Ministerial targets for cases of *Clostridium Difficile* infection and MRSA; eliminating the occurrence of preventable HCAIs; and the timely implementation of the recommendations of the RQIA inquiry into the incidents of Pseudomonas infection in neonatal units.

Alcohol and Drug Misuse

The "New Strategic Direction for Alcohol and Drugs Phase 2" was published in January 2012 and aims to prevent and address the harm related to alcohol and drug misuse through: Prevention and Education, Early Identification and Brief Interventions, Harm Reduction, and Treatment and Support. The Department has made good progress in its implementation during 2012-13, including the publication of an alcohol and drug services commissioning framework for consultation, and the roll out of a primary care brief intervention programme.

Areas of focus for 2013-14 include the completion of research on the impact of minimum unit pricing for alcohol, finalisation of the alcohol and drug services commissioning framework, and achieving a more integrated approach to preventing and addressing prescription drug misuse.

Obesity Prevention

The Framework for Preventing and Addressing Overweight and Obesity in Northern Ireland, known as "A Fitter Future for All", stresses the importance of eating a healthy diet in conjunction with greater participation in physical activity to prevent and address obesity. It contains targets to: reduce the level of obesity by 4% and overweight and obesity by 3% in adults by 2022; and to reduce by 3% the level of obesity and a 2% reduction of overweight and obesity in children and young people by 2022.

A Fitter Future for All was launched in March 2012 and good progress has been made in its implementation during 2012-13, including the development and roll out of an obesity public information campaign, progress on food labelling and the development of a commercial weight loss pilot. Areas of focus for 2013-14 include addressing obesity in pregnancy and ensuring that all Departments consider the health implications of their policies, especially in relation to addressing the obesogenic environment**.**

Other matters

- **Standards development –** The development, publication and review of standards for the HSC is critical to ensuring the quality of care. During 2012-13, there was significant progress in the area of Service Frameworks, which set out, at high level, the type of service that patients and users should expect and is linked to recognised good practice guidance. The Departmental plan is that the Frameworks will promote and secure better integration of service delivery along the whole pathway of care from prevention of disease/ill health to diagnosis/treatment and rehabilitation, and on to end of life care. The initial launch related to the Learning Disability Service Framework and the publication from consultation of the Older People's Service Framework.

- **Medical Advisory -** In response to a range of public inquiries, the Department identified the need to develop policy on some aspects of medical practice. This included proposals for improvement of death certification arrangements and General Practitioner registration and revalidation of fitness to practise requirements. The 'Confidence in Care' Programme as an element of this policy was completed in 2012-13, which included the introduction of the legal requirement to ensure medical revalidation, commencing in December 2012. The revalidation exercise was agreed by the four UK Health Departments and was founded on a fundamental principle; that "Patient safety" is the paramount consideration".

Primary Care

- **Living with Long Term Conditions Policy Framework -** In April 2012, the Department published a Policy Framework for adults living with long term conditions. The overall aim of the Policy Framework, which is applicable across a wide range of conditions and all care settings, is to help key stakeholders (HSC Commissioners, Trusts, the PHA, 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. A Regional Long Term Conditions Implementation Steering Group has been established, led jointly by the Public Health Agency and the Health and Social Care Board and including representation from the Long Term Conditions Alliance NI. The Implementation Steering Group is chaired by Dr Carolyn Harper, Director of Public Health (PHA). A key objective of the Steering Group is to develop a 5 year Action Plan identifying and prioritising how implementation of the good practice outlined in the six development areas in the Policy Framework can be taken forward. The draft Action Plan should be developed and agreed with DHSSPS by November 2013. The Implementation Steering Group will also support the achievement of the Programme for Government 2011-2015 commitment and associated milestones for patient education/self management programmes.

- **Family Practitioner Services** – during 2010 work proceeded on drawing up, for piloting, new draft contracts for general dental services, orthodontics and oral surgery focusing initially on oral surgery. The oral surgery contract pilot commenced in April 2013 and the lessons learnt from this process will influence the final development of the orthodontic and general dental services pilots.

  Work was also taken forward during 2012-13 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. This document was issued for public consultation over the summer of 2011. The responses to the consultation were analysed and the final version of the strategy was issued in October 2012. The Department will continue to monitor the implementation of the strategy, which will be co-led by the HSC Board and the Public Health Agency.

- **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.

  As at the end of March 2013, over 1,500 people have benefited from RTM (number of installations). The uptake in 2012-13 has been lower than targeted (289,000 monitored patient days against a target of 400,000), and in that context, the Centre for Connected Health and Social Care, in liaison with the HSC Trusts and the TF3 consortium, is working on a roadmap to improve uptake.

  Notwithstanding this, Telemonitoring NI was recognised at the 2012 Telecare Services Association (TSA) Crystal Awards. The TSA Crystal Awards have been designed to recognise excellence within telecare and telehealth across the UK. Telemonitoring NI won not only the 2012 award for '*Innovative Product or Service Development*' which is in recognition of creative or innovative technology that has made a real difference to service delivery, but was also the overall Crystal Award winner, recognising the very best in telehealth and telecare.

Acute and Regional Services

- **Stroke Services** – During 2012-13, a number of service developments were taken forward by the Regional Stroke Implementation Group across all Health and Social Care Trusts to improve stroke services. These include service reorganisation and redesign 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.

- **Standards for paediatric surgery** – Standards for paediatric surgery, which incorporate both general paediatric surgery and paediatric ENT (ears, nose and throat) surgery, continued to be implemented throughout 2012-13 in order to:

  - 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.

- **Radiotherapy Provision** – An assessment of projected cancer incidence conducted by the Department suggests that a combination of radiotherapy services in Belfast and a radiotherapy unit in Altnagelvin would best meet the needs of the Northern Ireland population beyond 2016. This would ensure that 90% of the population is within one hour of radiotherapy services. The business planning process for the Altnagelvin development is well advanced. The Stage 2 Outline Business Case (OBC2) for the Radiotherapy Unit at Altnagelvin was approved by DFP in August 2012 and it is anticipated that a full business case will be ready for consideration by DFP in June 2013 (subject to Departmental approval). At this stage, the projected completion and operational date for the Unit remains 2016.

Oral Health Services

- Since the Oral Health Strategy for Northern Ireland was published in 2007, the Department has continued to promote evidence-based programmes to improve the oral health of children in Northern Ireland and reduce health inequalities. These measures include:

    - Fluoride toothpaste schemes for young children in the most deprived areas;
    - Enhanced capitation payments through the General Dental Services (GDS) for children from deprived areas to enable dentists to provide preventive care;
    - A preventive Fissure Sealant scheme in the GDS; and
    - Focusing the work of the Community Dental Service on high priority areas such as providing care for children from socially disadvantaged areas and using evidence-based oral health improvement programmes.

- Since the implementation of these measures, there has been a significant improvement in the oral health of the child population in NI, as shown by a reduction of approximately 30% in the number of extractions under general anaesthetic and the number of fillings provided in the GDS. It is hoped that local data from the Child Dental Health Survey, which is due later in 2013, will confirm these findings.

- The Department is currently supporting a large research trial (the Northern Ireland Caries – Prevention in Practice or NIC-PIP trial) which is investigating the effectiveness and cost-effectiveness of using fluoride varnish and fluoride toothpastes, in a primary care setting, to prevent decay in young children. This three year research trial commenced in 2012 and will follow 1,200 children in 22 practices to see if they develop dental caries or not. This is the first time such a study has been undertaken in Western Europe.

Nursing, Midwifery and Allied Health Professions

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

commissioning continues to be taken forward through professional education strategy and commissioning groups.

- **Support for ward sisters/charge nurses and team leaders:** Following the successful launch of a range of resources aimed at strengthening and supporting both the leadership and management role of ward sisters and charge nurses**,** work has been completed to develop this for use by nurses working in team leader roles within the community.

- **Central Nursing and Midwifery Advisory Committee:** This was reconstituted and reconvened during 2012-13. Work has been taken forward to review progress on the implementation of the Northern Ireland Strategy for Nursing and Midwifery. This will be used to inform the work plan of the committee whose purpose is to provide advice to both the Minister and CNO.

- **Normative staffing:** Work is currently under way to develop a workforce planning framework for nursing and midwifery. The rationale for this work lies in the need for consistent, robust, workforce planning and decision making to support the reform and modernisation agenda. The workforce planning framework is a tool to provide consistency in care delivery across various settings and support the workforce planning decisions that are already in place. Current work is being developed across a number of general and specialist areas including medicine and surgery, emergency department, community settings and midwifery and will eventually be extended to all areas of practice.

- **Recording Care:** A regional record keeping project taken forward in collaboration with the N.I. Practice and Education Council, has progressed the development of a range of resources to improve practice across midwifery and nursing practice. In addition a record for use within the acute sector which has been successfully piloted is ready to be developed into an E nursing record if funding becomes available in the future. Such work would ensure that nursing information sits alongside other electronic tools such as the electronic care record, with the aim of improving how information is shared and reducing duplication. As an extension to this, further work could then be taken forward in the future across all areas of nursing and midwifery and across the range of HSC settings taking account of broader ICT/e health strategies. This will focus on developing and supporting the ICT infrastructure to maximise the use of professional time, sharing of information and to evaluate, plan and develop services into the future**.**

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

- **Nutrition Strategy:** The Department, in conjunction with NIPEC and PCC have established a steering group to evaluate the implementation of a plan to promote good nutrition. A report is expected in June 2013 which will inform further developments in the future.

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

- **Introduction of the Family Nurse Partnership Programme to Northern Ireland:** The Family Nurse Partnership model is an intensive preventive programme for vulnerable, first time young parents that begins in early pregnancy and ends when the child reaches 2 years of age. The first pilot has been successfully introduced to the Western HSC Trust and during 2012-13 a further two sites were introduced to the Belfast and Southern Trusts. The Programme is detailed as a milestone within Programme for Government and within the Departmental Business Plan and Commissioning Directions.

- **Midwife Led Units:** In addition to the continued success of Downpatrick and Lagan Valley free standing Midwife Led Units another unit has been established at the Mater hospital site within the Belfast Trust.

- **Regional Bereavement Care pathway following pregnancy loss, stillbirth or neonatal death:** The Department is currently working with NIPEC, the HSC and lay representatives to undertake a significant review of the current regional care plan. In addition a regional training programme will be developed for health professionals to go alongside the launch of a new care plan.

- **Regional Community Children's Record:** Through the Senior Children's Nurses Network, a regional community record has been produced to support consistency of approach, improved communication and ensure high quality record keeping for children cared for in community.

- **Mental Health Nursing:** An implementation and monitoring process remains in place for the professional framework for mental health nurses - "Delivering Excellence: Supporting Recovery". During 2012-13, the Department supported a regional conference organised by the PHA.

- **Learning Disability Nursing:** 'Strengthening the Commitment', the report of the UK Modernising Learning Disabilities Nursing Review commissioned by the four Chief Nursing Officers to consider, review and shape the future of the Learning Disability Nursing Profession, was launched in April 2012. During 2012-13, work has been taken

forward to develop an action plan to take forward work within Northern Ireland.

- **Strategy for Allied Health Professions:** The Strategy for Allied Health Professionals 'Improving Health and Well Being Through Positive Partnerships' launched by the Minister in February 2012 will be developed into an action plan to take the strategy forward. This will provide a Framework for the development of practice through new and innovative ways of working across the HSC.

- **AHP prescribing:** Existing legislation will be amended during 2013 to underpin the introduction of Independent Prescribing for Physiotherapists and Podiatrists. Once legislation is amended, guidance will be developed and training commissioned to facilitate the introduction of this initiative in NI in 2014 -2015.

- **Podiatric Surgery:** The HSCB and the PHA have developed a specification for commissioning a Podiatry led surgical service for N Ireland with the expectation that a service will be commissioned and in place by 2014-2015.This has the potential to reduce waiting times for Orthopaedic surgery as a means of improving access.

Mental Health, Disability and Adult Social Care

- The Department is progressing appropriate policy and legislation to improve outcomes for people living with disabilities, including mental health, learning and physical disability, and sensory impairment. In addition, it manages policy relating to the care of older people, primarily from a social care perspective. It also has responsibility for policy in relation to domestic and sexual violence, working in collaboration with the Department of Justice.

- During 2012-13, the Department published an Action Plan 2012-15 as part of **Delivering the Bamford Vision**. This Plan took account of progress on the previous 2009-11 Plan, lessons learnt and evidence of best practice. Approximately 80% of the preceding Action Plan was completed. However, it is recognised that further work and time is required to complete the vision for individuals living with a mental health and/or learning disability, and their families and carers.

- The "**Child and Adolescent Mental Health Services:** A Service Model" which set out regional stepped care model of the delivery of Child and Adolescent Mental Health Services (CAMHs) was implemented in July 2012. The Implementation of this model is being led by the HSCB and the HSC Trusts. The approach focuses on the promotion of consistency and expansion of CAMHS services to support early intervention and collaborative working across health and social care, community and voluntary, education and youth justice sectors. This represents a revision to a multi disciplinary approach to the facilitation of CAMHS to the target population.

- **Resettlement:** Patients from long stay hospitals; mental health and learning disability remains a priority, and continues to pose challenges to the Department. However, work is ongoing to complete the resettlement of the target group by the end of March 2015 and to reduce delayed discharges from hospitals.

- The Department leads, on behalf of the NI Executive, on the production of a **Mental Capacity Bill**, which is at an advanced stage of development. This will cover health, welfare and finance decisions and recognises the principle of autonomy in decision making. Where an individual lacks capacity to make a specific decision for him/herself, it is intended that additional protections and safeguards will be put in place. A key challenge for the future will be how the Bamford principles apply in criminal justice settings. The Department of Justice leads on this aspect of the Bill. In addition, whilst the Bill relates only to those aged 16 and over, there remains some debate regarding whether or not it should apply to younger people. The Department continues to engage with stakeholders on this matter.

- The Department leads on the requirement of the Autism Act (Northern Ireland) 2011. A draft **Autism Strategy (2013-2020)** and Action Plan (2013-2015) was published for consultation in December 2012. This cross governmental plan aims to improve outcomes for both children and adults living with autism spectrum disorders, and to fulfil the requirements of the Autism Act.

- A new **Regional Sexual Assault and Referral Centre** (SARC) was completed in 2012-13 and a staged opening of this new facility commenced in May 2013. This facility called "the Rowan" is located on, but separate from, the Antrim Area Hospital site. This centre is part the Programme for Government commitment to improve outcomes for children and adults who are victims of sexual violence. Work commenced in 2012-13 on development of a **new domestic abuse and sexual violence strategy** which will be published for consultation in 2013. This strategy is being developed in collaboration with the Department of Justice.

- **Physical and Sensory Disability:** The Department's Physical and Sensory Disability Strategy and Action Plan 2012-15 was published on 22 February 2012 and is currently being implemented. The Strategy and Action Plan aim to improve outcomes, services and support for people in NI who have a physical, communication and/or sensory disability.

- A multi-agency **Speech and Language Therapy Action Plan** for children and young people was published on 22 March 2011. This Plan aims to improve the delivery of services to children and young people with speech, language and communication needs and its implementation was completed by 31 March 2013.

- 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) was established to drive forward implementation of the Action Plan and it reports regularly to the Minister on progress. Work was completed in September 2012.

- A three stage process on the **Reform of Adult Social Care** was initiated in 2012. Working in collaboration with the Department of Social Development, the Department produced a discussion document called "Who Cares? The Future of Adult Care and Support in Northern Ireland". The Department launched a discussion document "Who

Cares? The Future of Adult Care and Support in NI" in September 2012, as a first step in reviewing the provision and funding of adult care and support in Northern Ireland.

A total of 34 consultation events were held during the 6 month consultation period, which ended on 15 March 2013. Further work will take place in 2013-14 to develop proposals on options for the future of adult care and support.

Family Policy and Looked After Childcare

- **Vulnerable Groups:** The Department continues to implement The Safeguarding Vulnerable Groups (Northern Ireland) Order 2007, which makes provision for Enhanced Disclosure Certificates with Barred List Checks to be carried out on those people seeking to engage in certain paid or voluntary work with children and/or adults known as 'regulated activity'. In September 2012, the Protection of Freedoms Act 2012 made several amendments The Safeguarding Vulnerable Groups (Northern Ireland) Order 2007. One of the changes brought about by the amendments was the introduction of a new 'scaled back' definition of regulated activity, which focuses on those employees and volunteers who have the most intense contact with children and vulnerable adults. In September and October 2012, the Department held stakeholder meetings with six key stakeholder groups to update them in relation to the changes in legislation.

  In December 2012, the Disclosure and Barring Service (DBS) was formed from the merger of the Independent Safeguarding Authority and the Criminal Record Bureau. The DBS is now responsible for maintaining the list of individuals barred from engaging in regulated activity with children and the list of individuals barred from engaging in regulated activity with adults across England, Wales and Northern Ireland (a role was formerly carried out by the Independent Safeguarding Authority). A regulated activity provider must refer to the DBS anyone who has harmed or poses a risk of harm to a child and who has been removed from working (paid or unpaid) in regulated activity, or would have been removed had they not left. The DBS will consider whether the person is unsuitable for future work with vulnerable groups and will make a decision as to whether the person should be placed on the child's barred list, the adult's barred list, or both. It is an offence under The Safeguarding Vulnerable Groups (Northern Ireland) Order 2007, for a regulated activity provider to knowingly engage a person in regulated activity from which they have been barred. It is also an offence for a barred person to seek to engage in regulated activity from which they have been barred.

- **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 and support for young people leaving care. In 2012, the Department published Minimum Kinship Care Standards; Minimum Standards for Leaving Care Services and Minimum Standards for Young Adult

Supported Accommodation Projects in Northern Ireland. The Department is currently involved in drafting Foster Placement and Agencies Regulations, which will subject independent fostering agencies in Northern Ireland to a system of regulation and inspection by the Regulation and Quality Improvement Authority for the first time.

- **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. The Department is continuing its work in relation to the development of new adoption legislation for Northern Ireland. Executive approval to the drafting of a Bill was obtained in January 2013 and the Department is aiming to publish the draft Adoption and Children Bill for consultation in late 2013. Ongoing consultation at official level continues in order to secure agreement to those policy proposals that are cross-cutting across other Departments The HSCB set up the Regional Adoption and Fostering Task Force whose role is to lead HSC Trusts, voluntary organisations and carers to collaborate effectively to provide regionally agreed evidence based services for children, whether they are fostered, adopted or waiting for placement, and to ultimately improve outcomes for these children. The Regional Adoption and Fostering Taskforce has been set up to guide and oversee the work of the Regional Adoption and Fostering Recruitment and Development Team, deliver on specific policy objectives in Care Matters, Adopting the Future and the Board Fostering Strategy through collaboration, and service redesign and development.

  A key proposal arising from Adopting the Future was the creation of an Adoption Regional Information System in summer 2010. The system is a database of approved adopters and children with 'best interests decisions' with a view to identifying the best placements for children. This enables practitioners to match children to prospective parents more quickly than current processes allow. The HSCB took responsibility for the maintenance and funding of the information system in March 2012.

- **Child Protection:** In recognition of the need for a comprehensive, co-ordinated and consistent approach to safeguarding and promoting the welfare of children and young people, the independent Safeguarding Board for Northern Ireland (SBNI) was established in September 2012. The SBNI is a multi-disciplinary, inter-agency body and is the main statutory mechanism for agreeing how members co-operate to deliver safeguarding within Northern Ireland, and for ensuring the effectiveness of what they do to safeguard and promote the welfare of children, which includes sexual abuse.

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

Departmental Guidance in relation to Sexually Active Children is currently being drafted by a targeted Multi-Agency Working Group. It is the Department's intention that this Guidance will be issued for a full public consultation during 2013 with the aim of finalising it by March 2014. The intention in publishing this guidance is to clearly set out how Health and Social Care professionals should respond when under-age sexual activity is brought to their attention and that they must consider child safeguarding, including child protection concerns. The guidance will also make clear the Department's expectations regarding the sharing of information and the approaches which must be adopted by Health and Social Care professionals in respect of children and young people who engage in sexual behaviour which could be potentially harmful.

Oversight of Arm's Length Bodies

During 2012-13, the Department has been taking forward a programme of work to strengthen its oversight of its Arm's Length Bodies (ALBs).

A component of this work has been the development of an Assurance and Accountability Framework. The framework applies to the 16 Health and Social Care Bodies and to the Northern Ireland Fire and Rescue Service. The intention of the framework is to build on and strengthen the arrangements which already exist, to ensure a consistent approach across the Department regarding the sponsorship of our ALBs. A building block of the framework has been the introduction of a uniform approach to the format and structure of the Accountability Officer (Permanent Secretary) sponsored twice yearly accountability meetings with Chief Executives and Chairs of each ALB. Attendance by ALB Chairs at these meetings is now normal practice and the agendas for these meetings reflect the roles which Chairs and their Boards discharge.

Other measures that have been introduced include:

- A pilot self assessment tool for ALB Boards to enable them, amongst other things, to identify their strengths and weaknesses and identify what advice, guidance, training or other support they may need to discharge their roles; and

- A new business planning arrangements for ALBs with the overall objective of moving towards all ALBs having business plans approved and in place by 1 April of the year to which they refer. The main emphasis is on ensuring that the content of each ALBs business plan fully reflects Ministerial/Department priorities.

Over the next year the Department will be further strengthening sponsorship of ALBs by developing guidance on: escalation; the application of Special Measures to an ALB; and key elements of performance monitoring and reporting for all ALBs.

SECTION 3 – HSC, NIAS AND NIFRS PERFORMANCE

3.1 HSC Performance

There were 29 standards and targets set in the Commissioning Direction 2012-13 and progress has been made across a number of areas, including Specialist Drugs, Live Donor Transplants, and Care Management Assessments. However, notable areas where performance in 2012-13 has not been strong are: Inpatient treatment, Cancer Services, Hip Fractures, Admissions and Discharges, and Unscheduled Care.

Specialist Drugs

From April 2012, no patient should wait longer than 9 months to commence NICE approved specialist therapies for rheumatoid arthritis, psoriatric arthritis or ankylosing sponylitis, decreasing to 3 months by September 2012.

- *At end of March 2013, two patients were waiting longer than three months for specialist therapies for rheumatoid arthritis, psoriatic arthritis or ankylosing spondylitis.*

Live Donor Transplants

By March 2013, ensure delivery of at least 50 live donor transplants.

- *There have been 49 live kidney transplants performed between 1st April and 31st March 2013.*

Care Management Assessments

From April 2012, people with continuing care needs wait no longer than 8 weeks for assessment to be completed and have the main components of their care needs met within a further 12 weeks.

- *Cumulatively during 2012-13, 100% of older people with continuing care needs had their assessment completed within eight weeks and 99% had the main components of their care needs met within a further 12 weeks.*

Commencement of AHP Treatment

From April 2012, no patient waits longer than 9 weeks from referral to commencement of treatment.

- *At end of March 2013, 140 patients had been waiting longer than nine weeks from referral to commence AHP treatment.*

Outpatients

From April 2012, at least 50% of patients wait no longer than nine weeks for their first outpatient appointment with no one waiting longer than 21 weeks; increasing to 60% by March 2013 and no one waits longer than 18 weeks.

- *Data for the position at the end of March 2013 report that the number waiting more than nine weeks stood at 19,764 (19.8% of total waiting); and*
- *Data for March 2013 reports 1,670 patients waiting longer than 18 weeks.*

Diagnostic

From April 2012, no patient waits longer than nine weeks for a diagnostic test (13 weeks for a daycase endoscopy), and all urgent diagnostic tests are reported on within 2 days of the test being undertaken.

- *At the end of March 2013 there were 8,778 patients waiting more than nine weeks for a diagnostic test;*
- *At the end of March 2013, there were 1,252 patients waiting over thirteen weeks for a day case endoscopy; and*
- *During March 2013, 90.8% (9,304) of urgent tests were reported on within 2 days.*

Inpatients

From April 2012, at least 50%, of inpatients and daycases are treated within 13 weeks with no one waiting longer than 36 weeks; increasing to 60% by March 2013, and no patient waits longer than 30 weeks for treatment.

- *The number of patients waiting more than 13 weeks at the end of March 2013 was 14,876(31.2% of total waiting); and*
- *At the end of March 2013, there were 1,586 patients waiting more than 30 weeks.*

Healthcare Acquired infections

By March 2013, secure a further reduction of 29% in Clostridium Difficile infection and MRSA bloodstream infection.

- *During 2012-13, there were 411 C-diff episodes, 98 more than the target number of episodes for this period; and*
- *During 2012-13, there were 69 MRSA episodes, 2 more than the target for this period.*

Cancer Services

From April 2012, ensure that 95% of patients urgently referred with a suspected cancer begin their first definitive treatment within 62 days.

- *Provisional data for March 2013 indicates that 87.0% (228) of patients were treated within 62 days of an urgent referral for suspect cancer being received.*

Hip Fractures

From April 2012, 95% of patients, where clinically appropriate, wait no longer than 48 hours for inpatient treatment for hip fractures.

- *During March 2013, 88.4% of patients, where clinically appropriate, waited no longer than 48 hours for inpatient treatment for hip fractures in Northern Ireland.*

Admissions and Discharges

From April 2012, ensure that all learning disability and mental health discharges take place within 7 days of the patient being assessed as medically fit for discharge; 90% of complex discharges from an acute hospital take place within 48 hours; all non-complex discharges from an acute hospital take place within 6 hours; and no discharge from an acute hospital takes more than 7 days.

During March 2013:-

- *At the end of March 2013, 97.9% of mental health inpatients were discharged within 7 days of being assessed medically fit for discharge;*
- *At the end of March 2013, 100.0% of learning disability inpatients were discharged within 7 days of being assessed medically fit for discharge;*
- *84.5% of complex discharges took place within 48 hours;*
- *95.6% of non-complex discharges took place within 6 hours; and*
- *125 discharges took longer than the agreed 7 days.*

Unscheduled Care

From April 2012, 95% of patients attending any Type 1, 2 or 3 A&E Department are either treated and discharged home, or admitted, within 4 hours of their arrival in the department; and no patient attending any emergency department should wait longer than 12 hours.

4 Hour Standard:-

- *Performance Type 1 EDs during March 2013, 66.3% of* patients attending were either treated and discharged home, or admitted, within 4 hours of their arrival in the department;
- *Performance at Type 2 departments in March 2013, 82.9% of patients* attending were either treated and discharged home, or admitted, within 4 hours of their arrival in the department; and
- *Performance at Type 3 departments in March 2013, 100.0% of patients attending were either treated and discharged home, or admitted, within 4 hours of their arrival in the department.*

12 Hour Standard:-

- *Performance Type 1 EDs during March 2013, 965 patients attending waited longer than 12 hours before being either treated and discharged home, or admitted;*
- *Performance at Type 2 departments in March 2013, 56 patients attending waited longer than 12 hours before being either treated and discharged home, or admitted; and*
- *Performance at Type 3 departments in March 2013 , no patients attending waited longer than 12 hours before being either treated and discharged home, or admitted.*

Performance Management going into 2013-14

The priorities and targets detailed in the *Commissioning Plan Direction 2013* are complemented by a number of indicators of performance indicated in a separate *Indicators of Performance Direction* for 2013-14. The *Indicators of Performance Direction* has been produced to ensure that the Health and Social Care sector has a core set of indicators in place, on common definitions across the sector, which enable us to track trends and performance. The HSCB, PHA and Trusts monitor the trends in indicators, taking early and appropriate action to address any variations in unit costs or performance or deteriorating trends in order to ensure achievement of the Ministerial targets.

3.2 Northern Ireland Ambulance Service Performance

This has been a very challenging year for the Northern Ireland Ambulance Service (NIAS). The Trust has worked hard over recent years to improve its response to Category A life-threatening 999 calls and in 2011-12 exceeded the target for responses within the national 8 minute standard set by the Minister. Regrettably, however, NIAS has not been able to sustain that high level of performance during 2012-13, due to the pressures on the unscheduled healthcare system in general and ambulance services in particular.

As in previous years, NIAS achieved a two percent increase in the absolute number of Category A calls responded to within 8 minutes. However, an overall 8.6% increase in demand for response to Category A calls meant that NIAS was able only respond to 68.3% of all Category A calls within 8 minutes. In addition to the increase in activity, other factors such as emergency department congestion resulted in ambulance response capacity being lost in longer turnaround times for ambulances at hospitals and longer journey times as patients in ambulances were diverted past the nearest hospital to one better suited to deal with their need. NIAS is working with the whole of the healthcare system to resolve these complex issues to ensure that ambulances are available to provide more timely responses and transportation for patients in the community rather than being delayed at hospital or on their way to hospital. NIAS has made a major contribution to the ongoing management of acute service change, particularly in relation to both temporary and permanent emergency department closures. This contribution has been recognised and commended by NIAS's partners such as the Health and Social Care Board, with particular mention being made to efforts over the Christmas and New Year period. NIAS was also invited by the Chief Medical Officer to take a lead role in

the development of a Community Resuscitation Strategy for Northern Ireland during 2013-14. This Ministerial initiative offers great potential to increase effective intervention by the whole community in the provision of early cardiopulmonary resuscitation (CPR) and defibrillation to increase survival rates for out-of-hospital cardiac arrests.

3.3 Northern Ireland Fire & Rescue Service Performance

During 2012-13, NIFRS received a total of 36,793 emergency calls for help to its Regional Control Centre, which represented a 14.6% reduction in calls received compared the previous year. Fire Crews responded to a total 24,308 emergency incidents right across Northern Ireland, representing a 10.5% reduction in mobilisations to incidents in 2012-13 when compared with the previous year. NIFRS has been reducing hoax calls year on year and over the past year reduced the number of hoax calls by a further 29.6% to 1,957 (compared to 2,778 the previous year).

Unfortunately attacks on Firefighters increased this year by 15%, 4 more attacks on our Firefighters than in 2011-12. One attack is one too many and NIFRS continues to work with the community until they reach a stage where there are no attacks on our Firefighters who work tirelessly to protect our community.

Fire Crews rescued 214 people from major fires representing an increase of rescues by 23.7% from the previous year. NIFRS has have been reducing the number of accidental dwelling fires year on year from 2007/08 however over the past year there was a slight increase in the number of accidental house fires (750 in 2011-12 to 811 in 2012-13) and over the next 2 years NIFRS will continue to work towards its target of reducing this to 737 or less by 2015.

Fatalities in accidental house fires have been steadily declining over the last few years however tragically 11[1] people in Northern Ireland lost their lives in accidental house fires during 2012-13 - 1 person more than in 2011-12. 2 of those 11 were older people and lost their lives in a short period between 3 –19 April 2012. This struck at the very heart of NIFRS and throughout 2012-13 NIFRS targeted its engagement activities, particularly towards vulnerable groups in our community.

During 2012-13, Firefighters carried out 8,661 free home fire safety checks, fitted 4,642 smoke alarms and distributed 173,496 fire safety leaflets right across Northern Ireland - targeting and prioritising the most vulnerable demographics of our community (our most at risk groups such as older and vulnerable people, young people, etc.).

Over the past year, NIFRS continued to reduce secondary fires (grass, rubbish, wildland, etc) by 37% from 7,907 in the previous year to 4,978 in 2012-13. This means that in the last 2 years NIFRS has reduced this by over 50% which is an outcome of our community engagement and public awareness campaigns about the consequences of deliberate fire setting on our community.

[1] Subject to State Pathologist's Report

Fire Crews attended 649 road traffic collisions (RTCs), which was an 8.7% reduction in RTCs attended compared to the previous year. During 2012-13 NIFRS continued to work closely with its road safety partners, DoE Road Safety and Police Service of Northern Ireland to save more lives on our roads and were pleased to see that 2012 had the lowest number of road deaths (48) since records began (PSNI Road Death Statistics).

Halloween night is traditionally one of the busiest nights of the year for NIFRS. On 31 October 2012, NIFRS received 183 calls and attended 133 incidents across Northern Ireland. This is the lowest figure recorded for 31 October since 1989 and represents a decrease of 8% on incidents attended during Halloween 2011.

NIFRS also worked closely with partner agencies in Health, Police and Justice to raise awareness of the dangers and legislation around fireworks and sparklers in the run up to Halloween 2012. Figures released by DHSSPS revealed that 14 people attended Emergency Departments this year with a firework-related injury, 11 less than in 2011. This 56% reduction is the lowest recorded figures since records began in 1996.

Throughout 2012-13, NIFRS participated in numerous live multi agency emergency training exercises to help to test our operational response, procedures and resilience in various emergency scenarios and to validate procedures for working with other Partner agencies to enhance Firefighter and public safety.

36 new trainee Firefighters - 33 males and 3 females - graduated on 31 May 2012 following the successful completion of an intensive 18 week Trainee Firefighter course. An additional 24 trainees commenced their Wholetime Firefighter Training 7 January 2013 and are expected to graduate in May 2013.

In February 2013, NIFRS launched a major recruitment drive for Retained (on call) Firefighters in 37 Fire Stations across Northern Ireland. A high profile PR and recruitment outreach campaign resulted in a total of 1,649 applications being received for the 77 vacancies - 88% male and 12% female. Following the selection process, it is anticipated that trainees will be appointed in August 2013.

In 2012-13, NIFRS issued 18 enforcement notices and 5 prohibition notices to those premises who repeatedly failed to comply with the required fire safety standards and in the most serious cases of failure to comply, exercised its power as the enforcing agency and carried out prosecutions.

Over the past year, momentum has been building for the 2013 World Police and Fire Games (WPFG) which will be held in Belfast from 1–10 August 2013. NIFRS has been working hard with WPFG partners in the planning and development to deliver the third largest international multi-sport event in the world.

In September 2012, NIFRS received an accreditation from Employers for Disability Northern Ireland (EFDNI) for its work in supporting employees and service users with disabilities. The accreditation acknowledges that as an organisation NIFRS goes above and beyond current legislation in ensuring that best practice is followed, for both service users and employees with a disability, across all aspects of its work in protecting the community.

During 2012-13, NIFRS invested over £1.5m its emergency red fleet - 13 new Fire Appliances, 21 rapid response vehicles and 13 ancillary vehicles. NIFRS also invested in specialist fire fighting and rescue equipment and in upgrading its ICT infrastructure.

NIFRS also continued to progress its Capital Investment Programme and completed the refurbishment on Rathfriland Fire Station and progressed work on the new Community Fire Station for Omagh.

Throughout 2012-13, NIFRS remained committed to the development of the Northern Ireland Community Safety College as a world leader in the provision of education and training for Operational and Support Staff alongside our colleagues in the Police and Prison services.

3.4 Future Performance

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

SECTION 4 – RESOURCES

4.1 Risks and Uncertainties

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

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

- That the Department's statutory and administrative framework for clinical and social governance in Northern Ireland does not support the commissioning and delivery of quality and effective services across Northern Ireland, with the proper involvement of people and communities;
- That the Department's statutory responsibilities for vulnerable adults and children and young people in NI are not adequately discharged;
- That ministerial and departmental objectives are not delivered because departmental resources, including staff and expertise, are not prioritised and deployed in the most effective and efficient way;
- That appropriate standards of probity and governance are not maintained.
- That available resources are not sufficient to deliver strategic objectives on quality and accessibility within the existing profile of health and social care services;
- That the Department of Health, Social Services and Public Safety response to emergencies, for which it is the lead Government Department, is not adequate to manage the emergency and maintain essential services;
- That the health and social care workforce does not meet the future requirements of changing service profiles and patient and client needs;
- That information held by the Department and its ALBs is not appropriately protected, secure, confidential and accessible to those who need it, in compliance with existing legislation, procedures and best practice; and
- That buildings, equipment, vehicles and ICT are not maintained, refurbished or replaced, consistent with prevailing standards to ensure the safe and effective ongoing delivery of core services.

4.2 Corporate Governance

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

Board Membership

In 2012-13, the DHSSPS Departmental Board had 11 members; including two Independent Board Members (one post was vacant from September 2012). Board Members are listed within the Directors Report on page 3 and 4. Executive membership of the Departmental Board is restricted to holders of those posts in acting or actual capacity. Senior management posts are filled in line with and according to NI Civil Service processes and procedures.

Meetings

The 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 manage 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

The DHSSPS Board has two Independent Non Executive Board Members (IBMs). Dr C King was appointed on 25 September 2010 and her appointment will run to September 2013 and can be extended by agreement. Ms H Roulston's appointment concluded in September 2012 having served six years as an IBM. The post was vacant for the remainder of 2012-13 pending the outcome of an NICS wide IBM appointment process.

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

Procedures for Non-Executive appointments

In the final quarter of 2012-13, an NICS-wide competition was run to identify a central "pool" of potential IBMs. This process is scheduled to conclude in April 2013. Individual Departments will then be responsible for seeking expressions of interest from the pool and organising their own Departmental selection process. It is anticipated that this second stage selection process will commence in May 2013.

Performance

A review of the Departmental Board was completed during 2011 and, in line with good practice guidance; a further performance evaluation will take place during 2013.

Departmental Audit and Risk Committee (DARC)

The DARC is a Committee of the Departmental Board, established to support and advise the Board and the Accounting Officer on issues of internal control, governance and assurance. The Committee consists of three members - the Department's two Independent Board Members, (one as Chair), and one external member. From March 2013 the membership of the committee was amended to include an additional external member. The Committee met four times in 2012-2013, and, the Chair of the committee formally reported to the Departmental Board after each meeting.

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

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

The Committee has completed a National Audit Office self-assessment checklist based on HM Treasury best practice guidance and was found to be in substantive compliance.

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 145 and 149.

The Department's Legislative Programme

During the 2012-13 Assembly session, the Department introduced the Registration of Tobacco Retailers bill into the Assembly**.**

The Department intends to introduce a further four bills during the 2013-14 session: Health and Social Care (Amendment) Bill; Adoption and Children; Mental Capacity (Health, Welfare and Finance); Amendment to Health (Miscellaneous Provisions) Act (NI) 2008; and the Food Hygiene Rating Bill.

4.3 Environment and Sustainability

A key activity of the Department in 2012-2013 was to continue 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 DHSSPS Policy in respect to Building Research Establishment Environmental Assessment Method excellent rating for all new capital development projects;

- The continued application in 2012 -13 of a regional initiative for capital investment in carbon emission reduction measures as part of the Capital Investment Programme which saw 14 projects share funding of close to £2m as part of the Carbon Emission Reduction Initiative (CERI) across the HSC and Public Safety organisations. These projects, when implemented, are planned to deliver carbon emission reductions of around 3,900 tonnes of carbon dioxide and a reduction on energy costs of £700,000 per year from 2013;

- Continued Departmental participation in the Carbon Reduction Commitment as agreed by the NI Executive;

- Continued Departmental participation in the Stormont Estate Transport Working Group;

- Continued Departmental participation in the Health and Climate Change Regional Group, the Inter-Departmental Sustainable Development Group, the Northern Ireland Climate Change Impacts Partnership (renamed Climate Northern Ireland), the Cross Departmental Working Group on Climate Change (formerly the Interdepartmental Working Group on Sustainable Energy the Interdepartmental Working Group on Greenhouse Gas Emissions) and the Sustainable Development Champions Group; and

- Contribution to the Northern Ireland Climate Change Adaptation Plan.

In 2013-14, the Department will continue to identify the need to, develop, disseminate and oversee the implementation of policies and standards relating to sustainable development and operations on the Health, Social Care and Public Safety Estates.

OFMDFM is finalising the method for Departments reporting on key objectives of the 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.

4.4 Employee and Community Matters

Health and Safety

The Department discharges its responsibilities under the Health and Safety at Work (NI) Order 1978 and other relevant legislation, and works to ensure the health, safety and welfare of its employees. All staff are kept up-to-date with the latest developments in health and safety standards, and compliance with these standards is assessed through an ongoing audit programme. Two audits were carried out in 2012-13. A "Recognition Event" to thank Fire Wardens, First Aiders and AED Operators was held in October 2012. Annual refresher training was delivered to the Department's first aiders in October 2012. The number of staff who had an accident at work was 4 during 2012-13 compared to 12 during 2011-12; 11 in 2010-11 and 16 in 2009-10.

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 2012-13. With regard to formal training courses, a total of 1,198 days training were undertaken by staff - this comprised 644 days external training and 554 days provided by the Centre for Applied Learning. In addition, opportunities provided in-house included National Vocational Qualifications in Business and Administration and Microsoft Office Specialist IT programmes. Other development opportunities available to staff included the introduction of a joint Mentoring Programme with another NICS Department (DCAL) and a range of other interchange opportunities. The Department continues to offer opportunities for staff to participate in volunteering challenges in the local community. Within the Aids to Study Scheme, assistance was granted to 7 staff to pursue academic qualifications.

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. Following the Equality Commission's approval of the Department's revised Scheme in March 2012, implementation commenced during 2012-13. This included actions to make consultees and staff aware of the commitments in the scheme; a review and update of the consultation list; the introduction of a new equality screening template; an audit of information systems to complete a GAP analysis; and the submission of an annual progress report for 2011-12 to the Equality Commission.

During this period, the Department has engaged with the Lesbian, Gay and Bisexual (LGB)

sector to develop a high level sexual orientation action plan. The plan has been agreed with the sector and will facilitate engagement with Health and Social Care organisations on inequalities experienced by LGB persons.

During 2012-13, Northern Ireland Departments have engaged with the Northern Ireland Human Rights Commission on the development of Human Rights training for civil servants. The training is expected to commence during 2013-14.

Ethnic diversity in the population

The Health and Social Care Board has led on a project to improve ethnic monitoring on Health and Social Care systems. As a result of this work it is now expected that during 2013-2014 the following systems will implement ethnic monitoring: the Child Health System; the Community Systems - Social Services Client Administration and Retrieval Environment, and Regional Sure Start Database; and the Hospital Systems – Patient administration System (inpatients), A&E systems and Northern Ireland Maternity System.

To support this work, the Department has led on the drafting of Health and Social Care ethnic monitoring guidance. The guidance incorporates the Guidance for Monitoring Racial Equality issued by the Office of the First Minister and deputy First Minister in 2011 and this will facilitate linkages with the 2011 Census.

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.

In addition, in February 2013 the Department was awarded the new **IIP Health and Wellbeing Good Practice Award**, which reflects our policies, practices and programmes across this area. We are the first NICS Department to gain this award and one of only twelve organisations in Northern Ireland, to date, to do so.

Staff

The Department directly employs some 568 staff as at 31 March 2013. The NI Fire and Rescue Service employs some 2,235 people and around 65,500 people work in the Health and Social Care sector (excluding 'bank/as and when required' staff, career breaks and Board members).

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

The table below shows estimated absence figures for 2012-13 and also for 2011-12 for comparison purposes based on whole time equivalent (WTE) staff numbers. This shows an increase of 481 days lost to the Department and an increase of 0.9%.

Financial Year	Average Total number of staff	Total days lost	Average working days lost per person	Absence rate
2012-13	589wte	4,968	8.4	4.0%
2011-12	600wte	4,200	7.0	3.1%

Equal Opportunities / Disabled Persons

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

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

Employee Involvement

The Department recognises the value of involving staff to assist them in meeting their aspirations and strengthen the organisation's performance. 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, Carecall and to Trade Union membership; the Department uses the established Whitley process of staff consultation and meets regularly with Trade Unions on matters of interest. 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.

Off Payroll Engagements

The table below represents the number of staff employed by the Department through off payroll mechanisms as at 31 January 2012. The table also highlights subsequent movements during the financial year to March 2013.

	Number of Staff
Off Payroll staff as at 31 Jan 2012	22
Changes from 31 Jan 2012 to 31 March 2013:	**Number of Staff**
Transferred to Payroll	-
Assignment Completed	11
Assignment Continuing	11
Total	22

4.5 Current (Revenue) Expenditure

2012-13 Performance

The net resource outturn for the year is £4,340m, which is within the voted total Estimate cover by some £331m (7.6%). An analysis of the net resource outturn is as follows;

	£'000
Grant in Aid to HSC Bodies	3,764,360
Family Health Service & Commissioning	822,316
Income (Health Service contributions £486m)	(536,714)
Training, Bursaries and further education	37,695
Staff Costs	67,206
Non Cash	25,956
Other direct expenditure	159,380
Total	**4,340,199**

A detailed analysis of Net Resource Outturn against Estimate by function can be found at Note 2 to the accounts on 105. A summary of variances between Net Resource Outturn and Estimate is contained in the following table:

Variances against Estimate

	Variance £'000	Explanation
A1. Policy Development, Hospital, Community Health and Personal Social Services	70,227	Attributable to a change in the split of resources between direct HSCB and Trust expenditure from when the Spring Supplementary Estimates were written. SSEs were informed from the December monitoring budget position. The split of resources by the HSCB between direct expenditure and Trust expenditure moved from the time the December monitoring budget was set and the year end.
A2. Family Health Service - General Medical Services	14,192	Due to a decrease in General Medical Services outturn for the year from the forecast position used to write the Spring Supplementary Estimates. This is a demand led service.
A4.Family Health Service – Dental Services	1,556	Due to an increase in dental services income for the year from the forecast position used to write the Spring Supplementary Estimates. This is a demand led service.
A7. Training and Further Education	4,074	Attributable to a reallocation of resources from centrally managed expenditure to allocations made to Arms Length Bodies after the Spring Supplementary Estimates were written.
A8. Grants to Voluntary bodies	2,621	Attributable to a reallocation of resources from centrally managed expenditure to allocations made to Arms Length Bodies after the Spring Supplementary Estimates were written.
A10. Annually Managed Expenditure	(6,985)	Attributable to a net increase in provision movements from the position used to write the Spring Supplementary Estimates.
A11. Health and Social Care Trusts	275,880	Due to a reduction in the actual cash drawn down by the Trusts for the year from the forecast position included in the Spring Supplementary Estimates.
A13.Business Services Organisation	(36,829)	Due to an increase in the actual cash drawn down by the Business Services Organisation for the year from the forecast position included in the Spring Supplementary Estimates as payment of a working capital movement was not included in forecast.
A20.Regulation and Improvement Authority	1,041	Due to a reduction in the actual cash drawn down by the Regulation and Improvement Authority for the year from the forecast position included in the Spring Supplementary Estimates.
A23. Notional charges	1,572	Due to forecast notional costs exceeding actual notional costs.

The 2012-13 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 coupled with increased service level demands.

HSC Trusts reported an overall surplus of £0.4m on revenue allocations of £3.5bn, an effective break-even performance for Health Trusts.

The Department, the HSC Board and the Trusts have established plans to ensure further control of expenditure and action to secure further cost reductions in 2013-14 and prepare for future periods.

Overall, the Department's routine systems continue to perform their function to monitor expenditure and identify and manage cost pressures within the health sector. Financial pressures were reported late in 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 service provision and best attainable achievement of Ministerial targets for waiting times and other access targets.

Future Financing Implications of Current Economic Climate

A fundamental responsibility for the Department is to ensure that it and each of its Arm's Length Bodies live within budget. For 2012-13, the HSC again faced significant challenges for the year, arising from growing demand pressures for health and social care services, combined with the challenging budget settlement under Budget 2011-15. This resulted in the Western Health and Social Care Trust seeking additional resource funding of £1.2m in January 2013 in order to breakeven.

Whilst the Department and HSCB have overseen a range of measures necessary to enable the HSC to manage within the overall resources available in 2012-13, the continuing constrained public expenditure environment will present further significant challenge for DHSSPS during 2013-14. 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.

4.6 HSC Capital Investment

Over the four year budget period 2011-12 – 2014-15, the Department was initially allocated capital investment funding of £851m. A further £5m for 2011-12 was allocated in the December 2011 monitoring round followed by an additional £5.9m for 2012-13 at the October 2012 monitoring round. Due to delays with the A5 road scheme, £91.8m was allocated over the budget period to progress three specific projects – Ulster Hospital modernisation, Altnagelvin Tower Block replacement and Omagh Local Hospital. This brings the total over the Budget 2010 period to £955m.

Capital investment in health and social care infrastructure in 2012-13 amounted to £320m. In line with Departmental policy, the current investment programme focuses on the enhancement

of primary and community care facilities which will support the implementation of the recent review of health and social care "Transforming Your Care" by providing more treatment and care closer to where people live and work; major upgrading of acute services to facilitate more effective hospital services; estate upgrading to address key infrastructural risks, investment in mental health and learning disability facilities; investment in emergency services and in ICT and technology.

The following projects were completed in 2012-13:

- South West Acute Hospital;
- Gransha Mental Health Unit;
- Antrim Area Hospital – New 24-bedded Ward;
- Endoscopy Unit at Altnagelvin; and
- Craigavon Area Hospital Low Voltage Project2nd MRI Scanner at Ulster Hospital.

The following projects were commenced or continued in 2012-13:

- Banbridge Health & Care Centre;
- Replacement of Theatres at Craigavon Area Hospital;
- Antrim Area Hospital – New A&E Department;
- Antrim – Sexual Assault Referral Centre;
- Bluestone Extension;
- Old See House Day Centre & Community Treatment Unit;
- Ongoing Construction of new Critical Care building at Royal site;
- Craigavon Area Hospital High Voltage Project;
- Omagh Hospital enabling and main Phase 1works;
- Royal Maternity New Build;
- Altnagelvin Radiotherapy Unit enabling and main works;
- Ulster Phase B;
- Daisy Hill Theatres;
- South Tyrone Hospital Remedial Works;
- Ballymena Health & Care Centre; and
- Ballee Children's Home.

All of the above projects will continue into 2013-14.

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

- £2.4m investment in the Northern Ireland Fire and Rescue Service including investment in fleet, equipment, mobile data system and estate;
- £3.7m investment in the Northern Ireland Ambulance Service including fleet, estate and equipment; and
- £43.6m investment in information technology.

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

Deeds of Safeguard

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

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

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

4.7 Reconciliation of Resource Expenditure between Budgets, Estimates and Accounts

	2012-13	2011-12
	£'000	£'000
Net Resource Requirement	**4,340,199**	**4,017,796**
Adjustments to exclude:		
Consolidated Fund Extra Receipts (CFER's)	(1,312)	(1,710)
Net Operating Cost	**4,338,887**	**4,016,086**
Adjustments to remove:		
Capital Grant		
Voted income outside the budget	485,606	455,197
Grants in Aid payable to NDPBs	(3,764,360)	(3,401,343)
Adjustments to include:		
Resource Consumption of NDPB	3,593,847	3,456,239
Other Adjustments:		
Less Notional Cost	(5,545)	(6,357)
Total Budget Outturn	**4,648,435**	**4,519,822**
of which		
Departmental Expenditure Limits (DEL)	4,489,465	4,393,809
Annually Managed Expenditure (AME)	158,970	126,013

Dr A McCormick
Accounting Officer
28th June 2013

REMUNERATION REPORT

1. Remuneration Policy

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

2. Service Contracts

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

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org

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

- Ms H Roulston was appointed as an Independent Non-Executive Director on a fixed period contract from 25 September 2006 to 24 September 2010. Following a new recruitment competition a new contract was awarded up to 24 September 2012. Non Executive members of the Board cannot be retained for a period exceeding 6 years.

- Dr C King was appointed 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	2012-13		2011-12	
	Salary	Benefits in kind	Salary	Benefits in kind
	£	(to nearest £100)	£	(to nearest £100)
Mr E Poots	37,801	-	33,127	-

Officials	2012-13	2011-12
	Salary £000	Salary £000
Dr A McCormick *Permanent Secretary*	110 to 115	110 to 115
Mr J Cole *Deputy Secretary, Health Estates Investment Group*	90 to 95	90 to 95
Mrs C Daly *Deputy Secretary, Healthcare Policy Group*	80 to 85	75 to 80 (full year equivalent 80 to 85)
Mr S Holland *Deputy Secretary, Social Care Policy Group*	80 to 85	60 to 65
Dr M McBride *Chief Medical Officer note 1*	205 - 210	205 - 210
Mrs A McLernon *Acting Chief Nursing Officer* from 13 June 2011	60 to 65	30 to 35 (full year equivalent 55 to 60)
Dr N C Morrow *Chief Pharmaceutical Officer*	80 to 85	80 to 85
Mr D O'Carolan *Chief Dental Officer*	65 to 70	65 to 70
Mrs J Thompson *Senior Finance Director*	95 to 100	70 to 75 (full year equivalent 90 to 95)
Dr C King *Independent Non-Executive Board Member note 2*	10 to 15	10 to 15
Ms H Roulston *Independent Non-Executive Board Member Note 3*	5 to 7.5	10 to 15

Ratio of Highest Paid Director to Median Staff Salary

	2012-13	2011-12
Band of Highest Paid Director's Total Remuneration (£000)	205 to 210	205 to 210
Median Total Remuneration	£28,433	£30,520
Ratio	**7.3**	**6.8**

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 11 September 2006.

2) Dr C 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.

3) Mrs H Roulston was appointed as an Independent Non-Executive Director on 25 September 2006 and left the Board 24 Sept 2012. 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 Mr. E Poots during the financial year. His salary and allowances were paid by the Northern Ireland Assembly and have been included as a notional cost in this resource account. These amounts do not include costs relating to the Minister's role as MLA/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 2012-13.

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 2012-13.

7. Pension Benefits (audited)

Ministers	Accrued pension at age 65 as at 31/3/13	Real increase in pension at age 65	CETV at 31/3/13	CETV at 31/03/12**	Real increase in CETV*
	£'000	£'000	£'000	£'000	£'000
Mr E Poots	0 to 5	0 to 5	54	41	6

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

***The CETV calculator has been updated and includes the revised factors not previously applied to the CETV values. Therefore the new factors mean that the opening CETV figure shown in the 2012/2013 is not the same as the corresponding closing figure shown in last year's report.*

8. Ministerial pensions

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

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

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

9. The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and

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

10. The real increase in the value of the CETV

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

11. Board Members Pension Benefits (Audited)

Officials	Accrued pension at age 60 as at 31/3/13 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/13	CETV at 31/3/12*	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Dr A McCormick *Permanent Secretary*	55 to 60 and lump sum 100 to 105	2.5 to 5 and lump sum 2.5 to 5	1045	932	57
Mr J Cole *Deputy Secretary, Health Estates Investment Group*	40 to 45 and lump sum 130 to 135	0 to 2.5 and lump sum 0 to 2.5	967	948	11
Mrs C Daly *Deputy Secretary ,Health Care Policy Group*	30 to 35 and lump sum 100 to 105	2.5 to 5 and lump sum 7.5 to 10	691	601	56
Mr S Holland *Deputy Secretary, Social Care Policy Group*	10 to 15 and lump sum 0	2.5 to 5 and lump sum 0	171	112	48
Dr M McBride *Chief Medical Officer*	60 to 65 and lump sum 190 to 195	0 to 2.5 and lump sum 0 to 2.5	1145	1072	13
Mrs A McLernon *Acting Chief Nursing Officer* from 13 June 2011	25 to 30 and lump sum 0	2.5 to 5 and lump sum 0	492	407	60
Dr N C Morrow *Chief Pharmaceutical Officer*	35 to 40 and lump sum 115 to 120	0 to 2.5 and lump sum 0 to 2.5	902	884	10
Mr D O'Carolan *Chief Dental Officer*	20 to 25 and lump sum70 to 75	0 to 2.5 and lump sum 0 to 2.5	403	374	7
Mrs J Thompson *Senior Finance Director*	20 to 25 and lump sum 0	2.5 to 5 and lump sum 0	311	254	39

**The CETV calculator has been updated and includes the revised factors not previously applied to the CETV values. Therefore the new factors mean that the opening CETV figure shown in the 2012/2013 is not the same as the corresponding closing figure shown in last year's report.*

Non Executive members pension details

Mrs H Roulston 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 Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account.

Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI. For 2013, public service pensions will be increased by 2.2% with effect from 8 April 2013.

Employee contributions are determined by the level of pensionable earnings. The current rates are as follows:

Members of **classic**:

Annual pensionable earnings (full-time equivalent basis)	New 2013 contribution rate before tax relief
Up to £15,000	1.50%
£15,001-£21,000	2.70%
£21,001-£30,000	3.88%
£30,001-£50,000	4.67%
£50,001-£60,000	5.46%
Over £60,000	6.25%

Members of **premium, nuvos** and **classic plus**:

Annual pensionable earnings (full-time equivalent basis)	New 2013 contribution rate before tax relief
Up to £15,000	3.50%
£15,001-£21,000	4.70%
£21,001-£30,000	5.88%
£30,001-£50,000	6.67%
£50,001-£60,000	7.46%
Over £60,000	8.25%

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

variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic, premium**, and **classic plus** and 65 for members of **nuvos**.

Further details about the CSP arrangements can be found at the website www.dfpni.gov.uk/civilservicepensions-ni

14. Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

15. Real increase in CETV

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

16. Compensation for loss of office

None of the Board members received compensation for loss of office in 2012-13. Note 9.1 contains details of Departmental staff who received compensation for loss of employment.

Dr A McCormick
Accounting Officer
28th June 2013

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 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.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Departmental Resource Accounts for 2012-13. It outlines the Department's governance framework for directing and controlling its functions and how assurance is provided to support me in my role as Accounting Officer for the Department of Health, Social Services and Public Safety. As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the Department's policies, aims and objectives. I also have responsibility for safeguarding the public funds and Departmental assets in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

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

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

Corporate governance in central government departments: Code of good practice 2005

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

Governance Framework

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

Departmental Board

The Departmental Board represents the collective and strategic leadership within the Department, in conjunction with the experience and contribution of two Independent Board Members. The Board supports me as Accounting Officer in directing the business of the

Department as effectively as possible to achieve the objectives and priorities set by the Minister. The Board has a key role in overseeing the sound financial management and corporate governance of the Department and closely monitors the Department's progress in the achievement of key objectives and priorities set out in the Departmental Business Plan, including Programme for Government commitments. The Board also scrutinises the governance and performance of ALBs based on an assurance and accountability framework and ensures appropriate risk management procedures are in place in the Department.

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

Executive Board Members 2012-13	
Dr A McCormick	Permanent Secretary
Mr J Cole	Deputy Secretary, Health Estates Investment Group
Mrs C Daly	Deputy Secretary ,Health Care Policy Group
Mr S Holland	Deputy Secretary, Social Care Policy Group
Dr M McBride	Chief Medical Officer
Ms A McLernon	Acting Chief Nursing Officer
Dr N C Morrow	Chief Pharmaceutical Officer
Mr D O'Carolan	Chief Dental Officer
Mrs J Thompson	Senior Finance Director
Independent Board Members 2012-13	
Dr C King	
Ms H Roulston (to September 2012)	

Independent Board Members ('IBMs') provide support, guidance and challenge to the Departmental Board. From September 2012, the Department has one IBM who chairs the Departmental Audit and Risk Committee. The appointment of a second IBM is pending the outcome of a Northern Ireland Civil Service wide process. As Accounting Officer, I have regular meetings with the IBMs and, in September 2012, carried out an annual performance assessment.

Board Performance

A detailed review of the Departmental Board was carried out in 2010-11 and a comprehensive action plan was developed setting out short term and long term priorities. The main conclusion arising from the review was that the remit of the Board should change to focus on performance, governance and assurance rather than policy development. The Terms of

Reference for the Board and associated guidance were amended accordingly and arrangements were put in place to take forward and monitor the action plan. A further detailed review of the Departmental Board will be carried out in 2013-14, including an evaluation of the implementation of the 2010-11 review.

Management Information

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

Following a detailed review, the Departmental Board agreed a new Framework for Business Planning, Risk Management and Assurance in June 2012. The new Framework has been rolled out over the past year and the final components are expected to be in place by June 2013.

The performance of ALBs has been subject to a process of continual review. The requirements of ALB Governance within the Department have evolved to ensure that the accountability review process is more balanced in terms of governance and performance. Submission and acceptability of Board level information and reports is subject to challenge; The Board has recently asked for specific improvements to the ALB performance reporting regime, also the monthly Board report has been subject to a continuous programme of development and improvement throughout 2012-13.

My Executive Board Members ('EBM's) keep the quality of reported information under continuous review and seeks enhancements as necessary to support the Board and departmental committees.

Departmental Audit and Risk Committee ('DARC')

DARC Members 2012-13	
Dr C King	IBM and DARC Member (To September 2012) IBM and Chair of DARC (from September 2012)
Mrs J Pyper	Deputy Secretary Dept. of Social Development (From March 2013)
Mr T Connolly	Finance Director Dept. of Education (From March 2013)
Ms H Roulston	IBM and Chair of DARC (To September 2012)
Mr N Lavery	Deputy Secretary OFMDFM (To February 2013)

The Departmental Audit and Risk Committee ('DARC') is a Committee of the Departmental Board, and was reconstituted in 2007 in accordance with best practice for governance. The Committee comprises three members, each of whom is independent of Departmental management.

The Committee gives detailed attention to internal governance issues, including the quality of risk management, corporate governance within the Department as well as cross-boundary issues affecting my role as the Accounting Officer, for example, in respect of the adequacy of the arrangements by which I hold ALB accounting officers to account for the performance and governance of their organisations. Systems for responding to recommendations made by authoritative external bodies, including the Public Accounts Committee (PAC), NI Audit Office (NIAO), and the Regulation and Quality Improvement Authority (RQIA), are also examined. The DARC advises the Board and me as Accounting Officer on its conclusions and recommendations to address any identified governance weaknesses.

The Committee meets four times per year.

DARC - Responsibilities and Performance

In line with best practice set out in the Her Majesty's Treasury Audit Committee Handbook, the Chair of DARC sets an agreed core programme of work for each of its quarterly meetings, which includes:

- scrutiny of the Departmental accounts;
- consideration of internal audit strategy;
- review of internal and external audit findings; and,
- monitoring of residual audit recommendations.

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

The DARC has considered the Departmental Resource Accounts for 2012-13 and on the basis of evidence presented, recommended the accounts to the Departmental Accounting Officer for approval.

A review of DARC took place in 2012 and processes and guidance were amended accordingly. Each year DARC conducts a self-assessment against the guidelines issued by the National Audit Office. The findings of the self-assessment are presented to DARC for action as appropriate. The 2013 self-assessment will occur when the second Independent Board Member is in post.

Top Management Group

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

Strategic Planning Group

In my role as Accounting Officer and Chief Executive of the Health and Social Care Sector ("HSC"), I chair a monthly Strategic Planning Group that is tasked with ensuring that the transformation of health and social care in Northern Ireland is delivered within a planned and

managed strategic integrated framework and within the budget available. Membership of the Strategic Planning Group includes the Chief Executives of the Health and Social Care Board ("HSCB"), Public Health Agency ("PHA") and Business Services Organisation ("BSO").

Departmental Framework for Business Planning, Risk Management and Assurance

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

In June 2012, the Departmental Board approved a Framework for Business Planning, Risk Management and Assurance that sets out a range of procedures that aim to meet the requirements of best practice and take on the learning from the audit programme and other reviews.

Business Planning

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

The Departmental Board is the custodian of the Departmental Business Plan's affordability and deliverability, and progress against the Plan is a standing agenda item for Departmental Board meetings. This includes a monthly verbal update by Executive Board Members and formal quarterly written reports in Red, Amber or Green format against each of the milestones in the fiscal year.

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

As Accounting Officer, I have regular business review meetings with Executive Board Members and progress against the Departmental Business Plan is a standing agenda item for such meetings.

Risk Management

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

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

The direct connection between Directorate business plans and the Departmental Business Plan management process is supported by an escalation process, whereby relevant corporate issues are escalated through the Departmental hierarchy for consideration and inclusion at Departmental level by the Board.

In March 2012, in response to the recommendations from Internal Audit, the risk assessment formula and documentation were simplified and the Risk Register updated accordingly. The Risk Register is reviewed at the beginning of the financial year to update all risks, controls and actions and is monitored and maintained in conjunction with the Departmental Business Plan; it is therefore subject to the same Departmental Board reporting arrangements.

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

The system of internal governance is designed to 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 governance is based on an on-going process to identify and prioritise the risks to the discharge of the Department's statutory responsibilities and the delivery of its strategic aims, policies and objectives; and, to evaluate the likelihood of those risks being realised and the impact should they be realised, managing them efficiently, effectively and economically. The system of internal governance has been in place in the Department for the year ending 31 March 2013 and up to the date of approval of the Annual report and accounts, and accords with Department of Finance and Personnel guidance.

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

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

Additionally, risk monitoring and management processes within the ALBs are monitored by the Department though separate processes, as highlighted in Governance and Accountability within DHSSPS Arm's-Length Bodies below.

Information Risk

Safeguarding the Department's information and its subsequent effective use supports the Department in the delivery of its objectives. Central to achieving this is the effective management of information risk. The arrangements in place to manage this risk include:

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

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

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

The Department has had no data loss-related incidents in 2012-13.

Governance and Accountability within DHSSPS Arm's-Length Bodies

Governance and Accountability can be considered under the following headings:

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

ALB Assurance and Accountability

The Department achieves its corporate objectives through direct Departmental action and through its 17 Arm's-Length Bodies. The Chief Executives of ALBs (as ALB Accounting Officers) are directly accountable to me (Permanent Secretary of the Department) as Principal Accounting Officer. ALBs through their Boards are held to account for the delivery of their prescribed functions, Ministerial/Departmental priorities and compliance with other statutory responsibilities.

The Department gains assurance about probity in the use of public funds and governance application in the wider sector through an assurance and accountability framework and associated guidance. The guidance and arrangements described within the Assurance and Accountability Framework Document have been developed to meet the responsibilities placed on the Department, under Managing Public Money NI (MPMNI), for the sponsorship of ALBs operating under the control of DHSSPS.

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

The Framework details the roles and responsibilities of all Department staff including Executive board members and sponsor branches and the format and structure of the mid and end of year accountability meetings with Chairs and Chief Executives of the ALBs. Through its sponsor branches, the Department engages directly with each body, proportionate to the level of risk the body poses to the Department. ALB risks can either be escalated in the Department, through the ALB accountability review meetings undertaken by the sponsors, or highlighted to the Department through the other formal and informal interactions that the sponsors, Executive Board Members and professional staff maintain with ALBs.

The twice yearly accountability meetings with each ALB are structured to cover all relevant governance issues affecting the organisations and provide an accountability mechanism to support this Governance Statement.

All of the Chief Executives of the Department's 17 ALBs compiled a Governance Statement for their Accounts, and these have been reviewed on my behalf.

During 2012-13, all of the Chief Executives of the Department's 17 ALBs submitted mid-year assurance statements. These statements supplement the year end Governance Statements by providing in-year assurance on the continuing robustness of each organisation's system of internal governance, including the identification of internal governance matters that have arisen, which were used to inform the Department's programme of accountability meetings with the ALBs.

Departmental assurance

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

This monitoring is often based on assessing the operation and performance of ALBs against standards, guidance and targets; statutory and licensing requirements; Departmental policy

and strategy. Three important examples of these are Controls Assurance Standards; Service Frameworks and the statutory Duty of Quality.

Controls Assurance Standards

Controls assurance standards are a central feature of the HSC-wide system of corporate governance and these also apply to the Northern Ireland Fire and Rescue Service (NIFRS). The standards as a whole cover key areas of organisational risk in the HSC and provide a mechanism for Accounting Officers to demonstrate that they are managing this risk in order to meet their objectives and to protect users, staff, the public and other stakeholders against risk of all kinds.

For 2012-13, 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 ALBs performed well against the 2012-13 standards, there are some instances where substantive compliance was not achieved. There are areas for improvement which are being pursued with individual organisations through the formal accountability processes.

Duty of Quality

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

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

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

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

Service Frameworks

The Department is in the process of developing a set of Service Frameworks which set out, at a high level, the type of service that patients and users should expect, and specify Northern

Ireland standards and supporting actions - linked to recognised good practice guidance. The Frameworks promote and secure better integration of service delivery along the whole pathway of care from prevention of disease/ill health to diagnosis/treatment and rehabilitation, and on to end of life care. These Frameworks are used by HSC organisations in planning and delivering services. Frameworks are being developed for key areas of health and social care.

The Department has completed the following Frameworks:

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

Central Arm's-length Governance Unit

Over the last year the Central Arm's-length Bodies Governance Unit (CAGU) have been taking forward a programme of work to strengthen the Department's oversight of each of its Arm's-length Bodies (ALBs).

A component of this work has been the development of an Assurance and Accountability Framework. The framework applies to the 16 Health and Social Care Bodies and to the Northern Ireland Fire and Rescue Service. The intention of the framework is to build on and strengthen the arrangements which already exist, to ensure a consistent approach across the Department regarding the sponsorship of our ALBs.

A building block of the Framework has been the introduction of a uniform approach to the format and structure of the Accounting Officer (Permanent Secretary) sponsored twice yearly accountability meetings with Chief Executives and Chairs of each ALB. Attendance by ALB Chairs at these meetings is now normal practice and the agendas for these meetings reflect the roles which Chairs and their Boards discharge.

Other measures CAGU has introduced include a pilot self-assessment tool for ALB Boards to enable them, amongst other things, to identify their strengths and weaknesses and identify what advice, guidance, training or other support they may need to discharge their roles.

CAGU have also introduced new business planning arrangements for our ALBs with the overall objective of moving towards all ALBs having business plans approved and in place by 1 April of year to which they refer. The main emphasis is on ensuring that the content of each ALB's business plan fully reflects Ministerial/Department priorities. The Department has already introduced changes. In December 2012 the Department advised each its arm's-length bodies (ALBs) individually of the requirements they must address within their 2013-14 business plans. All ALBs were required to submit their plans to the Department for approval before the end of March 2013 and the Department has worked towards having all of these plans approved by the end of April 2013.

Over the next year CAGU will be further strengthening sponsorship of ALBs by developing guidance on; escalation; the application of Special Measures to an ALB; and key elements of performance monitoring and reporting for all ALBs.

Sources of Independent Assurance

The Department obtains independent assurance from the following sources:

- Internal Audit;
- Northern Ireland Audit Office;
- Business Services Organisation Internal Audit; and
- Northern Ireland Fire and Rescue Service ("NIFRS") Internal Audit

Internal Audit

The Department's internal audit service reports directly to the Accounting Officer and provides reports to the Departmental Audit and Risk Committee and thereby plays a crucial role in the review of the effectiveness of risk management, controls and governance by:

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

Internal Audit Group Opinion

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

The HIA has provided satisfactory assurance on the management of risk, control and governance for the period 1st April 2012 to 31st March 2013.

Substantial or satisfactory assurance was recorded for all but one audit carried out during the year. A review of sponsor control of the Northern Ireland Guardian ad Litem Agency ("NIGALA") was suspended due to lack of supporting documentary evidence provided by the Sponsor Branch. We have included a review of sponsor control of NIGALA in the programme for 2013-14. The final report on the audit of Education and Training Grants was completed in April 2012 and had limited assurance. Findings were reported in the 2011-12 Statement on Internal Control. Management has now implemented 13 of the 14

recommendations made in the report with the last recommendation due to be implemented by the start of July 2013.

Internal Audit will follow up on recommendations from all audits and report to the DARC on a quarterly basis.

Northern Ireland Audit Office

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

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

Recent examples of NIAO work within the department include and external review and report on the Northern Ireland Fire and Rescue Service financial and administrative processes, as a component of the statutory audit process during 2011-12 annual accounts review. This included consideration of Whistleblowing allegations and resulted in a report outlining cohesive governance improvements in an organisation providing good service to the community. A second example is a report titled "The Safety of Services Provided by Health and Social Care Trusts", which considered the operation and transparency of incident reporting across the health system, including staff culture.

A representative from the Northern Ireland Audit Office ("NIAO") attends Departmental Audit and Risk Committee meetings at which corporate governance and risk management matters are considered.

Business Services Organisation ("BSO") Internal Audit and NIFRS Internal Audit

Business Services Organisation Internal Audit is a centralised service which provides professional assurance in relation to internal audit and specialist advice and guidance to Boards within HSC organisations and Non Departmental Public Bodies (NDPBs). NIFRS has its own independent Internal Audit function which is currently being reviewed. The Department reviews the mid and end-year Head of Internal Audit's ("HIA") independent opinion on the adequacy and effectiveness of each of the ALBs' system of internal control, together with recommendations for improvement.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the IAG and the executive directors within the Department, who have responsibility for the development and maintenance of the internal framework. I also

consider the comments made by the NIAO in its management letter and other reports. I have been advised 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.

Internal Governance Divergences

Prior Year Issues

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

Unreported Plain X-rays

In 2011-12, the Department commissioned RQIA to undertake an independent review of the handling and reporting arrangements for plain x-rays across all HSC Trusts. The RQIA reported in two phases and made a total of 26 recommendations. Phase 1 was a rapid assessment of the arrangements in place for the handling and reporting of plain x-rays across all HSC Trusts, whilst Phase 2 addressed circumstances leading to the delays in reporting of plain x-rays in the Western and Southern HSC Trusts during 2010-11. All of the key recommendations have now been implemented and the Department intends to take forward a Review of Imaging Services in Northern Ireland in 2013.

In June 2012 the Department and the Health and Social Care Board became aware through a Serious Adverse Incident (SAI) reported by the Belfast Trust, that the Trust had identified a number of plain films which had been read but not formally reported on. All of these plain films were formally reported on by the end of July 2012 and there were no life threatening or unexpected significant findings within this group of patients. The SAI was overseen by the Public Health Agency who has advised that it has been closed based on appropriate actions having been identified and implemented by the Trust.

Pseudomonas Outbreak

In December 2011, the Western HSC Trust declared an outbreak of Pseudomonas at the neonatal unit at Altnagelvin Hospital, and in January 2012, the Belfast HSC Trust declared a similar outbreak in the neonatal unit of the Royal Jubilee Maternity Service. These outbreaks resulted in the tragic deaths of four babies. In January 2012, the Minister asked the RQIA to facilitate an independent review of the circumstances leading to the Pseudomonas incidents within neonatal units in HSC Trusts and the effectiveness of the response. The review team submitted its interim report in March 2012 and its final report in May 2012, making a total of 32 recommendations, all of which were accepted by the Minister. All but one of the recommendations have now been implemented and minor building works required were completed during early 2012-13. The Department will continue to keep this work under review.

Belfast Trust System of Internal Governance

In April 2012, the Minister asked for special measures to be put in place in respect of the oversight of the Belfast HSC Trust. These measures comprised enhanced governance and performance oversight and were aimed at improving the Trust's quality of service, patient experience, and performance against the strategic priorities, in line with the targets, standards and guidance as set out in the Commissioning Plan Direction. During November 2012, the Minister announced that the special measures arrangements were being relaxed in light of progress in these areas. The Department and the Health and Social Care Board continue to monitor and review the Trust's performance through governance and sponsorship structures.

NI Fire and Rescue Service

During 2011-12, the Department became aware of a range of governance issues within NIFRS, including a number in relation to procurement. During 2011, issues were identified in relation to the procurement of two significant contracts. For these contracts, NIFRS was unable to utilise the services of a Centre of Procurement Expertise ('CoPE') due to limitations in its Service level Agreement with Procurement and Logistic Services ('PaLS'). In liaison with the Central Procurement Directorate, new arrangements have been established which will ensure that all future NIFRS procurement is conducted under the influence of an appropriate CoPE. In this regard, HEIG will continue in its role as CoPE for the procurement of construction works and design services.

Mental Health Access including Child and Adolescent Mental Health Services (CAMHS)

The Commissioning Plan Direction 2012 requires the HSC Board to ensure that HSC Trusts maintain the standard that no patient waits longer than nine weeks to access child and adolescent mental health services. There has been steady improvement in this area in 2012-13, with a reduction in the number of patients waiting in excess of nine weeks from 136 in March 2012 to 47 in March 2013. However, some HSC Trusts have continued to experience challenges in maintaining the nine week access standard. This has been in part due to significant loss in staff capacity (vacant posts) and in increasing referrals for specialist CAMHS. In response, the HSCB has undertaken a range of service improvement actions which complement the improvement actions developed in response to the RQIA review of CAMHS in February 2012 and which are being progressed through the CAMHS Bamford implementation sub-group. The HSCB expects there to be no breaches of the nine week target by mid-year 2013-14.

Immunology Review at Royal Victoria Hospital

During 2011-12, a group of adult immunology patients were offered a review appointment at the Royal Victoria Hospital, as a precautionary measure, to ensure they had received appropriate treatment and care. Through the Immunology Clinical Governance Group (attended by Trust, HSC Board and PHA staff), the trust took appropriate action to ensure the safe and effective ongoing care of those patients where concern existed regarding their previous care. It was agreed that the Immunology Clinical Governance Group could be stood down at its last meeting on 22 February 2012, with ongoing patient issues being managed as

part of normal Directorate business and outstanding regulatory and employment issues managed by the Medical Director's office.

Information Security

The Department became aware of an issue within the HSC Board relating to information security following publication of articles in the media during October 2011. The publications indicated that there may have been unauthorised removal of documents containing confidential personal information about individuals and staff within the health sector. As a result, the Cabinet Office Leak Investigation Team investigated the potential unauthorised removal of documents. Following their review, a number of measures were taken by the HSC Board, through its Information Governance work, to strengthen security of the building and information records. This therefore no longer represents a significant issue. There have been no further similar breaches in 2012-13

Retrospective Approvals

In 2012-13, the Departmental Accounting Officer (DAO) provided retrospective approval for 25 Single Tender Actions (STAs) for external consultancy projects (due to a misinterpretation of Central Procurement Directorate's guidance) and also for an HSCB business case for external consultancy in relation to the Transforming Your Care (TYC) review. The requirement for all external consultancy STAs to have DAO approval has been brought to the attention of all ALBs and the Department continues to review this spend category to ensure compliance with guidance. In addition, the Department now requires the HSCB to consult on all future similar assignments to avoid recurrence of the situation experienced in 2011-12.

A number of the governance matters arising in prior years are still considered to represent internal governance divergences for 2012-13. These include:

Unallocated Cases (Childcare)

Unallocated cases reduced from 354 at the end of March 2012 to 240 at the end of March 2013. HSC trusts reported that there were no unallocated cases of a child protection nature at the end of March 2013. Whilst the Department continued to monitor this on a monthly basis, the continued existence of a waiting list of cases requiring assignment to a social worker within the child and family intervention teams still has the potential to pose a risk to children, including the potential to compromise the ability of Trusts to discharge their statutory responsibilities. The primary means of minimising this risk is to screen cases to ensure that any child protection risk is immediately addressed, resulting in no cases of a child protection nature being outstanding at the end of the period. The continued roll out of Family Support Hubs will afford greater opportunity for appropriate signposting to support services for all families at an early stage.

During 2012-13, through the Children's Service Improvement Programme, the Department agreed and applied a methodology for reducing the number of outstanding cases. Whilst significant effort has been applied to ensure that there are improvement plans in place with individual HSC Trusts, the number of unallocated cases continues to represent a significant

control issue at local level, which remains unacceptably high within the context of significant growing demand for child and family services.

Business Services Organisation

The Business Services Organisation ('BSO') provides a broad range of regional business support functions and specialist professional services to the Department's arm's-length bodies. As the BSO operates on the authority of the HSC Reform Act 2009 ('the Reform Act'), it is important that such services, and their recipients, should correspond with it. The Department is therefore currently progressing a draft Bill to amend the Reform Act which would give the BSO the legal cover to provide support services to the Department and to all of the Department's Arm's-length Bodies. The amendment to the Act will also enable the Department to direct the BSO to exercise any new functions of the Department with respect to the administration of health and social care. It is anticipated that the Bill will be introduced to the Assembly in September 2013.

Regional Oral Medicine Service

On 7 February 2011, the then Minister announced an Independent Dental Inquiry into the recall of 117 patients attending the regional oral medicine service at the Belfast Trust. The Inquiry, under the chairmanship of Mr Brian Fee QC, reported to Minister in June 2011, making 45 recommendations.

The DHSSPS co-ordinated the development of an 'Action Plan in Response to the Dental Hospital Inquiry', in conjunction with the Health and Social Care Board, Public Health Agency, Belfast Health and Social Care Trust, Queen's University Belfast and the Patient and Client Council. This Plan clearly attributed time bounded actions for all relevant organisations. There has been ongoing review of these actions and good progress has been made to date. The Action Plan will not be published until the Chairman of the Inquiry publishes the final report on the Inquiry's findings, which is expected to be later this year.

The three Serious Adverse Incidents relating to the Oral Medicine Service in the Belfast Health and Social Care Trust have all been closed by the HSCB.

The consultation on the Review of Consultant-led Hospital Dental Services has closed and the Secondary Care Directorate expects to soon be publishing the consultation report. The Review makes 10 recommendations including proposed new models for the provision of high quality and sustainable Consultant-led Hospital Dental Services, to meet the needs of the population across Northern Ireland.

Financial Performance

A fundamental responsibility for the Department is to ensure that it and each of its Arm's-length Bodies live within budget. For 2012-13, the HSC again faced significant challenges arising from growing demand pressures for health and social care services, combined with the challenging budget settlement under Budget 2011-15.

In January 2013 the Health and Social Care Board ('HSCB') and Department became aware that, in the light of a range of financial pressures, the Western HSC Trust would overspend its budget in 2012-13. In March 2013, the HSCB, following discussions with the Department, informed the Trust that it was setting a deficit control total for the Trust of £1.2m. The importance of meeting this secondary target was stressed in order to prevent further deterioration in HSC overall financial stability. The HSCB took the view that the application of the requirement to break even in-year, as prescribed in circular HSS(F)37/2001, would have had unacceptable consequences for services to the public, and hence provided a special subvention of £1.2m at the end of 2012-13 so that the Trust was able to fulfil the obligation to break even. The HSCB and the Trust have established plans to ensure improved control of expenditure in 2013-14.

The Department and HSCB have overseen a range of measures necessary to enable the HSC to manage within the overall resources available in 2012-13. However, the continuing constrained public expenditure environment will present further significant challenge for DHSSPS during 2013-14. 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. In that context, the timeliness of robust financial planning by the Department's ALBs is critical in facilitating the Department's financial management responsibilities.

Unscheduled Care

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

The difficulties of supply has resulted in localised recruitment difficulties affecting middle grade doctors for Emergency Departments (ED), resulting in capacity/performance issues over the past number of months, evidenced through deteriorating waiting times in Emergency Departments, thereby reducing the general public's ability to avail of services in a timely manner and giving rise to some concern about the quality of service and the patient experience. A&E performance remains an area of serious concern and the HSCB is working with the HSC trusts to address this as a top priority.

Following a further deterioration in A&E performance during the latter part of 2011-12, the Minister required the HSCB to establish an Improvement Action Group ('IAG') in April 2012 in conjunction with the PHA to ensure that long waiting times are addressed and that the patient experience is improved.

The IAG established a Plan with the immediate objectives of ensuring that 12-hour waits are eliminated from the system or will only occur on a very exceptional basis; and that performance against the four-hour standard and other measures, including patient experience, is improved significantly. Beyond this, the focus of the improvement work will broaden to include a wider range of ED quality and safety measures. Progress against the Action Plan

has been reviewed at HSCB Board meetings from April 2012 and the final IAG report is expected to be submitted to the Department in summer 2013.

Retrospective Sampling

All five HSC Trusts have undertaken exercises where by samples of case files of children and vulnerable adults, who were previously cared for in institutional settings were retrospectively reviewed (retrospective sampling). The purpose of the sampling was to establish if there were issues relating to poor care and possible abuse with HSC Trust facilities in the past. At the request of the Chief Social Services Officer, a Strategic Management Group (SMG), co-chaired by the HSCB and the PSNI, was established in March 2012 with the specific task of considering the issues arising from the retrospective sampling reports and what future actions would be required. Whilst this was set up in accordance with the Protocol for Joint Investigation of Alleged and Suspected Cases of Child Abuse (2004), it was agreed as appropriate to extend the remit to include vulnerable adults.

During 2012-13, the SMG quality assured, analysed and scrutinised the information previously provided by Trusts. Any incidents requiring PSNI involvement have been appropriately referred for further consideration and/or investigation. The SMG is in the final stage of agreeing its report for submission to the Department. On receipt of the report, the Department will consider the SMG's findings and recommendations and at that point, will reassess the extent to whether this remains a control issue.

NI Fire and Rescue Service

- **Whistle-blowing Investigations** - On 16 October 2012 the Minister published reports of the Department's investigations into two separate sets of whistle blowing allegations. The investigations largely substantiated allegations made concerning a range of financial issues; identified serious weaknesses in the way one whistleblower was treated and found that there was a weakness in managing conflicts of interest. On 16 April 2013 he published the results of a further whistle blowing investigation into additional allegations made against the NIFRS. While none of those allegations was substantiated, the investigation again highlighted significant shortcomings with NIFRS internal control systems, particularly the capacity of its Internal Audit.

- **Whole time recruitment campaign** - On 16 October 2012 the Minister published two reports into a recruitment campaign for whole-time fire-fighters: an independent review of the recruitment process, together with an investigation into potential irregularities in the overtime claims. The Department of Agriculture and Rural Development's Central Investigation Service determined that there was insufficient evidence to categorise the issues identified as being actual, attempted or suspected fraud. The reports, however, made a series of recommendations relating to shortfalls in the recruitment processes and the value for money and appropriateness of the payment arrangements put in place for this project.

  NIFRS have established an Organisational Improvement Committee to provide an oversight and challenge role for implementation of the recommendations emanating from the whole-time recruitment and whistle blowing investigations. This meets

monthly and will remain in place until all the recommendations have been implemented. A Departmental representative is a member of this Committee. The Department's Internal Audit reviews the recommendations which are reported as completed by NIFRS for validation purposes. Progress on implementation of the recommendations is a standing item on quarterly Departmental Assurance and Accountability meetings. These reports were the subject of a PAC Hearing on 24 April and the final PAC report is awaited.

- **Bonus Payments -** During 2011-12, the Department became aware of an issue within NIFRS in relation to Bonus Payments. The Department provided approval in principle in a letter dated 19 September 2006 for the NIFRS Board to consider a one-off payment to the then CFO under Article 10 (b) of the Fire and Rescue Services (Northern Ireland) Order 2006, provided such payment could be justified and lies within the NIFRS' delegated limit. Although the Department's approval in principle related to the CFO only, one-off payments were made to four Principal Uniformed Officers. At the time the bonuses were paid to the four Principal Uniformed officers, extant guidance stated that amounts over £5,000 required Departmental approval. In addition to breaching this limit, the NIFRS did not disclose the bonuses in the relevant Pay Remit documentation submitted for DFP approval and in accordance with the DFP Pay Remit Circular the expenditure is irregular. The Department is currently working with the NIFRS to seek to have the payments retrospectively approved by the Department of Finance and Personnel.

Community Pharmacy

During 2011-12, Community Pharmacy Northern Ireland (CPNI) applied to the High Court of Justice in Northern Ireland for a Judicial Review relating to community pharmacy remuneration in respect of the 2011-12 financial year. Whilst the Court found in favour of CPNI, the Department lodged an appeal against the ruling and was scheduled at the High Court during December 2012. Prior to the case being heard, the various contributors reached agreement on a resolution methodology. The agreement specified that all parties would work collaboratively in the development and maintenance of arrangements with respect to the Community Pharmacy Contract and Drug Tariff. This will continue to represent an issue until such times as investigations are complete and negotiations finalised to ensure fair and reasonable remuneration levels established for community pharmacy contractors in Northern Ireland.

Paediatric Congenital Cardiac Services (PCCS)

Paediatric congenital cardiac surgery is a highly complex specialist service which carries a significant risk. Currently the service is substantially provided in Belfast, although more complex cases are treated in other units outside Northern Ireland. The HSCB recognises that this highly complex specialist service in Belfast is inherently vulnerable mainly because of the low activity levels. As a result, there are significant challenges in attaining and sustaining quality against rising standards. Standards for this service are increasing across the UK with a move towards surgeons working in larger teams delivering higher volumes of activity. Across the UK, there is a mechanism in place where surgical outcomes are reported to the

Central Cardiac Audit Database (CCAD). This enables health professionals to continually measure and improve care by comparing their work to specific standards and national trends.

Against the above background, the HSCB commissioned an external review by a panel of experts from the UK "Safe and Sustainable" review team in April 2012, to consider the current service provision, activity, outcomes and sustainability of the paediatric congenital cardiac service and to provide assurance on the quality of services for patients treated through the Belfast Health and Social Care Trust. This Review Team was led by Professor Sir Ian Kennedy and completed its work in July 2012. The Review Team reported that it did not find any immediate safety concerns with the current arrangements for the provision of paediatric cardiac surgery in Belfast but did conclude that the surgical element of the service is not sustainable and that potential safety risks should be addressed within six months.

Following receipt of the Expert Panel's report, the Minister asked the HSC Board, working with the PHA, to draw up a document to include the following areas for formal public consultation: a commissioning specification for the delivery of PCCS and clear criteria to provide an objective basis for future decisions on this and related services in Northern Ireland.

This was taken forward by a Working Group, which included clinicians and parents' representatives. The Working Group has recommended that the future commissioning of this service should be primarily from the Dublin paediatric congenital cardiac centre. This has been endorsed by the HSCB.

A decision on the future provision of this service will be taken by the Minister in the coming weeks. The Belfast Trust has continued to monitor the type of procedures carried out at the Royal Belfast Hospital for Sick Children and mitigated against the risks where necessary.

New Issues for 2012-13

The following sets out significant new governance issues identified by the Department for disclosure in this Statement. These include:

Implementation of Transforming Your Care (TYC)

The Minister updated the Northern Ireland Assembly on 19 March 2013 on the outcome of the consultation on the proposals contained in Transforming Your Care; Vision to Action. The consultation endorsed the need for change and the Minister explained that work would now be required on the specific actions to implement the proposals. The implementation of the proposals will require a coherent, co-ordinated approach to ensure the effective transformation of the HSC in service provision to deliver an associated improvement in patient care, within the resources available. The risks to effective implementation are managed through formal oversight arrangements involving regular meetings and communication with the HSCB on regional planning proposals; regular monitoring on the delivery of the Commissioning Plan; and effective engagement and communication with the other arm's-length bodies and other stakeholders on plans for change.

Departmental discussions have been initiated on the reporting requirements of Departmental policy and service leads that would provide overview of implementation activity and the provision of informed advice to the Departmental Accounting Officer.

In light of his concerns about the HSC trusts' process for the proposed closure of statutory residential homes, including their engagement with individuals and families, the Minister announced that the process would be centralised at a regional level. In particular, the Minister asked the Health and Social Care Board to initiate a new process which places, at its core, the principle of sensitivity to the needs and wishes of older people. A regional group has therefore been established and project plans are being developed, which will involve working in partnership with the HSC trusts and engaging with the Commissioner for Older People.

The TYC report highlighted that £70m of transitional funding will be required over the 2012-13 – 2014-15 period in order to deliver the transformational changes required. However, for 2013-14 – 2014-15 transitional funding has yet to be secured and the department is currently reviewing options to mitigate this risk.

Performance within the Northern HSC Trust

During 2012-13, the Department was concerned that there had not been sufficient improvement in patient care and experiences within the Northern HSC Trust (NHSCT), despite a range of support measures which had previously been put in place to assist the Trust. The Department therefore appointed an externally-led Turnaround and Support Team in December 2012 to complete a strategic overview, with the aim of establishing what changes and support might be required to deliver progress, including reducing waiting times in relation to unscheduled care. The role of the Team is to provide an assessment of the changes required to improve performance and to support the Trust to help turnaround performance in critical areas. In light of the emerging findings of the Turnaround and Support Team, two Senior Directors were appointed to the Trust in May 2013 to lead on the next stages of turnaround in order to improve performance in critical areas of service delivery. This is part of a programme of intensive support that will be provided to the Trust. The Chief Executive also stepped aside from his post at the Trust to take up a new role with the Health and Social Care Board. The Turnaround and Support Team is expected to produce a report by June 2013 and provide support at the Trust during the first half of 2013-14. The report will be considered by the trust's Board and any recommendations will be taken forward in conjunction with the Turnaround and Support Team.

Business Services Transformation Project

The Business Services Transformation Project (BSTP) represents a business critical administrative and shared services project being implemented within the Health and Social Care sector (HSC). During 2012-13, two new computer systems were introduced by the Business Services Organisation (BSO) within some HSC bodies as part of BSTP. These were Finance, Procurement and Logistics (FPL) and Human Resources, Payroll and Travel (HRPTS). The FPL system was implemented within the BSO, Procurement and Logistics Services, and the Western and Belfast HSC Trusts, and encountered a number of technical and operational issues. This resulted in the postponement of subsequent implementation phases until corrective action has been implemented. The HRPTS project implementation has

also been revised due to a range of implementation difficulties. The NIAO has undertaken additional testing within the organisations using the BSTP systems during the statutory audit process. This was primarily related to the technical and operational issues encountered with the systems and this resulted in extensions to the audit process and testing regime, principally within the BSO, which delayed commencement of the statutory audit by the NIAO. The issues also required the respective organisations to undertake additional activities to ensure the quality of the accounts and backing information was of a suitable standard for the statutory audit. The additional testing did not identify any other matters and all ALBs that were impacted by the BSTP issues, with the exception of the BSO, will meet the faster closing deadline.

The revised implementation schedule for the FPL and HRPT systems across HSC has resulted in the revision of the timeline for the implementation of the Shared Services model strategy. The ongoing pressure on HR and Finance functions to support and sustain parallel operation of regional project work and organisational functionality in an evolving environment is also a competing demand on stakeholder organisations resources. The project continues to be robustly managed in order to maintain progress in this important area. Furthermore, any additional costs are being scrutinised and justified, in addition to being subject to business case approvals.

Procurement

The following procurement related matters arose in 2012-13:

- The Business Services Organisation's financial statements for 2011-12 were qualified by the Northern Ireland Audit Office on the basis that HSC organisations had incurred expenditure on PaLS contracts which were potentially in breach of the Public Contract Regulations (2006). As a result of this, the BSO initiated a full Recovery Plan process in 2012-13 to address the issues concerned. The NIAO will form an opinion the on the continuation of the qualification during the 2012-13 audit. The work undertaken has been scrutinised by a DHSSPS Procurement Oversight Group and by internal audit during that period. It is estimated that 89% of all contracts have been taken through a compliant process by the end of the 2012-13 year, with the remaining contracts due to be regularised in the early part of 2013-14. It is estimated that £750,000 of expenditure processed through BSO PaLS during 2011-12 relating to the BSO, is deemed to be potentially irregular in the 2012-13 financial year as a result of the lead time in regularising the position associated with these contracts. A similar sum is recorded across the HSC sector due to HSC bodies using these BSO contracts to obtain goods and services directly from suppliers. The BSO has also established a Procurement Project Group under the chairmanship of the BSO Chief Executive to take forward a number of strands of work in 2013-14, including enhanced training for procurement staff, workforce planning for PaLS, monitoring/information systems and governance arrangements.

- The Late Payment of Commercial Debt Regulations 2013 came into force on the 16 March 2013 and will require the Department and all its ALBs to pay suppliers within thirty calendar days of receipt of an invoice. Failure to do so will result in fines being

levied. Whilst the Regulations do not apply to contracts made before the 16 March 2013, the Department and its ALBs must ensure that they have effective procedures around the prompt payment of invoices. Implementation of these regulations will require careful attention to ensure any risks are mitigated during 2013-14.

- The Department was alerted to instances of poor procurement and contract management though Whistleblowing procedures in the Northern Health and Social Care Trust and immediate steps are being taken to resolve its issues. This issue is being investigated in accordance with the relevant Trust policy. Problems identified include the unauthorised use of single tender actions and contractors working without contracts; £860,000 of payments, in respect of Measured Day Term Contracts (MDTC) is noted to be potentially irregular. A further allegation was made that information was withheld from the ALB's Internal Audit during a routine audit assignment. A full investigation is underway and the ALB is awaiting the outcome of reports into these matters and will take appropriate action to address any weaknesses identified. The BSO Internal Audit Group has been asked to focus attention on ALB procurement and contract management, whilst HEIG's Procurement Policy and Compliance Unit focused on monitoring compliance of procurement activity with HEIG's Professional Estates Letters that contain Departmental policy in relation to construction procurement. The Department has also written to all ALB Accounting Officers seeking assurance that procurement and contract management guidance is being applied in their organisations and where this is not the case, steps are to be taken immediately to realign practices in line with published guidance.

Data Centres

During 2011-12 and 2012-13, the BSO advised the Department of increasing numbers of service interruptions and resilience issues with the Data Centre and network provision to the HSC. This was discussed as a component of the Departmental Governance arrangements. Subsequent actions taken in response to these incidents included an overarching network review by Gartner, a technology research and advisory company. The external review highlighted a number of areas for improvement, including some strategic recommendations for data-centres and technology alignment. These recommendations are being taken forward as a project in the 2012-13 period, including the BSO developing an outline business case to restructure the HSC Data Centre provision.

Food Labelling

During the final quarter of 12-13, suppliers to the BSO identified issues with a number of fresh and frozen meat products provided through sector level contracts to HSC. Subsequent tests indicated the presence of horse, pig and sheep meat in a small number of products. The BSO implemented an action plan to segregate and return affected produce which had been delivered to the Trusts and suspended further deliveries of the product lines identified as contaminated. Additional measures have been implemented with suppliers of the fresh beef products to ensure corrective actions have been undertaken; assurances were sought before supply is re-commenced to HSC. The BSO maintains contact with statutory agencies' for professional advice and guidance as a component of the surveillance regime.

NIBTS

The Department became aware of a potential governance issue within the Northern Ireland Blood Transfusion Service (NIBTS) during 2012-13. This matter related to corporate non-operational staff with responsibility for statutory medical oversight and other aspects of NIBTS's responsibilities during the year. The impact on the operation of the day-to-day operations and service delivery by the NIBTS was negligible. However, given the critical role that NIBTS plays in securing the supply of blood products to HSC organisations, the Department has noted this as a potential risk management and governance issue. The Department will continue to engage as appropriate to ensure that any risk to the service provided by the NIBTS is minimised.

Elective Care

Regionally the 50% target (target uplifted to 60% by March 2013) standards for outpatient and for inpatient / day patient services have been maintained during 2012-13. At the end of March 2013, 1,670 patients were waiting longer than the maximum waiting time of 18 weeks for outpatient services and 1,586 patients were waiting longer than the inpatient/day case maximum waiting time of 30 weeks.

After reviewing demand and capacity in all elective specialties, the HSCB provided additional funding to HSC Trusts during 2012-13 to undertake additional activity – both in-house and in the independent sector. In parallel, the HSCB is making targeted recurrent investments to expand health service capacity to meet demand. There will however, be a small number of specialties, where the waiting times will be longer than the Ministerial maximum waiting time targets and these have been escalated with HSC Trusts to ensure all actions are taken to ensure timely treatment of patients.

The Department continues to look to the HSCB to monitor the position closely through the fortnightly elective performance management meetings.

Resettlement

The Department is aware that there had been limited progress against the resettlement targets in the first half of this year. At the end of January 2013, 21 long stay mental health patients and 28 long-stay learning disability patients have been resettled from hospital to appropriate places in the community. In order to mitigate the trend, HSC Trusts have submitted action plans detailing the number of resettlements to be completed by March 2013 and in the period 2013-14 and 2014-15. These plans should ensure achievement of the target that all long stay mental health and learning disability patients are resettled by 31 March 2015. The HSCB has established a new Steering Group, co-chaired by the HSCB's Director of Social Care and Children and the Northern Ireland Housing Executive, to oversee this process and enhanced performance management arrangements have been put in place to monitor progress.

Ministerial Directions

A Ministerial Direction was made in September 2012 to facilitate the provision of temporary funding for the Integrated Services for Children and Young People project until the end of

March 2013. This was to avoid the imminent collapse of the project and was aimed at securing the scope needed to take better decisions about its future. The necessity for such a direction arose because there was no opportunity for a process within the required timescales that allowed the Departmental Accounting Officer to demonstrate value for money. This facilitated the creation of an interim period that was necessary to secure the scope to take qualitative decisions about its future whilst maintaining service provision.

A further Ministerial Direction was issued on 27 March 2013 with respect to procuring two health and care centres – Lisburn and Newry – through Third Party Development.
The necessity for such a direction arose because the business cases have demonstrated that value for money option in each case would be to procure both facilities through conventional procurement using public capital. However, at present the capital costs associated with the preferred options for both Health and Care Centres are not affordable within the existing capital programme to allow them to be progressed in the short to medium term. The Minister took the view that a delay in progressing these projects would impact on the reform of the health and social care system as outlined in 'Transforming your Care' and 'Vision to Action'.

The Ministerial direction issued in September has received the appropriate Department of Finance and Personnel and Executive approvals during the year 2012-13. Approval for the Ministerial direction issued in March was sought and obtained during the 2013-14 financial year.

Conclusion

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

Further to considering the accountability framework within the Department, including its ALBs, and in conjunction with assurances given to me by the DARC, I am content that the Department has operated a sound system of internal governance during the period 2012-13.

Dr A McCormick
Accounting Officer
28 June 2013

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 2013 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Consolidated Statement of Comprehensive Net Expenditure, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of 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 examine, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Financial Reporting Council'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.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against Assembly control totals and that those totals have not been exceeded.

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

Opinion on Regularity

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2013 and shows that those totals have not been exceeded; and

- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2013 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Director's 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 Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

Report

I have no observations to make on these financial statements.

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

1 July 2013

Statement of Assembly Supply

Summary of Resource Outturn 2012-13

		2012-13							2011-12
		Estimate			Outturn				Outturn
	Note	Gross Expenditure £000	Accruing Resources £000	Net Total £000	Gross Expenditure £000	Accruing Resources £000	Net Total £000	Net Total Outturn compared with Estimate: saving/ (excess) £000	Total £000
Request for Resources									
Request for Resources A	2	5,126,351	535,377	4,590,974	4,796,201	535,377	4,260,824	330,150	3,936,630
Request for Resources B	2	80,862	-	80,862	79,375	-	79,375	1,487	81,166
Total resources	3	**5,207,213**	**535,377**	**4,671,836**	**4,875,576**	**535,377**	**4,340,199**	**331,637**	4,017,796
Non-Operating Cost Accruing Resources				-			-	-	38

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

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

Net Cash Requirement 2012-13

	2012-13				2011-12
	Note	Estimate	Outturn	Net Total Outturn compared with Estimate: saving/ (excess)	Outturn
		£000	£000	£000	£000
Net Cash Requirement	**4**	**4,704,285**	**4,324,116**	**380,169**	4,001,626

Summary of income payable to the Consolidated Fund

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

		Forecast 2012-13		Outturn 2012-13	
	Note	Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Total	**5**	**-**	**-**	**1,974**	***2,027***

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

The notes on pages 92 to 144 form part of these accounts.

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2013

		2012-13			2012-13			2011-12	
		Core Department			Consolidated			Core Department	Consolidated
		Staff Costs	Other Costs	Income	Staff Costs	Other Costs	Income	Total	Total
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Administration costs									
Staff costs	9	27,259			27,259			27,073	27,073
Other administration costs	10		8,008			8,008		8,807	8,807
Operating income	12			(282)			(282)	(285)	(285)
Programme costs									
Request for Resources A									
Staff costs	9	556			39,947			4,542	40,401
Programme costs	11		3,745,521			4,721,188		3,388,727	4,370,881
Income	12			(489,454)			(536,432)	(466,950)	(511,787)
Request for Resources B									
Staff costs	9	-			-			-	-
Programme costs	11		79,199			79,199		80,996	80,996
Income	12			-			-	-	-
Totals		**27,815**	**3,832,728**	**(489,736)**	**67,206**	**4,808,395**	**(536,714)**	3,042,910	4,016,086
Net operating cost for the year ended 31 March 2013	3			**3,370,807**			**4,338,887**	3,042,910	4,016,086
Other Comprehensive Expenditure									
Net (gain)/loss on revaluation of Property, Plant and Equipment				3,372			4,354	5,649	9,286
Net (gain)/loss on revaluation of Intangibles				(1)			(1)	(2)	(2)
Net (gain)/loss on revaluation of available for sales financial assets				-			-	-	-
Total Comprehensive Expenditure for the year ended 31 March 2013				**3,374,178**			**4,343,240**	3,048,557	4,025,370

The notes on pages 92 to 144 form part of these accounts

Consolidated Statement of Financial Position
as at 31 March 2013

	Note	31 March 2013		31 March 2012	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Non-current assets:					
Property, plant and equipment	13	61,257	77,364	71,943	89,634
Intangible assets	14	14	918	43	1,412
Financial Assets	16	2,009,000	2,009,000	2,009,000	2,009,000
Non Current trade and other receivables	18	-	-	-	-
Other non current assets	18	-	-	3	3
Total non-current assets		**2,070,271**	**2,087,282**	2,080,989	2,100,049
Current Assets					
Assets classified as held for sale	13.4	7,015	7,015	3,845	3,845
Inventories	17	-	1	-	7
Current Trade and other receivables	18	26,723	37,337	51,148	57,900
Other current assets	18	967	1,033	637	2,895
Financial assets	16	-	-	-	-
Cash and Cash Equivalents	19	-	4,128	-	3,613
Total current assets		**34,705**	**49,514**	55,630	68,260
Total assets		**2,104,976**	**2,136,796**	2,136,619	2,168,309
Current liabilities					
Current Trade and other payables	21	17,789	217,251	12,092	237,919
Other Current liabilities	21	-	-	-	-
Provisions	22	100	14,651	200	20,494
Financial Liabilities	16	-	-	-	-
Total current liabilities		**17,889**	**231,902**	12,292	258,413
Non-current assets plus/less net current assets/liabilities		**2,087,087**	**1,904,894**	2,124,327	1,909,896
Non-current liabilities					
Provisions	22	174	40,479	327	27,696
Other Non Current liabilities	21	-	-	-	-
Financial Liabilities	16	-	-	-	-
Total non-current liabilities		**174**	**40,479**	327	27,696
Assets less liabilities		**2,086,913**	**1,864,415**	2,124,000	1,882,200
Taxpayers' equity					
General Fund		2,059,972	1,830,583	2,090,390	1,840,717
Revaluation Reserve		26,941	33,832	33,610	41,483
Total taxpayers' equity		**2,086,913**	**1,864,415**	2,124,000	1,882,200

The notes on pages 92 to 144 form part of these accounts

Dr A McCormick
Accounting Officer
28th June 2013

Consolidated Statement of Cash Flows

for the year ended 31 March 2013

	Note	2012-13 £000	2011-12 £000
Cash flows from operating activities			
Net Operating Cost		(4,338,887)	(4,016,086)
Adjustments for non cash transactions	9,10,11,12	25,989	25,791
(Increase)/decrease in trade & other receivables	18	22,428	14,453
less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Supply amounts due from the consolidated fund	18	267	(17,812)
(Increase)/Decrease in Inventories	17	6	1
(Decrease)/Increase in trade & other payables (adjusted for bank overdraft)	21	(22,716)	(8,891)
less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Movements in payables relating to the purchase of property, plant & equipment		337	1,363
Movements in payables relating to purchase of intangibles		-	-
Supply amounts due to the consolidated fund		1,732	(1,732)
Movements in payables relating to CFER items		(451)	17,894
Use of provisions	22	(8,389)	(8,883)
Impairment of investments	16	-	-
Net Cash outflow from operating activities		**(4,319,684)**	(3,993,902)
Cash flows from investing activities			
Purchase of property, plant & equipment	13,21	(3,050)	(4,987)
Purchase of intangible assets	14,21	(17)	(320)
Proceeds of disposal of property, plant and equipment		624	38
Proceeds of disposal of intangibles		-	-
Net cash outflow from investing activities		**(2,443)**	(5,269)
Cash flows from financing activities			
From Consolidated Fund (Supply) - current year	CSCTE	4,322,117	4,003,358
From Consolidated Fund (Supply) - prior year	CSCTE	-	17,812
Net financing		**4,322,117**	4,021,170
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund.		**(10)**	21,999
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(1,523)	(19,604)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund.		**(1,533)**	2,395
Cash and cash equivalents at the beginning of the period	19	**3,134**	739
Cash and cash equivalents at the end of the period	19	**1,601**	3,134

The notes on pages 92 to 144 form part of these accounts

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2013

	Note	General Fund	Revaluation Reserve	Total Reserves
		£000	£000	£000
Balances at 31 March 2011		1,849,594	54,583	1,904,177
Changes in taxpayers' equity for 2011-12				
Net assembly funding - drawdown for current year		4,003,358	-	4,003,358
Net assembly funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply payable/(receivable) adjustment		(1,732)	-	(1,732)
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(1,710)	-	(1,710)
Comprehensive Expenditure for the Year		(4,016,086)	(9,284)	(4,025,370)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	10,11	175	-	175
Non-cash charges - other	9,10	6,257	-	6,257
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	13,14	-	-	-
Transfer of asset ownership		(2,955)	-	(2,955)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		3,816	(3,816)	-
Balances at 31 March 2012		1,840,717	41,483	1,882,200
Changes in taxpayers' equity for 2012-13				
Net assembly funding - drawdown for current year		4,322,117	-	4,322,117
Net assembly funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		1,732	-	1,732
Supply payable/(receivable) adjustment		267	-	267
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund	5	(1,974)	-	(1,974)
Comprehensive Expenditure for the Year		(4,338,887)	(4,353)	(4,343,240)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	10,11	180	-	180
Non-cash charges - other	9,10	5,440	-	5,440
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		(2,307)	-	(2,307)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		3,298	(3,298)	-
Balances at 31 March 2013		**1,830,583**	**33,832**	**1,864,415**

The notes on pages 92 to 144 form part of these accounts

Core Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2013

	Note	General Fund	Revaluation Reserve	Total Reserves
		£000	£000	£000
Balances at 31 March 2011		2,088,168	43,073	2,131,241
Changes in taxpayers' equity for 2011-12				
Net assembly funding - drawdown for current year		3,041,360	-	3,041,360
Net assembly funding - drawdown for prior year		-	-	-
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply payable/(receivable) adjustment		(1,732)	-	(1,732)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund	5	(1,710)	-	(1,710)
Comprehensive Expenditure for the Year		(3,042,910)	(5,647)	(3,048,557)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	10,11	100	-	100
Non-cash charges - other	9,10	6,257	-	6,257
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	13,14	-	-	-
Transfer of asset ownership		(2,959)	-	(2,959)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		3,816	(3,816)	-
Balances at 31 March 2012		2,090,390	33,610	2,124,000
Changes in taxpayers' equity for 2012-13				
Net assembly funding - drawdown for current year		3,333,828	-	3,333,828
Net assembly funding - drawdown for prior year		-	-	
Settlement of prior year trade payable/(trade receivable)		-	-	
Net assembly funding - deemed		1,732	-	1,732
Supply payable/(receivable) adjustment		267	-	267
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund	5	(1,974)	-	(1,974)
Comprehensive Expenditure for the Year		(3,370,807)	(3,371)	(3,374,178)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	10,11	105	-	105
Non-cash charges - other	9,10	5,440	-	5,440
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer of asset ownership		(2,307)	-	(2,307)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		3,298	(3,298)	-
Balances at 31 March 2013		**2,059,972**	**26,941**	**2,086,913**

The notes on pages 92 to 144 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 2012-13 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The accounting policies contained in FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

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

The FReM requires the following primary statements;

- Statement of Assembly Supply,
- Statement of Comprehensive Net Expenditure,
- Statement of Financial Position,
- Consolidated Statement of Cash Flows,
- Consolidated Statement of Changes in Taxpayers Equity and
- Core Statement of Changes in Taxpayers Equity.

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

1.1. Accounting Convention

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

1.2. Currency and Rounding

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

1.3. Basis of Consolidation

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

1.4. Health and Social Care Board & Public Health Agency

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

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

1.5. Property, Plant and Equipment and Intangibles

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

Recognition

Property, Plant and Equipment must be capitalised if:

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

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

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

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

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

Valuation

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

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

Fair value for Plant, Equipment and Intangibles is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics (ONS), except for assets under construction which are carried at cost. This year, indices at the end of December 2012 were used.

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

A formal revaluation of the Retained Estate and the HSC Estate was last carried out as at 31 January 2010, by Land and Property Services of Upper Queen's Street, Belfast, with the next review due by 31 January 2015.

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

1.6. Depreciation

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

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

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

Depreciable assets normally have useful lives in the following ranges:

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

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

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

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

1.7. Subsequent Expenditure

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

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

1.8. Impairments

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

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

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

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

1.9. Profit/Loss on sale of non current Assets

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

1.10. Non Current Assets Held for Sale

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

1.11. Stockpile Goods

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

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

1.12. Investments

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

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

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

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

1.13. Inventories and Work in Progress

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

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

1.14. Research and Development

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

1.15. Operating Income

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

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

1.16. Leases

Department, HSC Board and PHA as lessee

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

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

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

Department HSC Board and PHA as a lessor

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

1.17. PFI

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

1.18. Service Concession Arrangements

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

1.19. Financial Instruments

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

Financial assets

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

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

Financial assets are classified into the following categories:

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

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

Financial liabilities

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

Financial liabilities are initially recognised at fair value.

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

Financial Risk Management

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

Currency Risk

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

Interest Rate Risk

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

Credit and Liquidity risk

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

1.20. Cash and cash equivalents

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

1.21. Grants Payable

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

1.22. Provisions

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

At 31 March 2013 the Treasury Discount rate for use in General Provisions were

years 1 – 5	minus 1.8% (negative real rate)
years 6 – 10	minus 1% (negative real rate)
years 11 – 20	plus 2.3%

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually

certain that reimbursements will be received and the amount of the receivable can be measured reliably.

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

1.23. Contingent Assets / Liabilities

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

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

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

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

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

1.24. Change to Estimation Technique

There were no changes to estimation techniques during the year.

1.25. Value Added Tax

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

1.26. Third Party Assets

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

1.27. Losses and Special Payments

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

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

1.28. Administration and Programme Expenditure

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

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

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

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

1.29. Employee Benefits including pensions

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

Past and present employees of the Department are covered by the Principal Civil Service Pension Scheme (PCSPS) (NI). The defined benefit schemes are unfunded and are non-contributory except in respect of dependant's benefits. The Department recognises the

expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Department recognizes the contributions payable during the year.

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

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

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 31 March 2008 full valuation reviewed by an interim valuation in 2010 has been used in the 2012-13 accounts.

1.30. Transfer of Functions to Other Departments

The accounting treatment for transfers of function is in accordance with the merger accounting principles set out in the FReM. The Department, HSC Board or PHA did not have any transfers of function during 2012-13**.**

1.31. Changes in Accounting Policy

There were no changes in Accounting Policy during 2012-13.

1.32. Prior Period Adjustments

There were no material prior period adjustments.

1.33. Reserves

Statement of Comprehensive Net Expenditure

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

Revaluation Reserve

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

1.34. Standards Issued by IASB not included in 2012-13 FReM

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

The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards have an effective date of January 2013, and EU adoption is due from 1 January 2014. The application of these IFRS changes is subject to further review by Treasury and the other Relevant Authorities before due process consultation.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on DHSSPS is expected to focus around the disclosure requirements under IFRS12. The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

Management consider that any other new accounting policies issued but not yet adopted are unlikely to have a significant impact on the accounts in the period of the initial application.

2. Analysis of net resource outturn by function

	2012-13									2011-12
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Request for Resources A: Departmental expenditure in DEL										
1.Hospital and Community Health Care Services	24,187	181,785	-	205,972	(28,287)	177,685	247,912	70,227	70,839	169,244
2. Family Health Service - General Medical Services	374	221,633	-	222,007	-	222,007	236,199	14,192	14,192	223,004
3. Family Health Service - Pharmaceutical Services	188	458,566	-	458,754	-	458,754	461,532	2,778	2,778	482,253
4. Family Health Service - Dental Services	91	119,719	-	119,810	(18,421)	101,389	102,945	1,556	135	95,720
5. Family Health Service - Ophthalmic Services	91	21,654	-	21,745	-	21,745	21,011	(734)	-	20,701
6. Other Centrally Financed Services	2,536	8,385	-	10,921	-	10,921	10,976	55	107	12,230
7. Training and Further Education	1,836	34,394	1,475	37,705	(10)	37,695	41,769	4,074	4,100	39,217
8. Grants to Voluntary bodies	243	-	6,021	6,264	-	6,264	8,885	2,621	2,621	8,557
9. EU Community Initiatives	-	-	4,879	4,879	(3,659)	1,220	1,220	-	1	2,291
Special Initiatives	-	-	-	-	-	-	-	-	-	65
Social Protection Fund	-	-	-	-	-	-	-	-	-	171
Annually Managed Expenditure (AME)										
10.Hospital and Community Health Care Services	-	17,329	-	17,329	-	17,329	10,344	(6,985)	(6,985)	9,237
Non-budget										
11. Health and Social Care Trusts	-	-	3,564,753	3,564,753	-	3,564,753	3,840,633	275,880	238,675	3,268,685

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

	2012-13									2011-12
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Health and Social Care Trusts - Childcare Strategy Fund	-	-	-	-	-	-	-	-	-	250
12. Health Service Contributions	-	-	-	-	(485,000)	(485,000)	(485,000)	-	-	(455,197)
13. Business Service Organisation	-	-	87,970	87,970	-	87,970	51,141	(36,829)	-	21,835
Business Service Organisation - Social Protection Fund	-	-	-	-	-	-	-	-	-	629
14. NI Blood Transfusion Service	-	-	234	234	-	234	222	(12)	-	90
15. NI Guardian ad Litem Agency	-	-	4,331	4,331	-	4,331	3,967	(364)	-	3,431
16. NI Medical and Dental Training Agency	-	-	14,175	14,175	-	14,175	14,900	725	725	13,250
17. Northern Ireland Practice and Education Council	-	-	1,291	1,291	-	1,291	1,352	61	61	1,210
18. NI Social Care Council	-	-	2,685	2,685	-	2,685	2,949	264	264	3,268
19. Patient Client Council	-	-	1,789	1,789	-	1,789	1,805	16	16	1,815
20. Regulation and Quality Improvement Authority	-	-	5,761	5,761	-	5,761	6,802	1,041	1,041	5,910
21. Food Safety Promotion Board	-	-	1,949	1,949	-	1,949	1,958	9	9	2,075
22. Institute of Public Health in Ireland	-	-	332	332	-	332	335	3	3	332
23. Notional charges	5,545	-	-	5,545	-	5,545	7,117	1,572	1,572	6,357
Total Request for Resources A	**35,091**	**1,063,465**	**3,697,645**	**4,796,201**	**(535,377)**	**4,260,824**	**4,590,974**	**330,150**	**330,154**	**3,936,630**
Request for Resources B: Expenditure in DEL										
1. Fire Services	176	109	-	285	-	285	257	(28)	-	196
Non-budget										
2. Northern Ireland Fire and Rescue Service	-	-	79,090	79,090	-	79,090	80,605	1,515	1,487	80,970
Total Request for Resources B	**176**	**109**	**79,090**	**79,375**	**-**	**79,375**	**80,862**	**1,487**	**1,487**	**81,166**
Resource Outturn	**35,267**	**1,063,574**	**3,776,735**	**4,875,576**	**(535,377)**	**4,340,199**	**4,671,836**	**331,637**	**331,641**	**4,017,796**

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	70,227	Attributable to a change in the split of resources between direct HSCB and Trust expenditure from when the Spring Supplementary Estimates were written. SSE's were informed from the December monitoring budget position. The split of resources by the HSCB between direct expenditure and Trust expenditure moved from the time the December monitoring budget was set and the year end.
A2. Family Health Service - General Medical Services	14,192	Due to a decrease in General Medical Services outturn for the year from the forecast position used in the Spring Supplementary Estimates. This is a demand led service.
A4. Family Health Service - Dental Services	1,556	Due to an increase in dental services income for the year from the forecast position used to write the Spring Supplementary Estimates. This is a demand led service.
A7. Training and Further Education	4,074	Attributable to a reallocation of resources from centrally managed expenditure to allocations made to Arm's Length Bodies after the Spring Supplementary Estimates were written.
A8. Grants to Voluntary bodies	2,621	Attributable to a reallocation of resources from centrally managed expenditure to allocations made to Arm's Length Bodies after the Spring Supplementary Estimates were written.
A10.Hospital and Community Health Care Services	(6,985)	Attributable to a net increase in provision movements from the position used to write the Spring Supplementary Estimates.
A11. Health and Social Care Trusts	275,880	Due to a reduction in the actual cash drawn down by the Trusts for the year from the forecast position included in the Spring Supplementary Estimates.
A13. Business Services Organisation	(36,829)	Due to an increase in the actual cash drawn down by the Business Services Organisation for the year from the forecast position used in the Spring Supplementary Estimates, as payment of a working capital movement was not included in Forecast.
A20. Regulation and Quality Improvement Authority	1,041	Due to a reduction in the actual cash drawn down by the Regulation and Improvement Authority for the year from the forecast position included in the Spring Supplementary Estimates.
A23. Notional charges	1,572	Due to forecast notional costs exceeding actual notional costs

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

3.1 Reconciliation of net resource outturn to net operating cost

	Note	2012-13			2011-12
		Outturn	Supply Estimate	Outturn compared with Estimate	Outturn
		£000	£000	£000	£000
Net resource outturn	2	4,340,199	4,671,836	331,637	4,017,796
Changes in accounting policy		-	-	-	-
Other Adjustments		-	-	-	-
Non-supply income (CFERs)	5	(1,312)	-	1,312	(1,710)
Non-supply income (Other)		-	-	-	-
EU Receivables written off		-	-	-	-
Non-supply expenditure		-	-	-	-
Net operating Cost		**4,338,887**	**4,671,836**	**332,949**	4,016,086
		OK			OK
		OK			OK

3.2 Outturn against final Administration Budget

	2012-13		2011-12
	Budget	Outturn	Outturn
	£000	£000	£000
Gross Administration Budget	31,910	29,722	29,523
Income allowable against the Administration Budget	(1,262)	(279)	(264)
Net outturn against final Administration Budget	**30,648**	**29,443**	29,259

4. Reconciliation of net resource outturn to net cash requirement

	Note	2012-13		
		Estimate	Outturn	Net total outturn compared with estimate: saving/(excess)
		£000	£000	£000
Resource Outturn	2	4,671,836	4,340,199	331,637
Capital				
Acquisition of property, plant and equipment	13	15,262	2,713	12,549
Acquisition of intangibles	14	-	17	(17)
Non-Operating Accruing resources				
Proceeds of property, plant and equipment disposals		-	-	-
Proceeds of intangible disposals		-	-	-
Accruals Adjustments				
Non-cash items	9,10,11,12	(21,213)	(25,989)	4,776
Changes in working capital other than cash	4.1	30,000	(1,213)	31,213
Changes in payables falling due after more than one year	21	-	-	-
Use of provision	22	8,400	8,389	11
Excess cash receipts surrenderable to the Consolidated Fund	5	-	-	-
Net cash requirement		**4,704,285**	**4,324,116**	**380,169**

OK OK OK OK

4.1 Changes in Working Capital other than Cash

	Note	2012-13	2011-12
		£000	£000
(Increase)/Decrease in Inventories	17	6	1
(Increase)/Decrease in Trade Receivables	18	22,428	14,453
(Decrease)/Increase in Trade Payables (adjusted for bank overdraft)	21	(22,716)	(8,891)
Movement in CFERs included in trade receivables	18	(53)	(70)
Movement in amounts due from the Consolidated Fund in respect of supply	18	267	(17,812)
Movement in HSC Superannuation Scheme Payable/Receivable	18,21	-	(675)
Movement in Payables for amounts issued from the Consolidated Fund for supply but not spent at year end	21	1,732	(1,732)
Movement in Payables for Consolidated Fund Extra receipts due to be paid to the Consolidated Fund:		-	-
received	21	(504)	17,824
receivable	21	53	70
Total changes in working capital other than cash		**1,213**	3,168

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

Item	Variance £'000	Explanation
Acquisition of fixed assets	12,549	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Acquisition of intangibles	(17)	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Proceeds of property, plant and equipment disposals	624	Proceeds from disposals higher than expected
Non-cash items	4,776	Higher than forecast movements in provisions
Changes in working capital other than cash	31,213	Movement in working capital lower than expected
Use of provision	11	Lower utilisation of provisions than was estimated

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 2012-13		Outturn 2012-13	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Operating income and receipts - excess Accruing Resources		-	-	1,155	*1,208*
Other operating income and receipts not classified as Accruing Resources		-	-	157	*157*
EU Receivables written off		-	-	-	-
		-	-	1,312	*1,365*
Non-Operating income & receipts - excess Accruing Resources	7	-	-	662	*662*
Other amounts collectable on behalf of the Consolidated Fund		-	-	-	-
Excess cash surrenderable to the Consolidated Fund	4	-	-	-	-
Total income payable to the Consolidated Fund		**-**	**-**	**1,974**	***2,027***

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	2012-13	2011-12
		£000	£000
Operating income	12	536,714	512,072
Income netted off in gross sub head grossed up in Statement of Comprehensive Net Expenditure		(25)	-
Adjustments for transactions between RfRs		-	-
Gross income		536,689	512,072
Non-supply income (other than CFER's)		-	-
Changes in accounting policy		-	-
Other Adjustments		-	-
Income authorised as Accruing Resources		(535,377)	(510,362)
Operating income payable to the Consolidated Fund	5	1,312	1,710

7. Non-operating income - Excess Accruing Resources

	2012-13	2011-12
	£000	£000
Principal repayments of voted loans	-	-
Proceeds on disposal of property, plant & equipment	662	-
Proceeds on disposal of intangibles	-	-
Other (analysed as appropriate)	-	-
Non operating income - excess accruing resources	**662**	-

8. Statement of Operating Costs by Operating Segment.

The Operating segments are:

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

	2012-13		
	Gross Expenditure	Income	Net Expenditure
Funded Bodies			
Health & Social Care Board	960,451	(46,389)	914,062
Public Health Agency	51,755	(589)	51,166
Business Services Organisation	87,970	-	87,970
Patient Client Council	1,789	-	1,789
NI Practice & Education Council for Nursing & Midwifery	1,291	-	1,291
NI Social Care Council	2,685	-	2,685
Regulation & Quality Improvement Authority	5,761	-	5,761
NI Medical & Dental Training Agency	14,175	-	14,175
NI Guardian ad Litem Agency	4,331	-	4,331
NI Fire & Rescue Service	79,090	-	79,090
Health and Social Care Trusts	3,564,753	-	3,564,753
Centrally Managed			
Administration	35,145	(282)	34,863
Programme	61,551	(489,454)	(427,903)
Depreciation / Impairments	4,854	-	4,854
Total	4,875,601	(536,714)	4,338,887

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

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

	2011-12		
	Gross Expenditure	Income	Net Expenditure
Funded Bodies			
Health & Social Care Board	965,283	(44,737)	920,546
Public Health Agency	49,479	(473)	49,006
Business Services Organisation	22,464	-	22,464
Patient Client Council	1,815	-	1,815
NI Practice & Education Council for Nursing & Midwifery	1,210	-	1,210
NI Social Care Council	3,268	-	3,268
Regulation & Quality Improvement Authority	5,910	-	5,910
NI Medical & Dental Training Agency	13,250	-	13,250
NI Guardian ad Litem Agency	3,431	-	3,431
NI Fire & Rescue Service	80,970	-	80,970
Health and Social Care Trusts	3,268,935	-	3,268,935
Centrally Managed			
Administration	35,678	(285)	35,393
Programme	66,720	(466,577)	(399,857)
Depreciation / Impairments	9,745	-	9,745
Total	4,528,158	(512,072)	4,016,086

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

OK OK OK

8. Statement of Operating Costs by Operating Segment

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

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

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

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

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

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

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

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

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

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

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

9. Staff numbers and related costs

Staff costs comprise:

	2012-13				2011-12
	Permanently employed staff	Others	Ministers	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	49,985	4,255	38	54,278	54,883
Social security costs	4,258	337	4	4,599	4,350
Other pension costs	7,816	505	8	8,329	8,241
Subtotal	**62,059**	**5,097**	**50**	**67,206**	67,474
Less recoveries iro outward secondments	(279)	(495)	-	(774)	(4,110)
Total net costs*	**61,780**	**4,602**	**50**	**66,432**	63,364
Of which:					
Core Department	**25,521**	**2,244**	**50**	**27,815**	31,615
Less recoveries iro outward secondments	(279)	-	-	(279)	(4,044)
Net Core Department	**25,242**	**2,244**	**50**	**27,536**	27,571

* No staff costs have been charged to capital. Permanently employed staff include the cost of the Department's Special Adviser, who was paid within the pay band £57,873 - £90,900 during 2012-13 (2011-12: £57,300 - £90,000)

Staff costs by objective

	2012-13	2011-12
	£000	£000
Of which:		
Core Department		
Administration	26,980	26,809
Programme	556	762
Total	**27,536**	27,571
Agencies		
Administration	-	-
Programme	38,896	35,793
Total	**38,896**	35,793
Consolidated		
Administration	26,980	26,809
Programme	39,452	36,555
Total net costs	**66,432**	63,364

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

For 2012-13, employers' contributions of £4.1m were payable to the PCSPS(NI) (2011-12: £4.6m) at one of four rates in the range 18% to 25% of pensionable pay, (2011-12: 18% to 25%) based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. However, HM Treasury has instructed the scheme to cease further work on the March 2010 valuation. A new valuation scheme, based on data as at 31 March 2012, is currently being undertaken by the Actuary to review employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2013-14, the rates will remain in the range 18% to 25%. The contribution rates are set to meet the cost of the benefits accruing during 2012-13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. There were no employer's contributions in 2012-13 (2011-12: £nil).

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

Five persons (2011-12: three persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £6k (2011-12 : £8k)

Average number of persons employed

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

	2012-13 Number				2011-12 Number
Departmental Strategic Objective	**Permanently employed staff**	**Others**	**Ministers**	**Total**	**Total**
Health & Social Care Board	442	46	-	488	462
Public Health Agency	290	22	-	312	301
Business Services Organisation	-	-	-	-	-
Patient Client Council	-	-	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-	-	-
NI Social Care Council	-	-	-	-	-
Regulation & Quality Improvement Authority	-	-	-	-	-
NI Medical & Dental Training Agency	-	-	-	-	-
NI Guardian ad Litem Agency	-	-	-	-	-
NI Fire & Rescue Service	-	-	-	-	-
Health and Social Care Trusts	-	-	-	-	-
Administration	585	42	1	628	728
Programme	4	5	-	9	6
less staff engaged on capital projects	-	-	-	-	-
less outward seconded staff	(13)	-	-	(13)	(90)
Total	**1,308**	**115**	**1**	**1,424**	1,407
Of which:					
Core Department	584	47	1	**632**	650
Agencies	724	68	-	**792**	757

Core Staff numbers include 47 Whole Time Equivalent (WTE) staff seconded in to the Department and 5 (WTE) staff seconded out from the Department to other bodies.

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

	Core Department						Consolidated					
	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band		*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<£10,000	-	-	-	3	-	3	-	-	-	3	-	3
£10,001 - £25,000	-	-	2	-	2	-	-	-	2	2	2	2
£25,001 - £50,000	-	-	-	-	-	-	-	-	1	6	1	6
£50,001 - £100,000	-	-	1	-	1	-	-	-	1	5	1	5
£100,001- £150,000	-	-	-	-	-	-	-	-	-	5	-	5
£150,001- £200,000	-	-	-	-	-	-	-	-	-	1	-	1
£200,001- £250,000	-	-	-	-	-	-	-	-	-	-	-	-
£250,001- £300,000	-	-	-	-	-	-	-	-	-	1	-	1
£300,001- £350,000	-	-	-	-	-	-	-	-	-	-	-	-
£350,001- £400,000	-	-	-	-	-	-	-	-	-	-	-	-
Total number of exit packages by type	-	-	3	3	3	3	-	-	4	23	4	23
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Total resource cost	-	-	106	3	106	3	-	-	131	1,692	131	1,692

The table above shows Redundancy and other departure costs in respect of the Core Department in 2012-13: three cases totalling £106k (2011-12 3 cases totalling £3k); the HSCB, 1 case totalling £25k in 2012-13 (2011-12 19 cases totalling £1,648k); and the PHA, nil cases in 2012-13 (2011-12 one case totalling £41k).

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

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

10. Other Administration Costs

	Note	2012-13 Core Department £000	2012-13 Consolidated £000	2011-12 Core Department £000	2011-12 Consolidated £000
Rentals under operating leases		40	40	14	14
Interest charges		-	-	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		-	-	-	-
Staff related costs		674	674	616	616
Accommodation Costs		6	6	7	7
Office Services		769	769	671	671
Contracted Services		516	516	674	674
Professional Costs		310	310	199	199
Other Admin Expenditure		162	162	129	129
		2,477	**2,477**	2,310	2,310
Non-Cash Items					
Depreciation		21	21	164	164
Amortisation		15	15	38	38
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		-	-	12	12
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	31	31
Auditors' remuneration and expenses		105	105	100	100
Provision provided for in year	22	-	-	(55)	(55)
Borrowing costs (unwinding of discount) on provisions	22	-	-	-	-
Permanent diminution in value		-	-	-	-
Accommodation costs		2,798	2,798	3,613	3,613
Other indirect charges and services		2,592	2,592	2,594	2,594
Total Non-Cash Items		**5,531**	**5,531**	6,497	6,497
Total		**8,008**	**8,008**	8,807	8,807

During the year, the Department purchased no non-audit services from its auditor (NIAO). 'Professional Costs' includes one other audit service in respect of National Fraud Initiataive (NFI) amounting to £2k, which was purchased from NIAO.

11. Programme Costs

	Note	2012-13		2011-12	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Request for Resources A					
Rentals under operating leases		1,208	1,375	1,108	1,300
Interest charges		-	-	-	-
Research and development expenditure		26	4,860	168	4,323
EU Grants		4,878	4,878	6,903	6,903
Other Grants and Disbursements		3,737,510	4,689,650	3,374,215	4,339,404
		3,743,622	**4,700,763**	3,382,394	4,351,930
Non Cash Items					
Depreciation		596	3,060	598	3,398
Amortisation		14	498	14	525
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		29	203	72	125
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses		-	75	-	75
Other indirect charges and services		-	-	-	-
Provision provided for in year	22	-	14,148	29	8,199
Borrowing costs (unwinding of discount) on provisions	22	-	1,181	-	1,009
Permanent diminution in value		1,260	1,260	5,620	5,620
Total Non-Cash Items		**1,899**	**20,425**	6,333	18,951
Total for Request for Resources A		**3,745,521**	**4,721,188**	3,388,727	4,370,881
Request for Resources B					
NI Fire & Rescue Service		79,199	79,199	80,996	80,996
Total for Request for Resources B		**79,199**	**79,199**	80,996	80,996
Total		**3,824,720**	**4,800,387**	3,469,723	4,451,877

Some prior year figures in 'Rentals under operating leases', 'EU Grants' and 'Other Grants and Disbursements' were incorrectly categorised in 2011-12. While these differences were not material and the Programme Note totals have not changed, the prior year figures have, nevertheless, been reanalysed to ensure comparability with the current year. Rentals under operating leases have therefore increased by £1,108k, EU Grants have increased by £2,667k and Other Grants and Disbursements have decreased by £3,775k

12. Income

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

Core Department	2012-13			2011-12
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	-	-	-	21
Fees and charges to other departments	279	-	279	264
Central administration and miscellaneous services	3	-	3	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**282**	**-**	**282**	285
Programme income:				
Fees and charges to external customers	-	-	-	3,780
EU Income	3,659	-	3,659	4,235
Miscellaneous Grants and Disbursements	-	-	-	-
Health & Social Services Grants and Disbursements	485,770	-	485,770	458,935
Family Health Services receipts	-	-	-	-
Profit on disposal of non-depreciable property, plant and equipment	25	-	25	-
Total programme income	**489,454**	**-**	**489,454**	466,950
Total	**489,736**	**-**	**489,736**	467,235

Health & Social Services Grants and Disbursements include National Insurance contributions received of 2012-13 £486m. (2011-12: £455m)

The basis of the calculation used by the HMRC to finalise the Health Service element of National Insurance Contributions was reviewed as part of the National Insurance Fund audit for the period 2011-12. This review identified a potential overpayment of £15m to DHSSPS during the period 2000-12. This overpayment is being reviewed and any adjustment will be agreed through HMT during 2013-14.

12. Income

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

Consolidated	2012-13			2011-12
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	-	-	-	21
Fees and charges to other departments	279	-	279	264
Central administration and miscellaneous services	3	-	3	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**282**	**-**	**282**	285
Programme income:				
Fees and charges to external customers	-	-	-	3,407
EU Income	3,659	-	3,659	4,235
Miscellaneous Grants and Disbursements	23,212	-	23,212	22,247
Health & Social Services Grants and Disbursements	490,243	-	490,243	464,052
Family Health Services receipts	19,293	-	19,293	17,846
Profit on disposal of non-depreciable property, plant and equipment	25	-	25	-
Total programme income	**536,432**	**-**	**536,432**	511,787
Total	**536,714**	**-**	**536,714**	512,072

Miscellaneous Grants & Disbursements includes income from Department of Education payable to HSCB for Surestart and Early Years (2012-13: £22,499k, 2011-12: £21,739k).

12.1 Fees and charges information

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

Core	2012-13			2011-12		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	279	279	-	4,044	4,044	-
Other	-	-	-	-	-	-
Total	**279**	**279**	**-**	4,044	4,044	-

Consolidated	2012-13			2011-12		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	774	774	-	4,110	3,883	227
Other	-	-	-	-	-	-
Total	**774**	**774**	**-**	4,110	3,883	227

13. Property, plant and equipment 2012-13

13.1 Consolidated Property, plant and equipment 2012-13

	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 2012	47,665	17,648	362	18,350	18,217	18	484	102,744
Additions	-	65	-	1,903	675	-	70	2,713
Disposals	-	-	-	(2,932)	(47)	-	(292)	(3,271)
Transfers	(1,300)	(170)	-	-	(7)	-	-	(1,477)
Impairments transferred to Revaluation Reserve	(304)	(724)	-	-	-	-	-	(1,028)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	(482)	(3)	-	-	(31)	-	-	(516)
Reclassifications	(576)	(5,342)	-	(1)	-	-	-	(5,919)
Indexation	(3,752)	(143)	(13)	-	3	-	6	(3,899)
Revaluations	(482)	-	-	-	989	-	-	507
At 31 March 2013	**40,769**	**11,331**	**349**	**17,320**	**19,799**	**18**	**268**	**89,854**
Depreciation								
At 01 April 2012	-	1,578	24	10,827	208	3	470	13,110
Charged in year	-	806	12	2,235	17	4	7	3,081
Disposals	-	-	-	(2,757)	(29)	-	(292)	(3,078)
Transfers	-	(17)	-	-	(3)	-	-	(20)
Impairments transferred to Revaluation Reserve	-	(46)	-	-	-	-	-	(46)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	(1)	-	-	-	-	-	(1)
Reclassifications	-	(536)	-	-	-	-	-	(536)
Indexation	-	(26)	(1)	-	1	-	6	(20)
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2013	**-**	**1,758**	**35**	**10,305**	**194**	**7**	**191**	**12,490**
Carrying amount at 31 March 2013	**40,769**	**9,573**	**314**	**7,015**	**19,605**	**11**	**77**	**77,364**
Carrying amount at 31 March 2012	47,665	16,070	338	7,523	18,009	15	14	89,634
Asset financing:								
Owned	40,769	9,573	314	7,015	19,605	11	77	77,364
Finance leased	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2013	**40,769**	**9,573**	**314**	**7,015**	**19,605**	**11**	**77**	**77,364**

13.2 Consolidated Property, plant and equipment 2011-12

	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 2011	55,677	22,286	348	18,755	22,320	-	484	119,870
Additions	-	305	-	2,218	1,083	18	-	3,624
Disposals	-	-	-	(2,583)	(380)	-	-	(2,963)
Transfers	(1,461)	(1,801)	-	(33)	(41)	-	-	(3,336)
Impairments transferred to Revaluation Reserve	(6,371)	(3,804)	-	(7)	-	-	-	(10,182)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	(351)	(76)	-	-	(4,778)	-	-	(5,205)
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	738	14	-	13	-	-	765
Revaluations	171	-	-	-	-	-	-	171
At 31 March 2012	47,665	17,648	362	18,350	18,217	18	484	102,744
Depreciation								
At 01 April 2011	-	771	11	10,719	158	-	452	12,111
Charged in year	-	834	12	2,629	66	3	18	3,562
Disposals	-	-	-	(2,518)	(13)	-	-	(2,531)
Transfers	-	(72)	-	4	(4)	-	-	(72)
Impairments transferred to Revaluation Reserve	-	-	-	(7)	-	-	-	(7)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	45	1	-	1	-	-	47
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2012	-	1,578	24	10,827	208	3	470	13,110
Carrying amount at 31 March 2012	47,665	16,070	338	7,523	18,009	15	14	89,634
Carrying amount at 31 March 2011	55,677	21,515	337	8,036	22,162	-	32	107,759
Asset financing:								
Owned	47,665	16,070	338	7,523	18,009	15	14	89,634
Finance leased	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2012	47,665	16,070	338	7,523	18,009	15	14	89,634

13.2 Consolidated Property, plant and equipment 2011-12 (Cont'd)

The prior year figures for 2011-12 have been re-analysed to provide more detailed breakdown of impairment charged to Revaluation Reserve and Consolidated Statement of Comprehensive Net Expenditure. The main changes made to 2011-12 are that under 'Cost or Valuation' the Impairments transferred to Revaluation Reserve decreased by £10,182k and there was a corresponding increase in Indexation by £9,984 and Revaluations by £198k.

13.3 Analysis of property, plant and equipment

The carrying amount of property, plant and equipment comprises:

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Core Department at 31 March 2013	38,047	3,280	314	-	19,605	11	-	61,257
Public Health Agency at 31 March 2013	-	-	-	303	-	-	74	377
Health & Social Care Board at 31 March 2013	2,722	6,293	-	6,712	-	-	3	15,730
	40,769	**9,573**	**314**	**7,015**	**19,605**	**11**	**77**	**77,364**
Core Department at 31 March 2012	44,639	8,942	338	-	18,009	15	-	71,943
Public Health Agency at 31 March 2012	-	-	-	274	-	-	8	282
Health & Social Care Board at 31 March 2012	3,026	7,128	-	7,249	-	-	6	17,409
	47,665	16,070	338	7,523	18,009	15	14	89,634

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 and Buildings with value of £6,255k were transferred into Assets Held for Sale (2011-12: £270k).

13.4 Assets Classified as Held for Sale

	Land		Buildings		Total	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	£000	£000	£000	£000	£000	£000
Opening Balance at 1 April	2,562	2,766	1,283	1,261	3,845	4,027
Transfer in from Non Current Assets	1,449	65	4,806	205	6,255	270
Transfer out to Non Current Assets	(1,128)	-	(593)	-	(1,721)	-
Disposals of Carrying Value	(486)	(13)	(133)	(24)	(619)	(37)
Impairments	(545)	(256)	(200)	(159)	(745)	(415)
Closing Balance at 31 March	**1,852**	2,562	**5,163**	1,283	**7,015**	3,845

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

At 31 March 2013, there were 18 land and buildings assets, (2011-12: 26) held by Core Department which were classified as held for resale with a fair value of £7,015k (2011-12: £3,845k). These properties had been revalued up to fair value.

14 Intangible Assets

14.1 Consolidated Intangible Assets 2012-13

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Cost or Valuation				
At 01 April 2012	3,625	1,418	60	5,103
Additions	10	7	-	17
Disposals	(365)	(22)	(17)	(404)
Transfers	-	1	-	1
Indexation	-	-	2	2
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2013	**3,270**	**1,404**	**45**	**4,719**
Amortisation				
At 01 April 2012	2,929	730	32	3,691
Charged in year	324	175	14	513
Disposals	(366)	(21)	(17)	(404)
Transfers	-	-	-	-
Backlog depreciation	-	-	1	1
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2013	**2,887**	**884**	**30**	**3,801**
Carrying amount at 31 March 2013	**383**	**520**	**15**	**918**
Carrying amount at 31 March 2012	696	688	28	1,412
Asset financing:				
Owned	383	520	15	918
Finance leased	-	-	-	-
Carrying amount at 31 March 2013	**383**	**520**	**15**	**918**

14 Intangible Assets

14.2 Consolidated Intangible Assets 2011-12

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Cost or Valuation				
At 01 April 2011	3,641	1,059	206	4,906
Additions	16	304	-	320
Disposals	(32)	(41)	(98)	(171)
Transfers	-	91	(50)	41
Indexation	-	5	2	7
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2012	3,625	1,418	60	5,103
Amortisation				
At 01 April 2011	2,562	547	153	3,262
Charged in year	399	131	33	563
Disposals	(32)	(31)	(76)	(139)
Transfers	-	79	(79)	-
Backlog depreciation	-	4	1	5
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2012	2,929	730	32	3,691
Carrying amount at 31 March 2012	696	688	28	1,412
Carrying amount at 31 March 2011	1,079	512	53	1,644
Asset financing:				
Owned	696	688	28	1,412
Finance leased	-	-	-	-
Carrying amount at 31 March 2012	696	688	28	1,412
Asset financing:				
Owned	1,079	512	53	1,644
Finance leased	-	-	-	-
Carrying amount at 31 March 2011	1,079	512	53	1,644

14.3 Analysis of intangible assets

The carrying amount of intangible assets comprises:

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Core Department at 31 March 2013	-	(1)	15	14
Public Health Agency at 31 March 2013	-	1	-	1
Health & Social Care Board at 31 March 2013	383	520	-	903
	383	520	15	918
Core Department at 31 March 2012	-	15	28	43
Public Health Agency at 31 March 2012	-	-	-	-
Health & Social Care Board at 31 March 2012	696	673	-	1,369
	696	688	28	1,412

15 Impairments

	2012-13	2011-12
	£000	£000
Impairment charged to Statement of Comprehensive Net Expenditure within Net Expenditure	1,260	5,620
Impairment charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure.	982	10,055
Total Impairment	2,242	15,675

Property, Plant, Equipment and Intangible assets were revalued using appropriate indices. The increase in impairment charge in 2012-13 was largely due to a fall in rural and urban land values of 10%. (2011-12: Rural Land -5%, Urban Land - 15%)

16. 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.

16.1 Investments in other public sector bodies

	31 March 2013			31 March 2012		
	Investments	Assets	Liabilities	Investments	Assets	Liabilities
	£000	£000	£000	£000	£000	£000
Balance at 1 April	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	-	-

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

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

	31 March 2013	31 March 2012
	£000	£000
Net assets at 31 March	2,002,058	1,947,387
Turnover	251,107	241,603
Surplus/profit for the year (before financing)	417	369

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.

17. Inventories

	31 March 2013		31 March 2012	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Inventories	**-**	**1**	-	7

18. Trade receivables and other current assets

	2012-13		2011-12	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
VAT	552	1,450	258	1,526
Trade receivables	412	8,473	1,610	6,356
Other receivables	25,492	27,147	49,280	50,018
Amounts due from the Consolidated Fund in respect of supply	267	267	-	-
Current Trade and Other Receivables	**26,723**	**37,337**	51,148	57,900
Deposits and advances	-	-	-	-
Prepayments and accrued income	967	1,033	637	2,895
Other Current Assets	**967**	**1,033**	637	2,895
Amounts falling due after more than one year:				
Trade receivables	-	-	-	-
Other receivables	-	-	-	-
Non Current Trade and Other Receivables	**-**	**-**	-	-
Deposits and advances	-	-	-	-
Prepayments and accrued income	-	-	3	3
Other Non Current Assets	**-**	**-**	3	3
Total amounts falling due within one year	**27,690**	**38,370**	51,785	60,795
Total amounts falling due after more than one year	**-**	**-**	3	3
Total Receivables and Other Assets	**27,690**	**38,370**	51,788	60,798
Included within Other Receivables is that which will be due to the Consolidated fund once the debts are collected	**136**	**136**	189	189

18.1 Intra-Government Balances

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012-13	2011-12	2012-13	2011-12
	£000	£000	£000	£000
Balances with other central government bodies	21,234	55,929	-	-
Balances with local authorities	2,329	7	-	-
Balances with NHS Trusts	508	344	-	-
Balances with public corporations and trading funds	4	-	-	-
Sub total: intra-government balances	**24,075**	56,280	**-**	-
Balances with bodies external to government	14,295	4,515	-	3
Total Trade Receivables and Other Current Assets at 31 March	**38,370**	60,795	**-**	3

19. Cash and cash equivalents

	2012-13		2011-12	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Balance at 1 April	(479)	3,134	468	739
Net change in cash and cash equivalent balances	(2,048)	(1,533)	(947)	2,395
Balance at 31 March	**(2,527)**	**1,601**	(479)	3,134

	2012-13		2011-12	
	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	(2,527)	1,601	(479)	3,134
Short term investments	-	-	-	-
Balance at 31 March	**(2,527)**	**1,601**	(479)	3,134

The consolidated 'Cash and Cash Equivalent' balance in the Statement of Financial Position reflects the HSCB and PHA bank balances of £4,128k (2011-12: £3,613k). As the Core bank balance at 31 March 2013 was overdrawn by £2,527k, (2011-12: £479k) this has been reflected in Trade Payables in the Statement of Financial Position.

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

	2012-13	2011-12
	£000	£000
Net cash requirement	(4,324,116)	(4,001,626)
From the Consolidated Fund (supply) - current year	4,322,117	4,003,358
From the Consolidated Fund (supply) - prior year	-	17,812
Amounts due to the Consolidated Fund - received in current year and not paid	1,906	1,402
Amounts due to the Consolidated Fund - received in prior year and paid over in current year	(1,440)	(19,226)
Amounts received and paid on behalf of other Departments	-	675
Adjustment for Non Supply income in excess of non supply expenditure	-	-
Increase/(decrease) in cash	(1,533)	2,395

21. Trade payables and other current liabilities

	2012-13		2011-12	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
Bank overdraft	2,527	2,527	479	479
VAT	-	-	-	-
Other taxation and social security	25	873	26	1,217
Trade revenue payables	442	55,721	2,534	87,750
Trade capital payables	-	891	-	1,228
Other payables	6	14,925	-	11,482
Government grants payable	7,218	7,218	2,181	2,181
Accruals and deferred income	5,529	133,054	3,549	130,039
Clinical Negligence	-	-	-	220
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	-	1,732	1,732
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:				
received	1,906	1,906	1,402	1,402
receivable	136	136	189	189
Current Trade and Other Payables	**17,789**	**217,251**	12,092	237,919
Other Current Liabilities	**-**	**-**	**-**	**-**
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	**-**	**-**	**-**	**-**
Non Current Trade and Other Payables	**-**	**-**	-	-
Other Non Current Liabilities	**-**	**-**	-	-
Total Payables falling due within one year	**17,789**	**217,251**	12,092	237,919
Total Payables falling due after more than one year	**-**	**-**	-	-
Total Trade Payables and Other Current Liabilities	**17,789**	**217,251**	12,092	237,919

Public Health Authority (PHA) re-analysed their prior year figures, so that Property, Plant and Equipment (PPE) accrual of £107k has been transferred from 'Accruals and deferred income' to 'Trade capital payables'.

21.1 Intra-Government Balances

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012-13	2011-12	2012-13	2011-12
	£000	£000	£000	£000
Balances with other central government bodies	12,317	9,394	-	-
Balances with local authorities	39	905	-	-
Balances with NHS Trusts	9,940	23,807	-	-
Balances with public corporations and trading funds	74	-	-	-
Sub total: intra-government balances	**22,370**	34,106	**-**	-
Balances with bodies external to government	194,881	203,813	-	-
Total Trade Payables and Other Liabilities at 31 March	**217,251**	237,919	**-**	-

22. Provisions for Liabilities and Charges

22.1 Core Provisions for liabilities and charges 2012-13

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2012	-	-	-	527	527
Provided in the year	-	-	-	-	-
Provisions not required written back	-	-	-	-	-
Provisions utilised in the year	-	-	-	(253)	(253)
Borrowing costs (unwinding of discounts)	-	-	-	-	-
As at 31 March 2013	**-**	**-**	**-**	**274**	**274**

Analysis of expected timing of discounted flows

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	-	-	100	100
Later than one year and not later than five years	-	-	-	174	174
Later than five years	-	-	-	-	-
As at 31 March 2013	**-**	**-**	**-**	**274**	**274**

22.2 Core Provisions for liabilities and charges 2011-12

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2011	-	-	6	1,954	1,960
Provided in the year	-	-	-	29	29
Provisions not required written back	-	-	(4)	(51)	(55)
Provisions utilised in the year	-	-	(2)	(1,405)	(1,407)
Borrowing costs (unwinding of discounts)	-	-	-	-	-
Balance at 31 March 2012	-	-	-	527	527

Analysis of expected timing of discounted flows

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	-	-	200	200
Later than one year and not later than five years	-	-	-	200	200
Later than five years	-	-	-	127	127
As at 31 March 2012	**-**	**-**	**-**	**527**	**527**

22.3 Consolidated Provisions for liabilities and charges 2012-13

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2012	15,340	25,359	-	7,491	48,190
Provided in the year	3,283	10,135	-	2,261	15,679
Provisions not required written back	(312)	(1,122)	-	(97)	(1,531)
Provisions utilised in the year	(1,156)	(6,439)	-	(794)	(8,389)
Borrowing costs (unwinding of discounts)	429	558	-	194	1,181
As at 31 March 2013	**17,584**	**28,491**	**-**	**9,055**	**55,130**

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	1,121	12,865	-	665	14,651
Later than one year and not later than five years	4,806	10,978	-	2,452	18,236
Later than five years	11,657	4,648	-	5,938	22,243
As at 31 March 2013	**17,584**	**28,491**	**-**	**9,055**	**55,130**

22.4 Consolidated Provisions for liabilities and charges 2011-12

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2011	11,064	28,916	6	7,934	47,920
Provided in the year	5,352	7,720	-	1,343	14,415
Provisions not required written back	(229)	(5,896)	(4)	(142)	(6,271)
Provisions utilised in the year	(1,090)	(6,017)	(2)	(1,774)	(8,883)
Borrowing costs (unwinding of discounts)	243	636	-	130	1,009
Balance at 31 March 2012	15,340	25,359	-	7,491	48,190

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	1,121	18,766	-	607	20,494
Later than one year and not later than five years	4,806	6,593	-	1,775	13,174
Later than five years	9,413	-	-	5,109	14,522
As at 31 March 2012	**15,340**	**25,359**	**-**	**7,491**	**48,190**

Early departure costs
The Department meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) and benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The provision in respect of the HSCB and PHA which is reflected within the consolidated position represents payments made by HSCB and PHA beyond the Health & Social Care Pension Scheme (HSCPS.) At 31 March 2013 the provision for the Core Department has been fully utilised and the provision for HSCB and PHA is £17.6m (2011-12 £15.3m).

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 25.

The DHSSPS accounts show the clinical negligence provision for the HSCB because the HSCB is within the DHSSPS accounting boundary and fully consolidated into the DHSSPS accounts, whereas the HSC Trusts are outside the accounting boundary and HSC Trust expenditure is reflected as Grant in Aid.

Other -Legal
There are no material legal claims against the Department in 2012-13. The material limit is set at £100k.

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 March 2011 has been made for initial and second stage lump sum payments plus additional financial measures in line with outcome of the contaminated Blood Review led by the Department of Health in England. There was no increase/decrease in the provision during the 2012-13 year (other than utilisation).

23. Capital and Other Commitments

23.1 Capital commitments

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

23.2 Commitments under leases

23.2.1 Operating leases

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

	31 March 2013		31 March 2012	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Land				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	**-**	-
Buildings				
Not later than one year	1,337	1,504	1,154	1,346
Later than one year and not later than five years	1,660	2,052	1,929	2,436
Later than five years	30	30	60	60
	3,027	3,586	**3,143**	3,842
Other				
Not later than one year	20	20	13	13
Later than one year and not later than five years	19	19	20	20
Later than five years	-	-	-	-
	39	39	**33**	33

23.2.2 Finance Leases

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

23.3 Commitments under PFI contracts and other service concession arrangements

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

23.4 Other Financial commitments

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

At 31 March 2013 the Department has entered into various contracts to manage and maintain its Health countermeasures stockpile which, if delivered according to the terms of those contracts would result in financial commitments as shown in the table below having to be met in future years. These contracts provide help in meeting emergency situations which may arise such as a National Pandemic flu outbreak. There are no major financial commitments outside of these contracts.

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

	2012-13		2011-12	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Not Later than one year	1,660	1,660	-	-
Later than one year and not later than five years	2,247	2,247	-	-
Later than five years	-	-	-	-
Total	**3,907**	**3,907**	**-**	**-**

24. Financial Guarantees, Indemnities and Letter of Comfort

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

Guarantees

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

There were no new Guarantees, Indemnities or Letters of comfort issued during 2012-13.

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

Public Inquiry panel membership

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

An indemnity was provided to each individual member of the Hyponatraemia-Related Deaths Inquiry Team in January 2005. It is expected this Inquiry will conclude by the end of the 2013 - 14 calendar year.

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

25. Contingent liabilities -

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

Outstanding Grant Letters of Offer

The Department administers grant funding to a number of voluntary and community bodies. At the 31 March 2013 the Department had issued a number of Letters of Offer where the conditions for payment were not yet satisfied. The amounts due to be paid on satisfactory completion of the terms of condition amount to £234,000 (2011-12 nil). This has been reflected as a contingent liability under IAS 37.

Special European Union Programme Branch (SEUPB) Funding

It was discovered by SEUPB that approximately £150k of EU funding spent on capital items by project groups which DHSSPS supports may not have met EU rules. The purchases were made from a NHS Supply Chain National Framework covering the four home countries during 2011-12 but the SEUPB auditor has not yet been able to confirm that the contract meets EU rules. The matter is being investigated. There is a contingent liability of approximately £150k as EU funding may have to be repaid. It is not possible to determine what the likelihood is of a payment being made until the matter is fully investigated.

Clinical Negligence Claims

The HSC Board has contingent liabilities of £1.45m (2011-12: £1.8m) representing clinical negligence incidents. Other clinical negligence claims could arise in the future due to incidents which have already occurred. The expenditure which may arise from these claims cannot be determined as yet. In addition to the above contingent liability, the provision for HSC Board clinical negligence is given in note 22.

Contingent liabilities held by the HSC Trusts in respect of clinical negligence incidents is £11.1m (2011-12 £10.35m).

Other

The HSC Board has a contingent liability of £3k (2011-12: £3k) in respect of claims which may be payable under the Employer's responsibility to maintain a safe work environment. These would normally be covered by Employers Liability Insurance, but as the Department, Board and PHA carry their own Insurance risks the payments are made from existing funding.

26. Losses and Special Payments

26.1 Losses Statement for Core Department, HSC Board and PHA

Each year, significant amounts of waivers and remissions of National Insurance contributions are written off. Most are reported in the NI Fund account but, a small proportion is attributed to the health programme and reported in the Resource Accounts. The figure for 2012-13 (referred to as administrative write-offs) was £2,992k based on data for 2011-12 (2011-12: £2,726k).

26.2 Losses Statement for Core Department, HSC Board and PHA (Continued)

	2012-13				2011-12			
	Core Department		Consolidated		Core Department		Consolidated	
	No. of cases	£000	No. of cases	£000	No. of cases	£000	No. of cases	£000
Cash losses - Theft, fraud etc.		-		-		-		-
Claims abandoned - Waived or abandoned claims		-		-		0	11	2
Administrative write-offs* Bad debts		2,992	3	2,995		2,726		2,726
Fruitless payments -								
• Late Payments of commercial debt.								
• Other fruitless payments.	53	6	53	6			37	1
• Constructive losses					9	14	2	14
Store losses								
Special Payments -								
Compensation payments -								
• Clinical negligence			19	5,958				
• Public liability								
• Employers liability								
Ex Gratia Payments	4	40	4	40				
Total*	**57**	**3,038**	**79**	**8,999**	**9**	**2,740**	**50**	**2,743**

*Excludes the number of cases of NI Fund Losses (Administrative write off). NAO made a recommendation for HMRC to work to ensure consistency between the contribution losses figures reported in the NI White Paper Accounts and the HMRC Trust Statement. As a result, the method of collection and calculation of the losses figures has been changed, so that case numbers are now no longer available for reporting.

26.3 Special Payments made by Core Department, HSC Board and PHA

	2012-13				2011-12			
	Core Department		Consolidated		Core Department		Consolidated	
	No of cases	£000	No of cases	£000	No of cases	£000	No of cases	£000
Details of cases over £250,000								
Birth complications			2	5,087			2	3,462
Delay in diagnosis and treatment for heart condition			1	375				
Cases below £250,000			17	499			13	752
Total of all cases			20	5,961			15	4,214

27. 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.

Dr A McCormick (Permanent Secretary) was a member of European Connected Healthcare Alliance during 2012-13 and payments of approximately £17k were made by DHSSPS to the European Connected Healthcare Alliance.

Mr S Holland (Deputy Secretary, Social Care Policy Group) who serves on the Departmental Board is a director of Northern Ireland Cooperation Overseas (NICO) a not-for-profit company, which is a wholly owned subsidiary of Invest NI. Mr Holland supported NICOs involvement in twinning projects undertaken on behalf of the Foreign and Commonwealth Office in EU Candidate Countries and other ENPI countries. There was no cost to the Department as Mr Holland carried out this work in his own time. There was some cost to the

Department in the hosting of Study Tours from these countries to Northern Ireland but this cost was minimal. There were no payments made by DHSSPS to NICO for 2012-13.

DHSSPS non-executive board member Ms H Roulston is also a board member of Libraries Northern Ireland. There were no financial transactions in the 2012-13 financial year between DHSSPS and Libraries NI.

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

28. Third-party assets

The Department has no third party assets.

29. Events after the Reporting Period

There are no post balance sheet events affecting these accounts.

Date of authorisation for issue

The Accounting Officer has authorised the issue of these financial statements on 1 July 2013.

ANNEX A

BODIES WITHIN THE DEPARTMENTAL BOUNDARY

The accounts of the following bodies have been consolidated in the group accounts of the Department:

- Health and Social Care Board
- Public Health Agency

Health and Social Care (HSC) Bodies- General
A framework document is currently the subject of consultation within the HSC. It sets out the main priorities and objectives of each health and social care body. Each HSC body also has an individual management statement and financial memorandum (MSFM). This sets out the arrangements for operations, financing, accountability and control of the body and the conditions under which government funds are provided to it. HSC bodies are furthermore subject to the principles of the guidance in *Managing Public Money Northern Ireland* and circulars issued by the Department. Further details on the individual health and social care bodies are given below.

The Health and Social Care Board (HSCB)

The **Health and Social Care (HSC) Board**, as agent of the Department, commissions health and personal social services for the Northern Ireland population from a range of providers, including HSC Trusts and voluntary and private sector bodies.

The Board was established by the Health and Social Care (Reform) Act (Northern Ireland) 2009. In addition to statute, it is governed by the strategic documents mentioned above, standing orders, standing financial instructions, circulars from the Department and the need to seek approval for any expenditure which exceeds certain limits set by the Department.

The Health and Social Care Board has a Board of Directors including Executives and Non-Executives. The Chief Executive is appointed by the Department as Accounting Officer and is personally accountable to the Departmental Accounting Officer (DAO) and through the DAO to the NI Assembly and Parliament for the stewardship of resources supplied to the Board. It also holds the budget for five Local Commissioning Groups, (LCGs), which, in collaboration with the Public Health Agency, provide information on the health and wellbeing needs for their local area and feed into an overall commissioning plan for the region.

The Board submits the commissioning plan, known as a Health and Wellbeing Investment Plan (HWIP), to the Department containing a draft financial plan, Priorities for Action, investment proposals and reform and modernisation proposals. In addition, the HSC Board reports monthly to the Department on financial performance, quarterly on progress against Priorities for Action targets and annually on actual and planned spend on programmes of care and key services. These in turn feed into the Department's Estimates process, informing bids for resources.

The Public Health Agency (PHA)

The Public Health Agency has a health improvement, health promotion and health protection role. This entails developing and providing or securing provision of programmes and initiatives designed to improve the Northern Ireland population's health and wellbeing and to reduce health inequalities. The Agency also has a role in the prevention and control of communicable disease and other dangers to health and wellbeing, including those arising out of environmental or public health grounds or arising out of emergencies.

The Agency liaises with the HSC Board and the Local Commissioning Groups in devising the commissioning plan for health and wellbeing services in Northern Ireland and to this end it may engage in or commission research, obtain and analyse data, provide laboratory and other technical and clinical services and provide training, information, advice and assistance as appropriate.

The Safeguarding Board for Northern Ireland (SBNI)

A Regional Safeguarding Board for NI (SBNI) was established on 17 September 2012 under the Safeguarding Board (Northern Ireland) Act 2011 (The Act) by the Department as an unincorporated statutory body. It is sponsored by the Department.

The SBNI is a multi-disciplinary interagency body and its objective is to coordinate and ensure the effectiveness of activities undertaken by its members to safeguard and promote the welfare of children in Northern Ireland. The SBNI has a range of functions which it must undertake including:

i. developing policies and procedures for safeguarding and promoting the welfare of children in Northern Ireland;
ii. promoting an awareness of the need to safeguard and promote the welfare of children;
iii. keeping under review the effectiveness of what is done by members to safeguard and promote the welfare of children;
iv. undertaking case management reviews without discretion in such circumstances as may be prescribed;
v. reviewing such information as may be prescribed in relation to deaths of children in NI;
vi. advising the Regional Health and Social Care Board and Local Commissioning Groups in relation to safeguarding and promoting the welfare of children:
    i) as soon as reasonably practicable after receipt of a request for advice; and
    ii) on such other occasions as the Safeguarding Board thinks appropriate.
vii. promote communication between the Board and children and young persons; and
viii. including arrangements for consultation and discussion in relation to safeguarding and promoting the welfare of children.

The SBNI Chair is independent of the SBNI member agencies and has a clear line of accountability through the Minister for Health, Social Services and Public Safety to the Northern Ireland Assembly. The Chair leads the SBNI in meeting its objective of coordinating

and ensuring the effectiveness of activities undertaken by each person or body represented on the

Board for the purposes of safeguarding and promoting the welfare of children in Northern Ireland.

The Act places a statutory duty of cooperation amongst member agencies involved with children and families. This will broaden approaches to safeguarding children by promoting a wider child welfare agenda. The SBNI (and Safeguarding Panels) will draw core membership from key statutory and voluntary agencies, which provide safeguarding services to children and their families.

The PHA will act as corporate host to the SBNI, discharging functions primarily relating to regulations made under section 1(5)(c)**1** of the 2011 SBNI Act. The PHA is accountable to the Department for the discharge of its corporate host obligations to SBNI but is not accountable for how the SBNI discharges its statutory objective, functions and duties.

The PHA as corporate host, will either provide or secure the necessary corporate governance structures, accommodation, financial management, IT, HR, Legal and Equality services, necessary to meet the staffing, accommodation and expenses needs of the SBNI. This will enable the SBNI to effectively function within the resources made available to it by the Department.

The PHA acting as corporate host, will be consulted in advance of any proposed change to SBNI operational requirements and the SBNI will secure from the Department such approvals and additional resources as may be necessary to implement these requirements.

The Department will exercise oversight of the SBNI on an ongoing basis throughout the year. SBNI must provide regular performance reports and documentation demonstrating progress against Departmental priorities and provide assurance as to the ongoing effectiveness of their systems. This will include twice yearly Department Accounting Officer sponsored assurance and accountability meetings between the Department and the SBNI Chair which will be timed and conducted in line with the arrangements for the equivalent meetings with DHSSPS sponsored Arms Length Bodies (ALBs).

Non-Executive Non-Departmental Public Bodies

These small bodies have specialist functions with either few or no permanent staff. They are classed as inside the boundary as any expenditure is managed by sponsor branches within the Department.

- Clinical and Excellence Awards Committee – this committee has a complement of 9 members drawn from medical and lay backgrounds and the chair is publicly appointed. It meets two to three times a year to score self-nominations from medical and dental consultants for centrally funded awards. The members' expenses and secretariat are provided by the Department's Pay and Employment Unit.

1 Section 1(5) of the Safeguarding Board (NI) Act 2011 states "Regulations may make provision as to – (c) the staff, premises, and expenses of the Safeguarding Board (including provision as to which person or body provides the staff, premises or expenses)

- Poisons Board- this body was set up in 1976 to advise the Department on substances to be treated as non-medical poisons and matters concerning their sale, supply and storage. The Board is currently in abeyance, but its existence in principle allows the Department access to expert advice. Membership would be drawn from environmental health officers and pharmaceutical and medical representatives in the event of an adverse poisoning incident necessitating the Board to convene.

- Tribunal under Schedule 11 to the HPSS (NI) Order 1972 – This tribunal meets on an ad hoc basis upon request of the Health and Social Care Board to the Department to consider requests to remove family practitioners from public service because of fraud or improper conduct. The Chair and Chief Executive are appointed by the Lord Chief Justice. The tribunal has not met for the past eighteen years as there have been no such requests and there are currently no staff or members.

ANNEX B

BODIES OUTSIDE THE BOUNDARY

DHSSPS has operational relationships with a number of bodies outside the Departmental boundary for which the Minister has some degree of responsibility.

These include 6 Health and Social Care Trusts, 3 Health and Social Care Agencies, 2 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.

Trusts are required to meet certain financial targets which are enshrined in legislation. The Trusts prepare Delivery Plans (TDPs) which report on priorities for action, resource utilization, reform, modernization and efficiency. These are submitted to the Department and the Trusts report quarterly on TDP performance.

The Trusts also submit monthly monitoring returns to the HSC Board which provide an overall assessment of their financial position at the end of each month detailing actual and planned spend and a forecast of their position to the end of the year. The HSC Board then sends a return to the Department which summarises the trusts' financial positions and also includes individual trust tables covering non-cash, provisions and capital spend.. This information assists the Department in assessing its performance in achieving its objectives, planning for future healthcare services and bidding for resources.

Health and Social Care Agencies and Other HSC Bodies

- **Northern Ireland Blood Transfusion Service** (Special Agency) - supplies blood and blood products and related clinical services to all hospitals and clinical units.
- **Northern Ireland Guardian ad Litem Agency** (Special Agency) - establishes and maintains a panel of guardians who are appointed by the courts to safeguard the interests of children in proceedings specified under the Children (NI) Order 1995 and the Adoption (NI) Order 1987.
- **Northern Ireland Medical and Dental Training Agency** - oversees the postgraduate education and training of doctors and dentists. It is also responsible for the development and delivery of vocational training and continuing medical education for General Practitioners and General Dental Practitioners.
- **Business Services Organisation** - established under the Health and Social Care (Reform) Act (Northern Ireland) 2009, as a shared services organisation to provide or secure provision of a range of services in the most economic, efficient and effective way possible. It provides a wide range of support services to other health and social care bodies, including financial, personnel, legal, information technology, procurement, internal audit and fraud prevention services. The other HSC bodies are charged for these services.
- **Patient Client Council** - established under the Health and Social Care (Reform) Act (Northern Ireland) 2009, this body has the role of representing the interests of the public, promoting involvement of the public, providing assistance to individuals making a complaint about a health and social care body and promoting the provision of advice and information to the public about the design, commissioning and delivery of health and social care.

The bodies' relationships with the Department are governed through an individual Management Statement and Financial Memorandum (MSFM) and circulars issued by the Department. The MSFM is a relationship document which sets out management (including board composition), reporting and monitoring arrangements, delegated limits and the respective responsibilities of each body and the Department through its particular nominated sponsoring team. The sponsor team, a branch within the Department, has responsibility for liaison on budgetary and performance matters and is the main point of contact for each body in obtaining approval for its corporate and business plans, securing resources and in resolving any issues with the Department.

Performance of each body is monitored quarterly by the department. Financial monitoring returns are submitted monthly. In addition, regular (at least biannual) review meetings are held between the bodies and their sponsor team to discuss financial and performance issues and progress against the objectives set out in their 3 year corporate plan, as augmented by their annual business plan.

The Chief Executive of each body is designated as an Accounting Officer by the Departmental Accounting Officer. The Accounting Officer is personally accountable to the Departmental Accounting Officer (DAO) and through the DAO to the NI Assembly and Parliament for the stewardship of resources supplied.

Executive Non-Departmental Public Bodies

- **Regulation and Quality Improvement Authority** (**RQIA) -** has two main functions: inspection of the services provided by the HSC system in Northern Ireland and regulation of specified health and social care services provided by the HSC and independent sector. This includes, since dissolution of the Mental Health Commission for Northern Ireland under the Health and Social Care (Reform) Act (Northern Ireland) 2009, the duty of keeping under review the care and treatment of persons suffering from mental disorder.

- **Northern Ireland Social Care Council** - is responsible for developing, promoting and regulating social work and social care education and training. It is also responsible for regulating the social care workforce.

- **Northern Ireland Practice and Education Council for Nursing and Midwifery** - seeks to support the best performance of nurses and midwives in all contexts, through developing their practice and enhancing their education.

- **Northern Ireland Fire and Rescue Service** - is responsible for providing regional fire and rescue services efficiently mobilized to emergencies and for keeping the public safe from fires and other dangers. It is charged with extinguishing fires while saving lives, protecting the environment and property and responding effectively to all emergency situations in Northern Ireland including road traffic collisions, collapsed buildings and specialist rescues.

These bodies are chiefly funded by grant-in-aid, which is a provision voted by the Assembly and recorded as a grant in the Department's resource accounts. The Department remains answerable for the general manner in which a NDPB discharges its functions and the bodies therefore operate within guidelines issued by the Department.

Accountability arrangements are generally similar to those for agencies. Governing guidelines for NDPBs are principally contained within a management statement and financial memorandum issued by the Department. In addition, NDPBs are subject to the rules in *Managing Public Money Northern Ireland*, relevant Departmental circulars and guidance issued by the Department of Finance and Personnel. Each NDPB has a Board of Directors with both executive and non-executive members and the Chief Executive is appointed as the Accounting Officer for the organisation by the Departmental Accounting Officer.

Each NDPB has a sponsor branch to which corporate medium-term plans and annual business plans are submitted for approval. Progress meetings are held during the year and expenditure is monitored monthly.

North- South Bodies

The Department has relationships with 2 North- South bodies: The Institute of Public Health in Ireland (IPHI) and the Food Safety Promotion Board (now known as *Safefood*).

Institute of Public Health in Ireland (IPHI)

The IPHI is a charitable limited company and is funded by both the Department, which meets one third of its costs and the Department of Health and Children in the Republic of Ireland (RoI), which funds the other two thirds expenditure. As the RoI is the main funder, the accounts of the Institute are audited by its Comptroller and Auditor General. The Department is represented on the IPHI Board of Directors and also on its finance sub-committee, both of which meet regularly during the year.

Safefood (Food Safety Promotion Board)

Safefood was established under the Good Friday Agreement and is funded 30% by the Department and 70% by the RoI Department of Health and Children. It is therefore required to prepare a corporate plan on a triannual basis for the North South Ministerial Council, which is augmented by an annual business plan. These are also approved by the respective departmental ministers. The Department's relationship with the body is set out in a financial memorandum and, as for NDPBs, a sponsor branch (the Health Protection Team) liaises with the body throughout the year on progress against financial and performance targets.

ISBN